

COVER SHEET

for
AUDITED FINANCIAL STATEMENTS

SEC Registration Number

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COMPANY NAME

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N	E	S	S	A	S	Q	U	E	S	T	H	O	T	E	L	T	A	G	A	Y	T	A	Y		

PRINCIPAL OFFICE (No. / Street / Barangay / City / Town / Province)

F	o	r	a	R	o	t	u	n	d	a	T	a	g	a	y	t	a	y	,	G	e	n	e	r	a	l
E	m	i	l	i	o	A	g	u	i	n	a	l	d	o	H	i	g	h	w	a	y	,	S	i	l	
a	n	g	J	u	n	c	t	i	o	n	,	B	a	r	a	n	g	a	y	S	i	l	a	n	g	
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C	a	v	i	t	e																					

Form Type

1	7	-	A
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Department requiring the report

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Secondary License Type, If Applicable

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COMPANY INFORMATION

Company's Email Address

tagaytayhm@questhotelsandresorts.com

Company's Telephone Number

+6346-4198799

Mobile Number

0998-5849951

No. of Stockholders

6

Annual Meeting (Month / Day)

Last Friday of October

Fiscal Year (Month / Day)

12/31

CONTACT PERSON INFORMATION

The designated contact person ***MUST*** be an Officer of the Corporation

Name of Contact Person

Nancy R. Rivera

Email Address

nancy.rivera@filinvesthospitality.com

Telephone Number/s

+6346-8460278

Mobile Number

09989615762

CONTACT PERSON'S ADDRESS

Fora Rotunda Tagaytay, General Emilio Aguinaldo Highway Silang Junction, Barangay Silang Crossing East Tagaytay, 4120 Cavite

NOTE1 : In case of death, resignation or cessation of office of the officer designated as contact person, such incident shall be reported to the Commission within thirty (30) calendar days from the occurrence thereof with information and complete contact details of the new contact person designated.

2 : All Boxes must be properly and completely filled-up. Failure to do so shall cause the delay in updating the corporation's records with the Commission and/or non-receipt of Notice of Deficiencies. Further, non-receipt of Notice of Deficiencies shall not excuse the corporation from liability for its deficiencies.

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-A

**ANNUAL REPORT PURSUANT TO SECTION 17
OF THE SECURITIES REGULATION CODE AND SECTION 141
OF THE CORPORATION CODE OF THE PHILIPPINES**

1. For the fiscal year ended **December 31, 2023**
2. SEC Identification Number **CS201818339**
3. BIR Tax Identification No. **010-114-986-000**
4. Exact name of issuer as specified in its charter
FORA SERVICES, INC. Doing business as Quest Hotel Tagaytay
5. Province, Country or other jurisdiction of incorporation or organization **PHILIPPINES**
6. Industry Classification Code: _____ (SEC Use Only)
7. Address of principal office Postal Code
Fora Rotunda Tagaytay, General Emilio Aguinaldo **4120**
Highway Silang Junction, Barangay Silang Crossing
East Tagaytay
8. Issuer's telephone number, including area code **(46) 419-8799**
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 SRC, or Sec. 4 and 8 of the RSA

Class	No. of Certificates Per Class	Offer Price per Certificate	Aggregate Offer Price per Class
Studio 23	63	Php187,700	Php 11,825,100
Studio 27	61	Php220,400	Php 13,444,400
Studio 29	18	Php236,700	Php 4,260,600
Suite 44	18	Php359,100	Php 6,463,800
Suite 54	4	Php440,700	Php 1,762,800
TOTAL	164		Php 37,756,700

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

Yes [] No [/]

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

12. Check whether the issuer:

(a) has filed all reports required to be filed by Section 17 of the SRC and SRC Rule 17.1 thereunder or Section 11 of the RSA and RSA Rule 11(a)-1 thereunder, and Sections 26 and 141 of The Corporation Code of the Philippines during the preceding twelve (12) months (or for such shorter period that the registrant was required to file such reports);

Yes [/]

No []

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

Yes [/]

No []

13. State the aggregate market value of the voting stock held by non-affiliates of the registrant. The aggregate market value shall be computed by reference to the price at which the stock was sold, or the average bid and asked prices of such stock, as of a specified date within sixty (60) days prior to the date of filing. If a determination as to whether a particular person or entity is an affiliate cannot be made without involving unreasonable effort and expense, the aggregate market value of the common stock held by non-affiliates may be calculated on the basis of assumptions reasonable under the circumstances, provided the assumptions are set forth in this Form. (See definition of "affiliate" in "Annex B").

Not applicable.

**APPLICABLE ONLY TO ISSUERS INVOLVED IN
INSOLVENCY/SUSPENSION OF PAYMENTS PROCEEDINGS
DURING THE PRECEDING FIVE YEARS:**

14. Check whether the issuer has filed all documents and reports required to be filed by Section 17 of the Code subsequent to the distribution of securities under a plan confirmed by a court or the Commission.

Yes []

No [] **Not applicable.**

DOCUMENTS INCORPORATED BY REFERENCE

15. If any of the following documents are incorporated by reference, briefly describe them and identify the part of SEC Form 17-A into which the document is incorporated:

(a) Any annual report to security holders;

(b) Any information statement filed pursuant to SRC Rule 20;

(c) Any prospectus filed pursuant to SRC Rule 8.1.

Not applicable.

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PART I - BUSINESS AND GENERAL INFORMATION

Item 1. Business

1.1 Overview

“Fora Services, Inc. doing business as Quest Hotel Tagaytay” (the “Company” or “FOSI”) was incorporated under the laws of the Republic of the Philippines on August 24, 2018. It has an authorized capital stock of One Million Six Hundred Thousand Pesos (Php1,600,000.00), divided into Sixteen Thousand (16,000) common shares with a par value of One Hundred Pesos (Php100.00) per share out of which, Four Thousand (4,000) common shares of the Company are issued and outstanding. The Company was incorporated as “Fora Services, Inc.” and on September 13, 2019, the Securities and Exchange Commission approved the change of corporate name of the Company to “Fora Services, Inc., Doing Business as Quest Hotel Tagaytay”.

The Company is a domestic corporation primarily engaged in the business of operating and managing real estate projects and rendering hospitality-related services. The primary purpose of the Company is to purchase or otherwise acquire and own real property and personal property of all kinds, to sell, use, assign, transfer, dispose, hold, mortgage, lease, maintain, manage, construct, contract for, improve, develop and administer, alone or jointly with others, any interest in real or personal property as well as in hotels, to cater only to condotel, hotel and resort clients, inns, resorts, lodging houses, service apartments and all adjunct and accessories thereto, including restaurants, café, bars, stores, offices, barbershops, beauty lounges, sports facilities, places of amusement and entertainment of all kinds; or to grant concessions, rights or licenses to others to operate, manage, or deal with the same; to do any and all things necessary, suitable, convenient, proper or incidental to the accomplishment of the business of hotelkeepers, innkeepers or for the enhancement of the value of the Company.

The Company is a wholly-owned subsidiary of Filinvest Hospitality Corporation (“**FHC**”), a subsidiary of Filinvest Development Corporation (“**FDC**”).

On August 20, 2019, the Company entered into a Condotel Development Agreement (“**CDA**”) with Filinvest Land, Inc. (“**FLI**”) confirming the agreement between FLI and the Company wherein FLI undertook to construct and develop a condominium project to be called the Fora Condotel (the “**Condotel**” or the “**Project**”). The CDA further provides that the Condotel shall be exclusively utilized for the hotel business to be operated and managed by the Company.

Under the CDA, FLI shall require the buyers of Condotel Units to contribute the right to use and possess their Condotel Units to be managed and operated by the Company, either by itself or through a third-party contractor. In exchange for such contribution of the Condotel Unit in the Project, the Company shall issue Certificates of Participation (“Securities” or “CP”), which would entitle each Certificate Holder¹ to receive Distributable Participation Interest which is to be distributed on an annual basis and a maximum of fourteen (14) nights Room Use Privilege in the Condotel.

The Securities of the Company consisting of One Hundred Sixty Four (164) Certificates of Participation in the Project are covered under SEC MSRD Order No. 25, Series of 2023, and have

¹ A Certificate Holder shall refer to a Unit Owner who has satisfied the Eligibility Requirements to hold the Certificate, as defined in the Amended Registration Statement was favorably considered by the SEC pursuant to the SEC MSRD Order No. 25, Series of 2023.

been registered pursuant to Sections 8 and 12 of the Securities and Regulation Code and its Amended Implementing Rules and Regulations.

1.2 Operating Information

The Condotel Project has been fully operational for in 2022 to 2023. The main source of revenue for this two-year period and about 25% thereof accounts for business and leisure. The average monthly revenue increased by 136% in 2022 and 22% in 2023. The Company generated net income amounting to P7.9 Million and P11.4 Million in 2023 and 2022, respectively.

Operations in 2021

Quest Hotel Tagaytay resumed soft operations on May 22, 2021. There were intermittent closures of varying durations during the intervening months due to heightened Taal alert level and to strict travel restrictions imposed by the LGU until end of August. FOSI anticipated further disruptions to operations due to further travel restrictions, hence it applied to operate Quest Hotel Tagaytay as a multi-use hotel to be able to expand its market options. Quest Hotel Tagaytay was awarded its certificate to operate as a multi-use hotel in September 2021. Thus, it was able to accommodate guests using the unsold units of the Condotel Project, for quarantine in September and October 2021, which helped mitigate operating losses.

Operations in 2022

Quest Hotel Tagaytay started 2022 with another pandemic surge that led to low income in January. February to June had registered significant increase in revenue coming from leisure and government segment. Though it's noteworthy that May was badly affected by the national election due to fund restrictions implemented by government agencies. Travel and Tours production is slowly improving but still very far from pre pandemic level. Corporate segment has not yet fully recovered due to new normal practices being implemented by their management.

Operations in 2023

Quest Hotel Tagaytay has been fully operational for the year 2023 which showed continuous improvement from 2022. This can be seen in the increase in occupancy from 45% in 2022 to 58% in 2023 as well as the increase in ARR from 2,736 to 2,788. This resulted to an overall revenue of P100.1 million. Tagaytay remains a weekend destination. Taal Volcano from time to time remains a threat.

1.3 Professional Management

General Operations

The Condotel Project is being professionally managed by Chroma Hospitality Inc. ("CHI"), pursuant to a management contract with the Company. CHI is a full-service management company and has a full complement of corporate staff and established policies and procedures which will provide oversight and guidance to the Condotel Project staff. CHI's corporate services include: human resources, e-commerce, sales and marketing, technical services, finance, accounting, IT, and other related services. This will help ensure that the Condotel Project is operated and maintained to best-in-class hotel standards.

Revenue Management, Sales and Marketing: Online and Offline Distribution

Revenue management, sales and marketing of the Condotel Project are being handled through a combination of CHI corporate resources and on-site Condotel Project

personnel. The goal of revenue management, sales and marketing efforts is to maximize revenues for the Condotel Project and utilize all available online and offline distribution channels and target all the appropriate market segments. CHI leverages its know-how and relationships with the various market participants to be able to effectively and efficiently distribute the Condotel Project inventory.

1.4 Competitors

FOSI faces significant competition in the Tagaytay City's hospitality market. FOSI competes with local hospitality developers, serviced residences, boutique bed and breakfast establishments, and private investors/individuals listed on online lodging platforms. Major competitors of FOSI include the SM Development Corp., Alveo Land, Cityland Group and privately-owned vacation homes.

The Quest Hotel Tagaytay is perfect for travellers looking for consistent services and for a cool, clean, and comfortable accommodation and experience. The Condotel is designed to have 50% of the total Units facing the lush landscape of the development and the other 50% has a view of the city. The Units are slightly bigger than the competition and majority of the Units are with balcony. The Condotel Project is located in the FLI's 5.2ha township project - Fora Rotunda Tagaytay which consists of various lifestyle components such as (i) Fora Lifemalls Tagaytay, (ii) the Forest, a 3,000+ sqm landscaped open space (iii) the Condotel and (iv) the future residential condominiums and/or condotel.

Other direct competitors are residential developments with units owned by investors or private individuals listed on various online booking platforms.

Some of the competitors include:

- Tagaytay Prime Residence by City Land Group

Tagaytay Prime Residence is situated at the Tagaytay Prime Rotunda, Brgy. San Jose, Tagaytay City. The project consists of two (2) condominium buildings rising 21- storey high. Units available are commercial and residential units in 1-bedroom, 2-bedroom, and 3-bedroom.

- Kasa Luntian Serviced Apartment by Alveo

The serviced residences at Kasa Luntian is situated _at the Tagaytay - Calamba Road, Barangay San Jose. It features outdoor swimming pools, a garden, and free parking on-site. The rooms come with a balcony, flat-screen cable TV and a fully-equipped kitchen with a dining area, while other rooms come with a sofa seating area. Online streaming service is available in selected rooms. The en suite bathrooms come with free toiletries and a hairdryer.

- Wind Residences by SM Development Corporation

This development is situated along Aguinaldo Highway in Tagaytay City. It is in its own, a convenient complex with everything you can ever need, but it's also a plus that there are dining establishments nearby. It features country club amenities like the clubhouse, indoor and outdoor swimming pools, tennis court, and basketball court.

1.5 Transactions with Related Parties

The Company is a wholly-owned subsidiary of Filinvest Hospitality Corporation, a member of the Filinvest Group. The Company, in its ordinary course of the business, may engage in the following transactions with the Filinvest Group:

- Maintain its cash and cash equivalents with Eastwest Banking Corporation, an affiliate under the Filinvest Development Corporation umbrella;
- Maintain its Management Agreement with Chroma Hospitality Inc., an affiliate, to undertake the operations of the Condotel in return for a monthly base management fee, incentive management fee, e-commerce fee, sales and marketing fees and other related hotel operating fees;
- Enter into a Service Agreement with FHC as the owner representative;
- Enter into lease agreements with FLI and/or FHC;
- Secure cash advances and incur various intercompany charges.

Significant related party transactions for the year ended 31 December 2023 are as follows:

- The company has entered various transaction with related parties that are unsecured, interest-free and require settlement in cash. As of December, 31, 2023 total due to/from related party amounted to P18 million and P12.9 million.

1.6 Intellectual Property Rights

The Condotel will be operated under the Quest brand owned by CHI. The terms and conditions of all patents, trademarks, and license agreements is in conjunction with the Management Agreement. Termination or expiration of the Management Agreement will automatically result to the termination of such intellectual property agreements.

The Intellectual Properties covered by the Management Agreement are summarized below:

Brand Name/Mark/Logo	Registration Number	Application Serial No.	Filing Date	Registration date	Expiration Date
Quest	507791	42021507791	March 31, 2021	June 25, 2021	June 25, 2031

While the Condotel will be operated under the Quest Brand owned by CHI pursuant to the Management Agreement, the Issuer may, at its sole discretion, change the brand and/or its third party operator if deemed beneficial to the Condotel Project.

1.7 Insurance

The Filinvest Group's hospitality properties are insured in line with industry standards, including coverage for replacement cost of property damage, business interruption insurance should there be interruption in property operations for a period of 12 months, and comprehensive liability insurance to cover third party liability including the guests of the property. Other types of insurance may be purchased as deemed necessary for the protection of the Company and the operations of the Condotel Project.

1.8 Suppliers

The Company is not dependent upon any one or a limited number of suppliers.

1.9 Customers

In 2020 and 2021, the Company entered into agreements with various other government agencies as a COVID-19 quarantine facility. For the Company's limited operation in 2020 and 2021, the Overseas Workers Welfare Administration ("OWWA") has been the major customer accounting for 67% of its total accounts in 2021.

The Company's business is not dependent upon a single customer or a few customers, the loss of any or more of which would have a material adverse effect on the registrant and its subsidiaries taken as a whole.

The Company's business is highly regulated and Government policies and regulations could adversely affect the Company's operations and profitability.

The Company's business operations are subject to a broad range of government laws and regulations, fiscal policies and zoning ordinances, including real property taxation, the Fire Code of the Philippines, and the Hotel Code of 1987, There can be no assurance that the Company and its subsidiaries or associates or partners, will be able to obtain governmental approvals for its business, or that these approvals can be secured without delay, or that when given, such approvals will not be revoked. The Company monitors government regulations to ensure compliance at all times and to anticipate its effects on operations.

The Company's business is subject to environmental regulations that could have a material adverse effect on its business, financial condition and results of operations.

For environmentally-sensitive projects or at the discretion of the regional office of the Department of Environment and Natural Resources ("DENR"), a detailed Environmental Impact Assessment may be required and the Project will be required to obtain an Environmental Compliance Certificate ("ECC") to signify the full responsibility of the proponent in implementing specified measures which are necessary to comply with existing environmental regulations or to operate within best environmental practices that are not currently covered by existing laws. There can be no assurance that current or future environmental laws and regulations applicable to the Company will not increase the costs of conducting its business above currently projected levels or require future capital expenditures. In addition, if a violation of an ECC condition occurs or if environmental hazards on land where the Company is located cause damage or injury to buyers or any third party, the Company may be required to pay a fine and incur costs in order to cure the violation and to compensate its buyers and any affected third parties. The Company cannot predict what environmental legislation or regulations will be amended or enacted in the future, how existing or future laws or regulations will be enforced, administered or interpreted, or the amount of future expenditures that may be required to comply with these environmental laws or regulations or to respond to environmental claims. The introduction or inconsistent application of, or changes in, laws and regulations applicable to the Company's real estate development could have a material adverse effect on the Company's business, financial condition and results of operations. The Company strives to ensure compliance to environmental regulations by strictly monitoring all its properties.

1.10 Employees

As of December 31, 2023, the Company had a total of 26 full-time employees. This includes 1 executive, 4 managers, 4 supervisors and 17 rank and file employees. Management believes that the Company's current relationship with its employees is generally good and the Company has not experienced a work stoppage or any labor related disturbance as a result of labor disagreements. None of the Company's employees belongs to a union. The Company currently does not have an employee stock option plan.

The Company anticipates that there will be no significant change in the number of its employees in 2024.

Item 2. Properties

2.1 The Fora Rotunda Tagaytay Township

The Condotel where FOSI will operate the Condotel Project is located in FLI's 5.2-hectare township project called the Fora Rotunda Tagaytay, in Tagaytay City, Philippines. The township consists of various lifestyle components such as the (i) Fora Tagaytay Mall, a Filinvest Lifescape Mall, (ii) the Forest, a 3,000+ sq.m. landscaped open space, (iii) the Condotel and (iv) future residential condominiums and/or condotels to be constructed.

The Fora Rotunda Tagaytay is accessible via Aguinaldo Highway from Cavite, the Tagaytay-Silang Highway from the Laguna provinces and the Tagaytay-Nasugbu Highway for visitors coming from the towns of Calatagan, Lian and Nasugbu, Batangas.

2.2 Quest Hotel Tagaytay

Located at Tagaytay City's landmark rotunda, the Condotel is being operated under the Quest brand and is comprised of Condotel Units owned and sold by FLI and operated and managed as a condotel by the Company, either by itself or through its third-party operator.

The 164-room Condotel with an average of 17 units per floor over 10 floors is the first of four towers located within Fora Rotunda Tagaytay. The construction of the Condotel commenced on 1 December 2015 and was completed in September 2019. The Housing and Land Use Regulatory Board ("HLURB") issued License to Sell No. 029849 in favor of FLI on 3 August 2015.

The room types are summarized as follows:

Room Type	Area in Sqm	No. of Units
Studio 23	23	63
Studio 27	27	61
Studio 29	29	18
Suite 44	44	18
Suite 54	54	4
TOTAL		164

Main Features of the Certificate of Participation

The Certificate of Participation allows the Company to operate the Condotel Project which will entitle the Certificate Holders to certain rights.

1. Room Use Privilege

The Certificate Holders will be entitled to avail room nights in the Condotel Project up to a maximum of fourteen (14) nights per calendar year, subject to terms and conditions stated in the Condotel Participation Agreement/s executed by the Company and the Unit Owners. Should the Condotel be forced to temporarily close during the calendar year, for reasons not attributable to the fault or negligence of the Issuer, the Room Use Privilege shall be

reduced in such number of nights proportionate to the period when the Condotel was forced to temporarily close.

2. Distributable Participation Interest

The Certificate Holders shall receive a Distributable Participation Interest, subject to the terms and conditions stated in the Amended Registration Statement covered y SEC MSRD Order No. 25, Series of 2023..

3. Obligations of the Company with respect to Securities

The Company will have the following obligations to the Certificate Holders:

- a. The Company, either by itself or through third-party operators, will provide the necessary tools, personnel, and technology to conduct the business of a hotel within the Condotel and perform the management and operational functions of the Condotel Project.
- b. The Company shall issue a Certificate of Participation in favor of the Certificate Holder upon satisfaction of the Eligibility Requirements.
- c. The Company shall maintain a registry book ("Registry") containing the official information on the Certificate Holders, including the class of Certificates they hold, as well as transfers or assignments thereof. Only Certificate Holders appearing in the Registry as of the end of each Payment Cycle shall be entitled to receive their Distributable Participation Interest.
- d. To remit and distribute the Net Final Share in Participation Interest on or before the Payment Date, if any;
- e. The Joining Fee, which will be booked as a liability in the Company's books, will be returned at the end of the Term of the Condotel Project without interest.

Item 3. Legal Proceedings

As of the date of this Report, the Company is currently not involved in any material litigation claims or arbitration, either as plaintiff or defendant, which could be expected to have a material effect on its financial position. In addition, to the best of the Company's knowledge, no material litigation is currently threatened against FOSI, and FOSI is not aware of any facts likely to give rise to any proceedings which would materially and adversely affect its business or operations. Similarly, none of the Company's properties is subject of any pending material litigation, claims or arbitration, which could be expected to have a material effect on its financial position.

Item 4. Submission of Matters to a Vote of Security Holders

Except for the matters taken up during the Annual Stockholders' Meeting, there was no other matter submitted to a vote of security holders during the period covered by this report.

PART II - OPERATIONAL AND FINANCIAL INFORMATION

Item 5. Market for Issuer's Common Equity and Related Stockholder Matters

The Company's common equity is not listed or traded in any exchange.

5.1 Dividend Policy

The Company does not have a specific dividend policy. Dividends are declared and paid out of the surplus of the Company at such intervals as the Board of Directors of the Company may determine, depending on various factors such as the operating and expansion needs of the Company. Dividends may be in the form of stock and/or cash dividends, subject always to:

- (a) All requirements of the Revised Corporation Code as well as all other applicable laws, rules, regulations and/or orders;
- (b) Any banking or other funding covenants by which the Company is bound from time to time; and
- (c) The operating and expansion requirements of the Company as mentioned above.

5.2 Declaration of Dividends

For the year 2023, there is no declaration of dividends.

5.3 Securities Issued

On 17 May 2023, the Securities and Exchange Commission issued a Certificate of Permit to Offer Securities for Sale for securities consisting of One Hundred Sixty-Four (164) Certificates of Participation (CPs) in the Quest Hotel Tagaytay Project, with specific details as follows:

Class	No. of Certificates Per Class	Offer Price per Certificate	Aggregate Offer Price Per Class	No. Of Unsold CPs per Class as of 31 December 2023
Studio 23	63	Php187,700	Php11,825,100	5
Studio 27	61	Php220,400	Php13,444,400	5
Studio 29	18	Php236,700	Php4,260,600	1
Studio 44	18	Php359,100	Php6,463,800	0
Studio 54	4	Php440,700	Php1,762,800	0
TOTAL	164		Php 37,756,700	11

Considering that the Certificates in the Project will be sold together with the corresponding Condominium Units, the Certificates shall be sold by the Company, while the Condominium Units will be sold by the registered real estate brokers of the Company's affiliate, Filinvest Land, Inc.

As of 31 December 2023, Condotel Participation Agreements for the 153 Certificates have been executed.

5.4 Recent Sale of Unregistered Securities

No securities were sold by the Company in the past three (3) years which were not registered under the Code.

Item 6. Management's Discussion and Analysis or Plan of Operation

Results of operations for the year ended December 31, 2023 compared to year ended December 31, 2022

	2023 (Audited)	2022 (Audited)	Change Increase (Decrease) Php	%
REVENUE				
Revenue from services	97,752,161	80,368,185	17,383,976	22%
Other operating departments	2,005,361	767,124	1,238,237	161%
Miscellaneous	373,161	737,716	(364,555)	-49%
	100,130,683	81,873,025	18,257,658	22%
COST OF SERVICES	49,185,836	44,026,324	5,159,512	12%
GENERAL AND ADMINISTRATIVE EXPENSES	38,518,102	33,015,365	5,502,737	17%
INCOME (LOSS) BEFORE OTHER INCOME (EXP)	12,426,745	4,831,336	7,595,409	157%
OTHER INCOME (EXPENSE)				
Income from insurance claims	-	9,467,928	(9,467,928)	100%
Interest income	2,531,186	823,206	1,707,980	207%
Interest expense	(4,555,961)	-	(4,555,961)	100%
	(2,024,775)	10,291,134	(12,315,909)	120%
INCOME (LOSS) BEFORE INCOME TAX	10,401,970	15,122,470	(4,720,500)	-31%
PROVISION FOR INCOME TAX	2,495,026	3,740,634	(1,245,608)	-33%
NET INCOME (LOSS) / TOTAL COMPREHENSIVE INCOME (LOSS)	7,906,944	11,381,836	(3,474,892)	-31%

As of December 31, 2023 the company reported a net income of ₱7.91 million for the year, representing a decrease of ₱3.47 million or 31% compared to the previous year's net income of ₱11.38 million. This decrease is primarily attributed to a decrease in proceeds from insurance claims. Excluding proceeds from insurance, Net Income increased by 313%. The variance in the net income came from a one time insurance proceed received in 2022 (9.5M) and the interest expense of 4.6M attributable to participation interest.

Revenue

Revenue for the year ended December 31, 2023, increased by 22% compared to the previous year. This increase is mainly driven by a higher with increase in occupancy rate from 45% to 58%.

Cost of Services

Cost of services increased by 12%, corresponding to the increase in the volume of transactions and the cost of doing business. Additionally, the company incurred lease expenses amounting to ₱9.26 million, with the lease agreement being terminated on May 17, 2023 upon issuance of Certificate of Permit to Offer Securities by SEC.

General and Administrative Expenses

General and administrative expenses increased by 17% compared to the previous year, amounting to ₱38.52 million. This increase is attributed to the volume of transactions.

Other Income (Expenses)

Income from insurance claims, representing one-time proceeds from insurance amounting to ₱9.47 million.

Interest income pertains to interest earned from deposits and short term investment increased by 207% to ₱2.53 million in 2023.

Interest expense is attributed to accrued distributable participation interest amounted to ₱4.56 million in 2023.

Provision for Income Tax

Provision for income tax decreased by 33% from ₱3.74 million in 2022 to ₱2.50 million in 2023.

Financial Condition as of December 31, 2023 compared to as of December 31, 2022

	2023	2022	Change Increase (Decrease)	
	(Audited)	(Audited)	Php	%
ASSETS				
Current Assets				
Cash and cash equivalents	84,873,235	93,150,373	(8,277,138)	-9%
Receivables	12,216,060	11,536,941	679,119	6%
Due from related parties	12,902,694	4,083,206	8,819,488	216%
Inventories	1,996,179	1,673,358	322,821	19%
Other currents assets	2,505,038	1,524,101	980,937	64%
Total Current Assets	114,493,206	111,967,979	2,525,227	2%
Noncurrent Assets				
Property and equipment	1,098,191	577,306	520,885	90%
Software costs	856,587	383,529	473,058	123%

Total Noncurrent Assets	1,954,778	960,835	993,943	103%
	116,447,984	112,928,814	3,519,170	3%
LIABILITIES AND EQUITY				
Current Liabilities				
Accounts and other payables	35,914,770	68,078,227	13,202,072	19%
Contract liabilities	1,233,649	3,200,181	(1,328,037)	-41%
Due to related parties	18,083,250	27,410,861	(1,328,037)	-5%
Income tax payable	1,313,126	-	(1,507,068)	0%
Total Current Liabilities	56,544,795	98,689,269	10,366,967	11%
Non Current Liabilities				
Participation liability	37,756,700	-		
Total Non Current Liabilities	37,756,700	-	37,756,700	100%
Equity				
Capital stock	400,000	400,000		0%
Retained earnings	21,746,489	13,839,545	2,109,066	15%
Total Equity	22,146,489	14,239,545	2,109,066	15%
	116,447,984	112,928,814	12,476,033	11%

As of December 31, 2023, the financial position of the company remained robust with total assets amounting to ₱154.59 million. The increase in total assets was primarily driven by a 44% increase in cash and cash equivalents and a substantial 247% increase in other assets.

Cash and Cash Equivalents

This account includes cash on hand and in bank and short-term investment that earns interest at the prevailing rate of 0.25%. The cash and cash equivalents account decreased from ₱93.15 million in 2022 to ₱84.87 million in 2023, indicating a decrease of ₱8.28 million or 9%. This decrease is attributed to various factors, including cashflow from operations receipt of proceeds of issuance of certificate of participation netted by various payments of liabilities

Receivables

Increased by 6% from ₱11,536,941 in 2022 to ₱12,216,060 in 2023. This increase is due to more corporate clients with credit terms in December 2023 compared to 2022.

Due from Related Parties

The company has entered various transaction with related parties that are unsecured, interest-free and require settlement in cash. As of December, 31, 2023 total due to/from related party amounted to P18 million and P12.9 million.

Inventories

This account consists of supplies (including guest, engineering, cleaning, and other operating supplies used to assist in day-to-day operations of the company) and fuel. Increased by 19% from ₱1,673,358 in 2022 to ₱1,996,179 in 2023. This increase is attributed to a rise in ending inventory, mainly consisting of supplies and fuel.

Other Current Assets

Other Assets consist of advances to suppliers, taxes and prepaid expenses. Increased by 64% from ₱1,524,101 in 2022 to ₱2,505,038 in 2023. This increase is mainly driven by advances, deposits, and prepayments.

Property and Equipment

Increased substantially by 90% from ₱577,306 in 2022 to ₱1,098,191 in 2023, indicating significant investments in property and equipment.

Software Costs

Increased by 123% from ₱383,529 in 2022 to ₱856,587 in 2023, suggesting investments in software infrastructure.

Accounts and Other Payables

Decreased by 19% from ₱68,078,227 in 2022 to ₱35,914,770 in 2023, mainly due to payment of various accounts payable.

Contract Liabilities

Contract liabilities represents obligation to provide services to the customer for which the Company has received consideration. Decreased significantly by 41% from ₱3,200,181 in 2022 to ₱1,233,649 in 2023, primarily due to utilized deposits from guests during the year.

Due to Related Parties

Decreased by 5% from ₱27,410,861 in 2022 to ₱18,083,250 in 2023, indicating a payment to various related parties.

Income Tax Payable

A new entry in 2023, amounting to ₱1,313,126, reflecting tax obligations for the year.

Participation Liability

As of December 31, 2023, the Company issued Certificate of Participation for 164 units in the Condotel Project amounting to 37.76 million.

Equity

Overall increase of 15% mainly attributed to net income earned during the period.

Results of operations for the year ended December 31, 2022 compared to year ended December 31, 2021

	2022	2021	Change Increase (Decrease) Php	%
	(Audited)	(Audited)		
REVENUE				
Revenue from services	80,368,185	34,558,988	45,809,197	133%
Other operating departments	767,124	34,052	733,072	2153%
Miscellaneous	737,716	125,802	611,914	486%
	81,873,025	34,718,842	47,154,183	136%
COST OF SERVICES				
	44,026,324	12,612,415	31,413,909	249%
GENERAL AND ADMINISTRATIVE EXPENSES				
	33,015,365	19,949,628	13,065,737	65%
INCOME (LOSS) BEFORE OTHER INCOME (EXP)				
	4,831,336	2,156,799	2,674,537	124%
OTHER INCOME (EXPENSE)				
			-	
Income from insurance claims	9,467,928	1,197,514	8,270,414	691%
Interest income	823,206	35,191	788,015	2239%
Interest expense	-	(43,449)	43,449	100%
	10,291,134	1,189,256	9,101,878	765%
INCOME (LOSS) BEFORE INCOME TAX				
	15,122,470	3,346,055	11,776,415	352%
PROVISION FOR INCOME TAX				
	3,740,634	834,806	2,905,828	348%
NET INCOME (LOSS) / TOTAL COMPREHENSIVE INCOME (LOSS)				
	11,381,836	2,511,249	8,870,587	353%
			-	

As of December 31, 2022, the company reported a net income of ₱11.38 million for the year, representing an increase of ₱8.87 million or 353% compared to the previous year's net income of ₱2.51 million.

Revenue

Revenue for the year ended December 31, 2022, increased by 136% compared to the previous year. This increase is mainly driven by higher occupancy.

Cost of Services

The cost of services increased from ₱12.61 million in 2021 to ₱44.03 million in 2022, marking a significant 249% increase of ₱31.41 million. This increase suggests higher expenses related to delivering the company's services, such as labor, materials, or overhead costs.

General and Administrative Expenses

General and administrative expenses increased from ₱19.95 million in 2021 to ₱33.02 million in 2022, indicating a 65% increase of ₱13.07 million. The increase in general and administrative cost is driven by the increase revenue and business transaction. Salaries and wages increase is directly attributable to the increase in headcount needed to operate the business as well as the mandatory wage increases.

Other Income (Expenses)

Income from insurance claims, representing proceeds from insurance claim.

Interest income, pertaining to interest earned from deposits and short-term investments, increased from ₱35,191 in 2021 to ₱823,206 in 2022, marking 2239% increase of ₱788,015.

Interest expense amounted to ₱43,449 in 2022.

Income Before Income Tax

Income before income tax increased from ₱3.35 million in 2021 to ₱15.12 million in 2022, 352% increase of ₱11.78 million. This increase indicates an increase in the company's profitability before accounting for taxes.

Provision for Income Tax

The provision for income tax increased significantly from ₱0.83 million in 2021 to ₱3.74 million in 2022, reflecting a 348% rise of ₱2.91 million. This increase is in line with the higher pre-tax income and applicable tax rates.

Financial Condition as of December 31, 2022 compared to as of December 31, 2021

	2022	2021	Change Increase (Decrease)	
	(Audited)	(Audited)	Php	%
ASSETS				
Current Assets				
Cash and cash equivalents	93,150,373	60,507,260	32,643,113	54%
Receivables	11,536,941	12,817,984	(1,281,043)	-10%
Due from related parties	4,083,206	-	4,083,206	
Inventories	1,673,358	1,164,062	509,296	44%
Other currents assets	1,524,101	5,198,175	(3,674,074)	-71%
Total Current Assets	111,967,979	79,687,481	32,280,498	41%
Noncurrent Assets				
Property and equipment	577,306	-	577,306	

Software costs	383,529	478,161	(94,632)	-20%
Total Noncurrent Assets	960,835	478,161	482,674	101%
	112,928,814	80,165,642	32,763,172	41%
LIABILITIES AND EQUITY				
Current Liabilities				
Accounts and other payables	68,078,227	41,330,154	13,202,072	32%
Contract liabilities	3,200,181	726,507	(1,328,037)	-183%
Due to related parties	27,410,861	35,251,272	(1,328,037)	-4%
Income tax payable	-	-	(1,507,068)	0%
Total Current Liabilities	98,689,269	77,307,933	10,366,967	13%
Non Current Liabilities				
Participation liability	-	-	-	
Total Non Current Liabilities	-	-	-	100%
Equity				
Capital stock	400,000	400,000		0%
Retained earnings	13,839,545	2,457,709	2,109,066	86%
Total Equity	14,239,545	2,857,709	2,109,066	74%
	112,928,814	80,165,642	12,476,033	16%

As of December 31, 2022 the total assets increased by 41% from ₱80.17 million in 2021 to ₱112.93 million in 2022, reflecting an additional ₱32.76 million. This increase underscores the company's improved financial position and potential for future growth.

Cash and Cash Equivalents

There was a substantial increase in cash and cash equivalents by 54% from ₱60.51 million in 2021 to ₱93.15 million in 2022, representing an additional ₱32.64 million. This significant increase is driven by increase in revenue and proceeds from insurance.

Receivables

However, there was a decrease in receivables by 10%, declining from ₱12.82 million in 2021 to ₱11.54 million in 2022, resulting in a reduction of ₱1.28 million. The decrease is mainly due to the collection of receivable.

Due from Related Parties

The due from related parties account saw a drastic change from ₱4.08 million in 2021 to zero in 2022. This is due to collection of previously recorded receivable from related parties.

Inventories

Inventories witnessed a notable increase of 44%, rising from ₱1.16 million in 2021 to ₱1.67 million in 2022, reflecting an additional ₱0.51 million. This increase suggests higher levels of inventory on hand, which could be due to increased demand or stocking up for future operations.

Other Current Assets

There was a substantial decrease of 71% in other current assets, dropping from ₱5.20 million in 2021 to ₱1.52 million in 2022, resulting in a reduction of ₱3.67 million. This decrease is due to changes in prepaid expenses, advances, or deposits.

Total Current Assets

Despite the varied changes in individual accounts, the total current assets increased by 41%, amounting to ₱111.97 million in 2022 compared to ₱79.69 million in 2021, reflecting an additional ₱32.28 million. This overall increase signifies a strengthened liquidity position for the company.

Property and Equipment

The value of property and equipment remained unchanged at ₱577,306 in both 2021 and 2022.

Software Costs

Software costs decreased by 20% from ₱478,161 in 2021 to ₱383,529 in 2022, representing a decrease of ₱94,632.

Item 7. Financial Statements

The Audited Financial Statement and its Notes are reflected in the Index to Financial Statements and Supplementary Schedules

Item 8. Changes in and Disagreements With Accountants on Accounting and Financial Disclosure

SyCip, Gorres, Velayo & Co (SGV) has been the duly appointed independent auditors for the years covered by this report.

SGV has been recommended for election as external auditor for the year 2023. FOSI, in compliance with SRC Rule 68(3)(b)(iv) relative to the seven-year rotation requirement of its external auditors, has designated Ms. Wanessa Salvador as its engagement partner for the Group starting **CY 2019**. Thus, Ms. Salvador is qualified to act as such until year **2025**. The representatives of SGV are expected to be present at the annual meeting where they will have the opportunity to make a statement if they desire to do so. They are expected to be available to respond to appropriate questions at the meeting.

There are no changes in and disagreements with FOSI's independent accountants on accounting and financial disclosures during the past two years ended December 31, 2023.

PART III - CONTROL AND COMPENSATION INFORMATION

Item 9. Directors and Executive Officers of the Issuer

Set forth below are the directors and officers of the Company and their business experience for the past five (5) years:

<p>Francis Nathaniel C. Gotianun <i>Chairman of the Board</i></p>	<p>Mr. Gotianun, Filipino, 40, was appointed as the Company's Chairman of the Board on 11 November 2022. He was previously appointed as the Company's Vice President on 01 March 2019. He serves as Director and First Vice President, Hotels and Resorts Head of Filinvest Development Corporation ("FDC"), a publicly-listed company. He also serves as Director and Senior Vice President of Filinvest Hospitality Corporation, Director of Filinvest Mimosa, Inc., and Director, President and CEO of The Palms Country Club, Inc. He also serves as a Director of Filinvest Land, Inc. ("FLI") and Filinvest REIT Corp. ("FILRT") which are both publicly-listed companies. He obtained his Bachelor of Science (Major in Commerce – International Business and Marketing) from McIntire School of Commerce, University of Virginia, Charlottesville, VA in 2005 and his Master's Degree from IESE, Barcelona, Spain in 2010.</p>
<p>Francis V. Ceballos <i>Director, President and CEO</i></p>	<p>Mr. Ceballos, 57, Filipino, was elected as the Company's Director, President and CEO on 11 November 2022. He is currently the Senior Vice President – Head of Industrial and Logistics Business of FLI, and a Director of Filinvest BCDA Clark, Inc., Timberland Sports and Nature Club, Inc., and FCGC Corporation. He was previously connected with Landco Pacific Corporation as Executive Vice President and Chief Operating Officer, Metro Drug, Inc. as a Management Trainee, and a faculty member at Sacred Heart School for Boys – Cebu. He obtained his Bachelor of Science in Management Engineering Degree in the Ateneo De Manila University and his Master's in Business Management degree in Asian Institute of Management.</p>
<p>Ana Venus A. Mejia <i>Director</i></p>	<p>Ms. Mejia, 58, Filipino, was elected as the Company's Director on 11 November 2022. She is currently the Executive Vice-President and CFO of FLI, and was previously the Senior Vice President and CFO of Filinvest Alabang, Inc. and Assistant Vice President of Festival Supermall, Inc. She obtained her Bachelor of Science in Business Administration Major in Accounting degree in Pamantasan ng Lungsod ng Maynila and her Master's in Business Administration degree in Northwestern University and The Hong Kong University of Science and Technology.</p>
<p>William Michael V. Valtos, Jr. <i>Independent Director</i></p>	<p>Mr. Valtos, 62, Filipino, was elected as the Company's Independent Director on 21 December 2022. He is concurrently an Independent Director in Investree Philippines, Inc. and FREIT Fund Managers, Inc., as well as a director in Phizzle Inc., Transwealth Fleet Management Corp./Transwealth Parking Services Corp., Philweb Corporation, Eton Finance Services Ltd., Starworth Holdings, Ltd., and Fiduciary Capital Advisers Ltd. He obtained his Bachelor of Arts in Economics and Political Science degree in University of Illinois, and his Master's in Business Administration Degree in Northwestern University Kellogg School of Management.</p>

<p>Nicasio C. Cabaneiro <i>Independent Director</i></p>	<p>Atty. Cabaneiro, 77, Filipino, was elected as the Company's Independent Director on 21 December 2022. He is concurrently an independent director of FREIT Fund Managers, Inc., as well as a Professor and Pre-Bar Reviewer in San Beda College and Arellano Law Foundation. He obtained his Bachelor of Science in Commerce, Major in Accounting and Auditing degree and his Bachelor of Laws degree from San Beda College (now, San Beda University).</p>
<p>Nancy R. Rivera <i>Treasurer and CFO</i></p>	<p>Ms. Rivera, 60, Filipino, was appointed as the Company's Treasurer and CFO on 21 December 2022. She is also the Senior Assistant Vice President – Financial Controller of Filinvest Hospitality Corporation, as well as Financial Controller of various subsidiaries of Filinvest Development Corporation. She was previously connected with Goodyear Philippines, Inc. as Financial Controller, Cargill Philippines, Inc. as Tax and Accounting Manager, Manila Mandarin Hotel as Assistant Financial Controller, Texas Instruments Philippines, Inc. as Internal Auditor, and Price Waterhouse Coopers Philippines as Senior Audit Manager. She obtained her Bachelor of Science in Business Administration Major in Accounting degree from University of the East, Manila.</p>
<p>Katrina O. Clemente-Lua <i>Corporate Secretary</i></p>	<p>Atty. Clemente-Lua, 40, Filipino, was appointed as the Company's Corporate Secretary on 21 December 2022. She was previously appointed as FOSI's Assistant Corporate Secretary on 23 March 2022. She is also the current Corporate Secretary of FLI and FILRT. She joined the Corporate and Tax Advisory Division of the Legal Department of FLI in October 2018. Prior to joining FLI, she served as the Legal Counsel of Philippine Stratbase Consultancy, Inc. and Executive Director of Stratbase ADR Institute. She was previously an associate of Carag Jamora Somera & Villareal Law Offices as well as Senior Corporate Affairs Officer of Anchor Land Holdings. She obtained her Bachelor of Arts degree in Legal Management from De La Salle University and her Juris Doctor degree from Ateneo de Manila University.</p>
<p>Jennifer C. Lee <i>Assistant Corporate Secretary</i></p>	<p>Atty. Lee, 39, Filipino, was appointed as the Company's Assistant Corporate Secretary on 21 December 2022. She is also the Assistant Corporate Secretary of FLI and FILRT. She joined the Corporate, Tax, and Compliance Division of the Legal Department of FLI in July 2021. Prior to joining FLI, she was an associate in Quasha Law and Migallos & Luna Offices. She obtained her Juris Doctor degree from the University of the Philippines – Diliman and her Bachelor of Science in Commerce, Major in Legal Management from De La Salle University – Manila.</p>

Item 10. Executive Compensation

The following table identifies and summarizes the aggregate compensation of the Company's directors and executives for 2021, 2022, and projected for 2023:

Name and Principal Position	Year	Salary (₱)	Bonus (₱)	Other Annual Compensation (₱)	Total (₱)
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President and top two (2) highest compensated officers					
Francis Nathaniel C. Gotianun (Chairman of the Board) Francis V. Ceballos (President/CEO) Nancy R. Rivera (Treasurer/CFO)	2023 Estimated	-	-	-	-
Francis Nathaniel C. Gotianun (Chairman of the Board) Francis V. Ceballos (President/CEO) Nancy R. Rivera (Treasurer/CFO)	2022	-	-	-	-
Lourdes Josephine Gotianun Yap (Chairperson of the Board/President) Francis Nathaniel C. Gotianun (SVP – Hotels & Resorts) Michael Edward T. Gotianun (Treasurer)	2021	-	-	-	-
All officers and directors as a group unnamed	2023 Estimated	-	-	-	-
	2022	-	-	-	-
	2021	-	-	-	-

The officers of the Company do not receive compensation from the Company and as such, the officers are paid by the other entities within the Filinvest Group.

Except for a per diem of Php50,000.00 being paid to each of the Independent Directors for every meeting attended, there are no other arrangements for the payment of compensation or remuneration to the Directors of the Company in their capacity as such.

There are no actions to be taken at the annual meeting of the stockholders on 9 November 2023 with respect to any bonus, profit sharing or other compensation plan, contract or arrangement, and pension or retirement plan, in which any director, nominee for election as a director, or executive officer of the Company will participate. Neither are there any proposed grants or extensions to any such persons of any option, warrant or right to purchase any securities of the Company which are subject to the approval by the stockholders at the annual stockholders' meeting.

There are no Employment Contracts between the Company and the named Executive Officers. There are no compensatory plan or arrangement with respect to a named executive officer. There are no outstanding warrants or options held by the Company's CEO, the named executive officers, and all officers and directors as a group. There are no stock warrants or options previously awarded to any of the officers and directors.

Item 11. Security Ownership of Certain Beneficial Owners and Management

The names, addresses, citizenship, number of shares held, and percentage to total of persons owning more than five percent (5%) of the outstanding voting shares of FOSI as of **31 December 2023** are as follows:

Title of Class of Securities	Name/ Address of Record Owner and Relationship with FOSI	Name of Beneficial Owner/ Relationship with Record Owner	Citizenship	No. of Shares Held	% of Ownership
Common	Filinvest Hospitality Corporation 8 th Floor, Vector Two Building, Northgate Cyberzone, Filinvest City, Alabang, Muntinlupa City	Same as the Record Owner	Filipino	3,995	99.9%

Except as stated above, the Board of Directors and Management of the Company have no knowledge of any person who, as of the date of the Information Statement, was directly or indirectly the beneficial owner of more than five percent (5%) of the Company's outstanding shares or who has voting power or investment power with respect to shares comprising more than five percent (5%) of the Company's outstanding common stock.

Total number of shares of all record and beneficial owners is 4,000 common shares representing 100% of the total issued and outstanding common shares.

As of **31 December 2023**, there is no voting share of FOSI which is owned by foreigners.

The names, citizenship, number of shares held and percentage to total of persons forming part of the Board of Directors and Management of the Company as of **31 December 2023** are as follows:

Title of Class of Securities	Name	Amount and Nature of Ownership	Citizenship	Percentage of Ownership
Common	Francis V. Ceballos	1 Common (D)	Filipino	0.025% (D)
Common	Francis Nathaniel C. Gotianun	1 Common (D)	Filipino	0.025% (D)
Common	Ana Venus A. Mejia	1 Common (D)	Filipino	0.025% (D)
Common	William Michael V. Valtos, Jr.	1 Common (D)	Filipino	0.025% (D)
Common	Nicasio C. Cabaneiro	1 Common (D)	Filipino	0.025% (D)
N.A.	Nancy R. Rivera	0	Filipino	N.A.
N.A.	Katrina O. Clemente-Lua	0	Filipino	N.A.
N.A.	Jennifer C. Lee	0	Filipino	N.A.

Total ownership of all directors and officers as a group as of **31 December 2023** is 0.1% of the total issued and outstanding common shares of stock.

No person holds more than 5% of the common stock under a voting trust or similar agreement.

There are no arrangements which may result in a change in control of FOSI. There has been no change in control of FOSI since the beginning of the last fiscal year.

Item 12. Certain Relationships and Related Transactions

The Company has entered into various transactions with related parties. Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party in making financial and operating decision or the parties are subject to common control or common significant influence. Related parties may be individuals or corporate entities. Affiliates are entities under common control of the Parent Company, FDC and ALGI. Related Party transactions are further discusses in the Notes to Financial Statements.

PART IV – CORPORATE GOVERNANCE

Item 13. Corporate Governance

Compliance with Leading Practices on Corporate Governance

FOSI is in substantial compliance with its Manual for Corporate Governance as demonstrated by the following: (a) the election of two (2) independent directors to the Board; (b) the appointment of members of the Board Committees, namely the Executive Committee, the Audit & Risk Management Oversight Committee, the Corporate Governance Committee, and the Related-Party Transaction Committee; (c) the timely submission to the SEC of reports and disclosures required under the Securities Regulation Code; (d) FOSI's adherence to national and local laws pertaining to its operations; and (e) the observance of applicable accounting standards.

In order to keep itself abreast with the leading practices on corporate governance, FOSI requires the members of the Board and top level management to attend and participate in seminars on corporate governance conducted by SEC-accredited institutions.

FOSI welcomes proposals, especially from institutions and entities such as the SEC, PSE and the Institute of Corporate Directors, to improve its corporate governance.

There is no deviation from the Company's Manual on Corporate Governance.

PART V - EXHIBITS AND SCHEDULES

Item 14. Exhibits and Reports on SEC Form 17-C

(a) Exhibits

Exhibits as indicated in the Index to Exhibits are either not applicable to the Company or require no answer.

(b) Reports on SEC Form 17-C

FOSI fully complied with the regulatory requirements of the SEC. Below is the list of the Company's reportorial compliance reports on SEC Form 17-C filed in year 2023².

Type of Filing	Number of Filings
Quarterly Report (17Q)	2
Current Report (17C) which covers the report on the sale of Certificates of Participation	7

² The Company became a Registered Issuer only on May 17, 2023, when the SEC issued SEC MSRD Order No. 25, Series of 2023.

SIGNATURES

Pursuant to the requirements of Section 17 of the Code and Section 141 of the Corporation Code, this Report is signed on behalf of the issuer by the undersigned, thereunto duly authorized, in the City of _____ on _____, 2024.

By:


FRANCIS V. CEBALLOS
President and Chief Executive Officer


NANCY R. RIVERA
Treasurer and Chief Finance Officer


KATRINA O. CLEMENTE-LUA
Corporate Secretary

APR 29 2024

SUBSCRIBED AND SWORN to before me this _____ day of _____ 2024, Affiant(s) exhibiting to me their government issued identification documents, as follows:

NAMES	GOVT ISSUED ID	DATE OF ISSUE	PLACE OF ISSUE
Francis V. Ceballos	PRC ID No 0003089	07 Apr 2011	
Nancy R. Rivera	Driver's License No. N01-00-251719	15 Sep 2021	LTO Cainta, Rizal
Katrina O. Clemente-Lua	Philippine Passport No. P2463944B	06 July 2019	DFA NCR South

Doc. No. 2578;
Page No. 57;
Book No. 16;
Series of 20 24

JOVEN G. SEVILANO
NOTARY PUBLIC FOR CITY OF MANDALUYONG
COMMISSION NO. 0205-23 UNTIL DECEMBER 31, 2024
Notary Public
IBP LIFETIME NO. 011302; 12-28-12; RIZAL
ROLL NO. 53970
PTR NO. 5420812; 1-3-24; MANDALUYONG
MCLE COMPLIANCE NO. VII 0010250 14 APRIL 2025
UG03 CITYLAND SHAW TOWER,
SHAW BLVD. MANDALUYONG CITY

INDEX TO FINANCIAL STATEMENTS AND SUPPLEMENTARY SCHEDULES

Form 17 A, Item 7

Consolidated Financial Statements

1. Statement of Management's Responsibility for Financial Statements
2. Independent Auditor's Report on Consolidated Financial Statements
3. Consolidated Statements of Financial Position as of December 31, 2023 and 2022
4. Consolidated Statements of Income for the years ended December 31, 2023, 2022, and 2021
5. Consolidated Statements of Cash Flows for the years ended December 31, 2023, 2022, and 2021
6. Notes to Consolidated Financial Statements

Supplementary Schedules

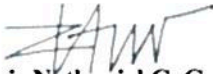
- Annex A: Reconciliation of Retained Earnings Available for Dividend Declaration
- Annex B: Map Showing the Relationships Between and Among the Company and its Ultimate Parent Company, Middle Parent, Subsidiaries or Co-subsidiaries, Associates, Wherever Located or Registered
- Annex C: Supplementary Schedules Required by Annex 68-J
1. Schedule A. Financial Assets
 2. Schedule B. Amounts Receivable from Directors, Officers, Employees, Related Parties, and Principal Stockholders (Other than Related Parties)
 3. Schedule C. Amounts Receivable from Related Parties which are Eliminated During the Consolidation of Financial Statements
 4. Schedule D. Long-term Debt
 5. Schedule E. Indebtedness to Related Parties
 6. Schedule F. Guarantees of Securities of Other Issuers
 7. Schedule G. Capital Stock

**STATEMENT OF MANAGEMENT'S RESPONSIBILITY
FOR ANNUAL INCOME TAX RETURN**

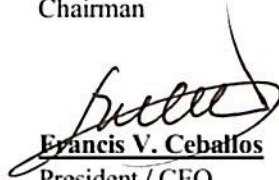
The Management of **Fora Services, Inc.** is responsible for all information and representations contained in the Annual Income Tax Return for the year ended December 31, 2023. Management is likewise responsible for all information and representations contained in the financial statements accompanying the Annual Income Tax Return covering the same reporting period. Furthermore, the Management is responsible for all information and representations contained in all the other tax returns filed for the reporting period, including, but not limited, to the value added tax and/or percentage tax returns, withholding tax returns, documentary stamp tax returns, and any and all other tax returns.

In this regard, the Management affirms that the attached audited financial statements for the year ended December 31, 2023 and the accompanying Annual Income Tax Return are in accordance with the books and records of the Corporation, complete and correct in all material respects. Management likewise affirms that:

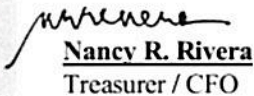
- (a) the Annual Income Tax Return has been prepared in accordance with the provisions of the National Internal Revenue Code, as amended, and pertinent tax regulations and other issuances of the Department of Finance and the Bureau of Internal Revenue;
- (b) any disparity of figures in the submitted reports arising from the preparation of financial statements pursuant to financial accounting standards and the preparation of the income tax return pursuant to tax accounting rules has been reported as reconciling items and maintained in the Corporation's books and records in accordance with the requirements of Revenue Regulations No. 8-2007 and other relevant issuances;
- (c) the Corporation has filed all applicable tax returns, reports and statements required to be filed under Philippine tax laws for the reporting period, and all taxes and other impositions shown thereon to be due and payable have been paid for the reporting period, except those contested in good faith.



Francis Nathaniel C. Gotianun
Chairman



Francis V. Ceballos
President / CEO



Nancy R. Rivera
Treasurer / CFO

SUBSCRIBED AND SWORN TO before me in the City of Mandaluyong
this 29 day of APR 29 2024, Francis V. Ceballos exhibiting to me _____
as his/her competent evidence of identity.

Signed this _____ day of April, 2024. Doc. No. 257;
Page No. 59;
Book No. 16;
Series of 2024

JOVEN G. SEVILANO
NOTARY PUBLIC FOR CITY OF MANDALUYONG
COMMISSION NO. 0285-23 UNTIL DECEMBER 31, 2024
IBP LIFETIME NO. 011302; 12-28-12; RIZAL
ROLL NO. 53970
PTR NO. 5420812; 1-3-24; MANDALUYONG
MCLE COMPLIANCE NO. VII 0010250 14 APRIL 2025
UG03 CITYLAND SHAW TOWER,
SHAW BLVD. MANDALUYONG CITY

COVER SHEET

for
AUDITED FINANCIAL STATEMENTS

SEC Registration Number

C	S	2	0	1	8	1	8	3	3	9
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COMPANY NAME

F	O	R	A	S	E	R	V	I	C	E	S	,	I	N	C	.	D	O	I	N	G	B	U	S	I
N	E	S	S	A	S	Q	U	E	S	T	H	O	T	E	L	T	A	G	A	Y	T	A	Y		

PRINCIPAL OFFICE (No. / Street / Barangay / City / Town / Province)

F	O	R	A	R	O	T	U	N	D	A	T	A	G	A	Y	T	A	Y	,	G	E	N	E	R	A	L
E	M	I	L	I	O	A	G	U	I	N	A	L	D	O	H	I	G	H	W	A	Y	,	S	I	L	
A	N	G	J	U	N	C	T	I	O	N	,	B	A	R	A	N	G	A	Y	S	I	L	A	N	G	
C	R	O	S	S	I	N	G	E	A	S	T	,	T	A	G	A	Y	T	A	Y	,	4	1	2	0	
C	A	V	I	T	E																					

Form Type
A A F S

Department requiring the report
C R M D

Secondary License Type, If Applicable
N / A

COMPANY INFORMATION

Company's Email Address tagaytayhm@questhotelsandresorts.com	Company's Telephone Number +6346-4198799	Mobile Number 0998-5849951
No. of Stockholders 6	Annual Meeting (Month / Day) Last Friday of October	Fiscal Year (Month / Day) 12/31

CONTACT PERSON INFORMATION

The designated contact person **MUST** be an Officer of the Corporation

Name of Contact Person Nancy R. Rivera	Email Address nancy.rivera@filinvesthospitality.com	Telephone Number/s +6346-8460278	Mobile Number 09989615762
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CONTACT PERSON'S ADDRESS

Fora Rotunda Tagaytay, General Emilio Aguinaldo Highway Silang Junction, Barangay Silang Crossing East Tagaytay, 4120 Cavite

NOTE 1: In case of death, resignation or cessation of office of the officer designated as contact person, such incident shall be reported to the Commission within thirty (30) calendar days from the occurrence thereof with information and complete contact details of the new contact person designated.
2: All Boxes must be properly and completely filled-up. Failure to do so shall cause the delay in updating the corporation's records with the Commission and/or non-receipt of Notice of Deficiencies. Further, non-receipt of Notice of Deficiencies shall not excuse the corporation from liability for its deficiencies.



INDEPENDENT AUDITOR'S REPORT

The Board of Directors and Stockholders
Fora Services, Inc. doing business as Quest Hotel Tagaytay
Fora Rotunda Tagaytay, General Emilio Aguinaldo Highway
Silang Junction, Barangay Silang Crossing East
Tagaytay, 4120 Cavite

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Fora Services, Inc. doing business as Quest Hotel Tagaytay (the Company), which comprise the statements of financial position as at December 31, 2023 and 2022, and statements of comprehensive income, statements of changes in equity and statements of cash flows for each of the three years in the period ended December 31, 2023, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements of the Company as at December 31, 2023 and 2022 and for the three years in the period ended December 31, 2023 are prepared in all material respects, in accordance with Philippine Financial Reporting Standards (PFRSs).

Basis for Opinion

We conducted our audits in accordance with Philippine Standards on Auditing (PSAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics for Professional Accountants in the Philippines (Code of Ethics) together with the ethical requirements that are relevant to our audit of the financial statements in the Philippines, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.



We have fulfilled the responsibilities described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

Rooms Revenue Recognition

For the year ended December 31, 2023, the Company's rooms revenue amounted to ₱97.75 million. We considered this as a key audit matter because rooms revenue accounts for 98% of total revenue and the revenue recognition depends on the timing when the related services are rendered or as the hotel amenities are used.

The disclosures on revenue is included in Note 13 to the financial statements.

Audit Response

We obtained an understanding and evaluated the design of relevant controls of the Company's rooms revenue recognition process. We performed substantive analytical review procedures and test of details. On a sampling basis, we agreed the revenue recognized against supporting documents such as guest ledger, invoices and deposit slips, and performed cutoff procedures. We also reviewed the disclosures on revenue in the Company's financial statements.

Other Information

Management is responsible for Other Information. Other Information comprises the information included in SEC Form 20 IS (Definitive Information Statement), SEC Form 17-A and Annual Report for the year ended December 31, 2023 but does not include the financial statements and our auditor's report thereon. SEC Form 20 IS (Definitive Information Statement), SEC Form 17-A and Annual Report for the year ended December 31, 2023 are expected to be made available to us after the date of this auditor's report.

Our opinion on the financial statements does not cover Other Information and we will not express any form of assurance conclusion thereon.

In connection with our audits of the financial statements, our responsibility is to read the Other Information identified above when it becomes available and, in doing so, consider whether such information is materially inconsistent with the financial statements or our knowledge obtained in the audits, or otherwise appears to be materially misstated.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with PFRSs, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.



In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with PSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with PSAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.



We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report, unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on the Supplementary Information Required Under Revenue Regulations 15-2010

The supplementary information required under Revenue Regulations 15-2010 for purposes of filing with the Bureau of Internal Revenue is presented by the management of Fora Services, Inc. doing business as Quest Hotel Tagaytay in a separate schedule. Revenue Regulations 15-2010 requires the information to be presented in the notes to financial statements. Such information is not a required part of the basic financial statements. The information is also not required by Revised Securities Regulation Code Rule 68. Our opinion on the basic financial statements is not affected by the presentation of the information in a separate schedule.

The engagement partner on the audit resulting in this independent auditor's report is
Wanessa G. Salvador.

SYCIP GORRES VELAYO & CO.



Wanessa G. Salvador

Partner

CPA Certificate No. 0118546

Tax Identification No. 248-679-852

BOA/PRC Reg. No. 0001, April 16, 2024, valid until August 23, 2026

BIR Accreditation No. 08-001998-137-2023, January 25, 2023, valid until January 24, 2026

PTR No. 10082009, January 6, 2024, Makati City

April 29, 2024



FORA SERVICES, INC.
DOING BUSINESS AS QUEST HOTEL TAGAYTAY
STATEMENTS OF FINANCIAL POSITION

	December 31	
	2023	2022
ASSETS		
Current Assets		
Cash and cash equivalents (Notes 4 and 12)	₱84,873,235	₱93,150,373
Receivables (Note 5)	12,216,060	11,536,941
Due from related parties (Note 12)	12,902,694	4,083,206
Inventories (Note 6)	1,996,179	1,673,358
Other currents assets (Note 7)	2,505,038	1,524,101
Total Current Assets	114,493,206	111,967,979
Noncurrent Assets		
Property and equipment (Note 8)	1,098,191	577,306
Software cost (Note 9)	856,587	383,529
Total Noncurrent Assets	1,954,778	960,835
	₱116,447,984	₱112,928,814
LIABILITIES AND EQUITY		
Current Liabilities		
Accounts and other payables (Notes 10 and 11)	₱35,914,770	₱68,078,227
Contract liabilities (Note 13)	1,233,649	3,200,181
Due to related parties (Note 12)	18,083,250	27,410,861
Income tax payable	1,313,126	–
Total Current Liabilities	56,544,795	98,689,269
Noncurrent Liability		
Participation liabilities (Notes 11 and 12)	37,756,700	–
Total Liabilities	94,301,495	98,689,269
Equity		
Capital stock (Note 16)	400,000	400,000
Retained earnings	21,746,489	13,839,545
Total Equity	22,146,489	14,239,545
	₱116,447,984	₱112,928,814

See accompanying Notes to Financial Statements.



FORA SERVICES, INC.
DOING BUSINESS AS QUEST HOTEL TAGAYTAY
STATEMENTS OF COMPREHENSIVE INCOME

	Years Ended December 31		
	2023	2022	2021
REVENUE			
Revenue from services			
Rooms	₱97,752,161	₱80,368,185	₱34,558,988
Other operating departments	2,005,361	767,124	34,052
Miscellaneous	373,161	737,716	125,802
	100,130,683	81,873,025	34,718,842
COST OF SERVICES (Note 14)	49,185,836	44,026,324	12,612,415
GENERAL AND ADMINISTRATIVE EXPENSES (Note 15)	38,518,102	33,015,365	19,949,628
OTHER INCOME (EXPENSE)			
Interest expense (Notes 11 and 12)	(4,555,961)	–	(43,449)
Interest income (Note 4)	2,531,186	823,206	35,191
Income from insurance claims (Note 13)	–	9,467,928	–
Other income (Note 13)	–	–	1,197,514
	(2,024,775)	10,291,134	1,189,256
INCOME BEFORE INCOME TAX	10,401,970	15,122,470	3,346,055
PROVISION FOR INCOME TAX (Note 17)	2,495,026	3,740,634	834,806
NET INCOME / TOTAL COMPREHENSIVE INCOME	₱7,906,944	₱11,381,836	₱2,511,249

See accompanying Notes to Financial Statements.



FORA SERVICES, INC.
DOING BUSINESS AS QUEST HOTEL TAGAYTAY
STATEMENTS OF CHANGES IN EQUITY

	Years Ended December 31		
	2023	2022	2021
CAPITAL STOCK (Note 16)			
Balances at beginning and end of year	₱400,000	₱400,000	₱400,000
RETAINED EARNINGS (DEFICIT)			
Balances at beginning of year	13,839,545	2,457,709	(53,540)
Net income	7,906,944	11,381,836	2,511,249
Balances at end of year	21,746,489	13,839,545	2,457,709
	₱22,146,489	₱14,239,545	₱2,857,709

See accompanying Notes to Financial Statements.



FORA SERVICES, INC.
DOING BUSINESS AS QUEST HOTEL TAGAYTAY
STATEMENTS OF CASH FLOWS

	Years Ended December 31		
	2023	2022	2021
CASH FLOWS FROM OPERATING ACTIVITIES			
Income before income tax	₱10,401,970	₱15,122,470	₱3,346,055
Adjustments for:			
Depreciation and amortization (Notes 8, 9 and 15)	680,556	360,563	1,406,492
Interest expense (Notes 11 and 12)	4,555,961	–	43,449
Interest income (Note 4)	(2,531,186)	(823,206)	(35,191)
Income from insurance claims (Note 13)	–	(9,467,928)	–
Operating income before working capital changes	13,107,301	5,191,899	4,760,805
Changes in operating assets and liabilities:			
Decrease (increase) in:			
Receivables	(679,119)	1,281,043	37,170,954
Due from related parties	(8,819,488)	(4,083,206)	342,737
Inventories	(322,821)	(509,296)	140,387
Other current assets	(980,937)	3,674,074	(1,545,644)
Increase (decrease) in:			
Account and other payables	(36,719,418)	26,748,073	7,131,651
Contract liabilities	(1,966,532)	2,473,674	13,849
Due to related parties	(9,327,611)	(7,840,411)	6,315,930
Net cash generated from (used in) operations	(45,708,625)	26,935,850	54,330,669
Insurance claims received	–	9,467,928	–
Interest received	2,531,186	823,206	35,191
Income taxes paid	(1,181,900)	(3,740,634)	(805,587)
Net cash provided by (used in) operating activities	(44,359,339)	33,486,350	53,560,273
CASH FLOW FROM INVESTING ACTIVITIES			
Additions to:			
Property and equipment (Note 8)	(908,289)	(712,703)	–
Software cost (Note 9)	(766,210)	(130,534)	(81,583)
Cash used in investing activities	(1,674,499)	(843,237)	(81,583)
CASH FLOWS FROM FINANCING ACTIVITY			
Proceeds from issuance of Certificate of Participation (Note 11)	37,756,700	–	–
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS			
	(8,277,138)	32,643,113	53,478,690
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR			
	93,150,373	60,507,260	7,028,570
CASH AND CASH EQUIVALENTS AT END OF YEAR (Note 4)			
	₱84,873,235	₱93,150,373	₱60,507,260

See accompanying Notes to Financial Statements.



FORA SERVICES, INC.
DOING BUSINESS AS QUEST HOTEL TAGAYTAY
NOTES TO FINANCIAL STATEMENTS

1. Corporate Information

Fora Services, Inc. doing business as Quest Hotel Tagaytay (the Company), a wholly owned subsidiary of Filinvest Hospitality Corporation, (FHC or Parent Company), was incorporated in the Philippines and was registered with Philippine Securities and Exchange Commissions (SEC) on August 24, 2018. Its primary purpose is to purchase and own real properties and personal property of all kinds to sell, lease, maintain and manage.

The Company also has secondary license to offer 164 Certificates of Participation to the public as approved by the SEC on May 17, 2023 (see Note 11).

The Company's registered address is Fora Rotunda Tagaytay, General Emilio Aguinaldo Highway, Silang Junction, Barangay Silang Crossing East, Tagaytay, 4120 Cavite.

The Parent Company is a subsidiary of Filinvest Development Corporation (FDC), a publicly listed corporation. FDC is a subsidiary of A.L. Gotianun, Inc. (ALGI). FHC, FDC and ALGI are incorporated and domiciled in the Philippines.

Approval of the Financial Statements

The financial statements of the Company as at December 31, 2023 and 2022 and for each of the three years in the period ended December 31, 2023 were approved and authorized for issue by the BOD on April 29, 2024

2. Material Accounting Policy Information

Basis of Preparation

The financial statements of the Company have been prepared on a historical cost basis and are presented in Philippine Peso (₱), which is also the Company's functional currency. All amounts are rounded off to the nearest Peso, except when otherwise indicated.

The Company's financial statements as at December 31, 2023 and 2022 and for each of the three years in the period ended December 31, 2023, 2022 and 2021 have been prepared as an attachment to the amended registration statement in relation to the Company's issuance of debt securities.

Statement of Compliance

The financial statements of the Company have been prepared in compliance with Philippine Financial Reporting Standards (PFRS), Philippine Accounting Standards (PAS) and Interpretations issued by the Philippine Interpretations Committee (PIC).

New Standards, Interpretations and Amendments

The accounting policies adopted in the preparation of the Company's financial statements are consistent with those of the previous financial years, except for the adoption of the following which became effective beginning January 1, 2023.



The adoption of the following pronouncements does not have significant impact to the Company's financial statements.

- Amendments to PAS 1 and PFRS Practice Statement 2, *Disclosure of Accounting Policies*
The amendments provide guidance and examples to help entities apply materiality judgments to accounting policy disclosures. The amendments aim to help entities provide accounting policy disclosures that are more useful by:
 - Replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies, and
 - Adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures.

The amendments to the Practice Statement provided non-mandatory guidance. The Company adopted this amendment and, accordingly, made revision to Note 2 to the financial statements to only consider material accounting policy.

- Amendments to PAS 8, *Definition of Accounting Estimates*
- Amendments to PAS 12, *Deferred Tax related to Assets and Liabilities arising from a Single Transaction*
- Amendments to PAS 8, *Definition of Accounting Estimates*
- Amendments to PAS 12, *International Tax Reform – Pillar Two Model Rules*

Standards, Amendments and Interpretations Issued but not yet Effective

Pronouncements issued but not yet effective are listed below. The Company intends to adopt the following pronouncements when they become effective. Adoption of these pronouncements is not expected to have a significant impact on the Company's financial statements unless otherwise indicated.

Effective beginning on or after January 1, 2024

- Amendments to PAS 1, *Classification of Liabilities as Current or Non-current*
- Amendments to PFRS 16, *Lease Liability in a Sale and Leaseback*
- Amendments to PAS 7 and PFRS 7, *Disclosures: Supplier Finance Arrangements*

Effective beginning on or after January 1, 2025

- PFRS 17, *Insurance Contracts*
- Amendments to PAS 21, *Lack of Exchangeability*

Deferred effectivity

Amendments to PFRS 10, *Consolidated Financial Statements*, and PAS 28, *Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*

Material Accounting Policies

The following accounting policies were applied in preparation of the Company's financial statements:

Financial Instruments – initial recognition, subsequent measurement and impairment

As of December 31, 2023 and 2022, the financial assets of the Company are classified at initial recognition as subsequently measured at amortized cost. In order for a financial asset to be classified and measured at amortized cost, it needs to give rise to cash flows that are 'solely payments of principal and interest' on the principal amount outstanding. This assessment is referred to as the 'solely payments of principal and interest test' and is performed at an instrument level.



As of December 31, 2023 and 2022, the Company's financial assets at amortized cost include cash and cash equivalents, receivables and due from related parties and security deposits (presented under other current assets).

The Company recognizes an allowance for expected credit loss (ECL) for all financial assets at amortized costs. The Company applies the following approach in estimating its allowance for ECL (a) low credit risk simplification approach for cash and cash equivalents; and (b) general approach for receivables and due from related parties.

The Company considers a financial asset in default when contractual payments are thirty (30) days past their due dates.

Financial liabilities – initial recognition and subsequent measurement

As of December 31, 2023 and 2022, the Company's financial liabilities pertain to loans and borrowings. These financial liabilities are recognized initially at fair value, net of directly attributable transaction costs and subsequently measured at amortized cost using effective interest method.

As of December 31, 2023 and 2022, the Company's financial liabilities include accounts and other payables, due to related parties, participation liabilities and other obligations that meet the above definition (other than liabilities covered by other accounting standards, such as, income tax payable, and other statutory liabilities).

Property and Equipment

Property and equipment consist of machineries, tools and computer equipment. Property and equipment are stated at cost less accumulated depreciation and any impairment in value. The initial cost of property and equipment consists of its purchase price, including import duties, taxes and any directly attributable costs of bringing the asset to its working condition and location for its intended use.

Depreciation is calculated on a straight-line method over the estimated useful lives (EUL) of the assets. The Company assessed that the useful life of property and equipment is three (3) years.

An item of property and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the assets) is included in the statement of comprehensive income when the asset is derecognized.

Software Costs

Software acquired separately is measured on initial recognition at cost. Following initial recognition, capitalized software is carried at cost less accumulated amortization and any accumulated impairment losses. The capitalized software is amortized on a straight-line basis over its estimated useful life of five (5) years.

Other Current Assets

Other assets are carried at costs and pertain to resources controlled by the Company as a result of past events and from which future economic benefits are expected to flow to the Company. These assets are regularly evaluated for any impairment in value. These comprise of input value-added tax (VAT), creditable withholding taxes, prepaid expenses and advances to suppliers and employees.



Impairment of Nonfinancial Assets

The Company assesses at each financial reporting date whether there is an indication that its nonfinancial (e.g., property and equipment and software costs) may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Company makes an estimate of the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGUs) fair value less costs to sell and its value in use (VIU) and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets of the Company.

When the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing VIU, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Impairment loss is charged to operations in the year in which it arises.

Equity

Capital stock

Capital stock is measured at par value for all shares issued.

Retained earnings (Deficit)

Retained earnings (deficit) represents the accumulated net income (losses) of the Company and stock issuance costs.

Revenue Recognition

The Company primarily derives its revenue from room related services and other operating departments. Revenue from contracts with customers is recognized when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. The Company assesses its revenue arrangements against specific criteria in order to determine if it is acting as principal or agent. The Company has generally concluded that it is acting as principal in all of its revenue arrangements.

The following specific recognition criteria must also be met before revenue is recognized.

Revenues from rooms and other operating departments

Revenues from rooms and other departments are recognized over the time the related services are rendered and/or facilities and amenities are used.

Income from insurance claim

Income from insurance claim is recognized when receipt is virtually certain or upon acceptance of the settlement offer from insurance company.

Contract Balances

Contract receivables

A receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due).

Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognized when the payment is made. Contract liabilities are recognized as revenue when the Company performs under the contract.



The contract liabilities also include payments received by the Company from the customers for which revenue recognition has not yet commenced. Accordingly, funds deposited by customers before event/service occurs (guest deposits) are recorded as contract liabilities until services are provided or goods are delivered.

Costs and Expenses Recognition

Direct costs and operating expenses are decreases in economic benefits during the accounting period in the form of outflows or depletion of assets or decrease of liabilities. These are measured at the amount paid or payable and are recognized when incurred.

Income Taxes

Current tax

Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws use to compute the amount are those that are enacted or substantially enacted at the reporting date.

Deferred tax

Deferred tax is provided on all taxable temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. Deferred tax liabilities are recognized for all taxable temporary differences with certain exceptions. Deferred tax assets are recognized for all deductible temporary differences and unused net operating loss carryover (NOLCO), to the extent that it is probable that the taxable profit will be available against which the deductible temporary differences and NOLCO can be utilized.

Segment Reporting

The Company's operating businesses are organized and managed according to the nature of the products and services provided. The Company has determined that it is operating as one operating segment as of and for the years ended December 31, 2023 and 2022 (see Note 18).

3. Management's Accounting Judgments and Use of Estimates

The preparation of the Company's financial statements in compliance with PFRS requires management to make judgments, estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Future events may occur which can cause the assumptions used in arriving at those estimates to change. The effects of any changes in estimates will be 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.

Use of Estimates and Assumptions

The key assumptions concerning the future and other key sources of estimation of uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and within the next financial year are discussed below:

Evaluation of impairment of receivables

The Company has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment. The assessment of the correlation between historical observed default rates, forecast economic conditions



and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Company's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future.

As of December 31, 2023 and 2022, the carrying value of receivables amounted to ₱12.22 million and ₱11.54 million, respectively. There is no provision for ECL recognized in 2023 and 2022 (see Note 5).

4. Cash and Cash Equivalents

This account consists of

	2023	2022
Cash on hand	₱1,104,453	₱1,416,388
Cash in banks (Note 12)	58,535,550	26,204,446
Cash equivalents (Note 12)	25,233,232	65,529,539
	₱84,873,235	₱93,150,373

Cash in banks earn interest at the prevailing bank deposit rates. Cash equivalents are short-term, highly liquid investments that are made for varying periods up to 3 months and earns interest at the prevailing short-term investment rate of 3.00% to 5.00% and 0.25% to 4.00% in 2023 and 2022, respectively.

Interest income earned from cash and cash equivalents amounted to ₱2.53 million, ₱0.82 million and ₱0.04 million in 2023, 2022 and 2021, respectively (see Note 12).

There are no restrictions on the Company's cash and cash equivalents as of December 31, 2023 and 2022.

5. Receivables

This account consists of:

	2023	2022
Contract receivables:		
Corporate, travel agency and individuals	₱9,871,433	₱7,989,741
Credit cards	1,265,759	1,773,214
Guest ledger	460,802	1,121,267
Others	618,066	652,719
	₱12,216,060	₱11,536,941

Corporate, travel agency and individuals pertain to receivables classified by market segments and are due within 30 to 90 days from billing.

Guest ledger pertains to receivables from in-house guests and are collectible once the guest checks out from the hotel.

Credit cards pertain to receivables from banks for sales settled through credit cards and are usually collectible within three (3) to five (5) days from transaction date.



Others pertain to advances to employees, third party receivables related to utilities and other reimbursables subject to liquidation.

6. Inventories

This account consists of:

	2023	2022
Supplies	₱1,655,476	₱1,429,592
Fuel	340,703	243,766
	₱1,996,179	₱1,673,358

Supplies include guest, engineering, cleaning and other operating supplies used to assist in day-to-day operations of the Company.

Fuel pertains to fuel and oils used in the day-to-day operations.

The cost of inventories recognized as part of “Cost of services” in the statement of comprehensive income amounted to ₱2.68 million, ₱2.66 million and ₱0.81 million in 2023, 2022 and 2021, respectively (see Note 14).

7. Other Current Assets

This account consists of:

	2023	2022
Prepaid expenses	₱1,630,318	₱245,618
Advances to suppliers	611,086	554,124
Input value-added tax (VAT)	254,434	–
Security deposits	9,200	9,200
Creditable withholding taxes	–	449,520
Advances to employees	–	265,639
	₱2,505,038	₱1,524,101

Prepaid expenses pertain to the Company’s prepayments on insurance and subscriptions. These are recognized as expense over a period not exceeding 12 months.

Advances to suppliers are down payments made to the suppliers for acquisitions of guest supplies and software costs. These are applied against billings which are received after the delivery of items and completion of services.

Input VAT are imposed on the Company by its suppliers and contractors for the acquisition of goods and services which can be applied against output VAT or can be claimed as tax credits.

Creditable withholding taxes are the taxes withheld by the withholding agents from payments to the sellers which are creditable against the future income tax payable.



Advances to employees refer to advances for travel, mailing expenses and other expenses arising from ordinary course of business. These are liquidated within seven days after actual use of the advances.

8. Property and Equipment

The rollforward analysis of this account follows:

	2023		
	Machineries Tools and Equipment	Computer Equipment	Total
Cost			
At beginning of period	P456,007	P256,696	P712,703
Additions	217,388	690,901	908,289
At end of period	673,395	947,597	1,620,992
Accumulated Depreciation			
At beginning of period	102,101	33,296	135,397
Depreciation (Note 15)	81,775	305,629	387,404
At end of period	183,876	338,925	522,801
Net Book Values	P489,519	P608,672	P1,098,191

	2022		
	Machineries, Tools and Equipment	Computer Equipment	Total
Cost			
At beginning of period	P-	P-	P-
Additions	456,007	256,696	712,703
At end of period	456,007	256,696	712,703
Accumulated Depreciation			
At beginning of period	-	-	-
Depreciation (Note 15)	102,101	33,296	135,397
At end of period	102,101	33,296	135,397
Net Book Values	P353,906	P223,400	P577,306

The Company's property and equipment are not pledged or used as collateral to secure any obligation as of December 31, 2023 and 2022.

9. Software Costs

The rollforward analysis of this account follows:

	2023	2022
Cost		
Balances at beginning of year	P806,033	P675,499
Additions	766,210	130,534
Balances at end of year	1,572,243	806,033

(Forward)



	2023	2022
Accumulated Amortization		
Balances at beginning of year	₱422,504	₱197,338
Amortization (Note 15)	293,152	225,166
Balances at end of year	715,656	422,504
Net Book Value	₱856,587	₱383,529

10. Accounts and Other Payables

This account consists of:

	2023	2022
Trade payables	₱16,337,862	₱18,031,830
Accrued expenses	11,450,749	44,391,933
Accrued interest payables (Note 11)	3,644,769	—
Wages and employee-related payables	2,489,718	1,549,389
Taxes payable	1,991,672	4,105,075
	₱35,914,770	₱68,078,227

Trade payable consists of payables to suppliers and service providers for various acquisitions of goods and services used in the operations of the Company. These are normally settled on a 30-day term.

Accrued expenses represent accruals on rent, telephone, light and water, security services and other expenses that are normally settled on a 30-day term upon receipt of billing.

Accrued interest payables pertain to interest payable to certificate holders and FLI (see Notes 11 and 12).

Wages and employee-related payables include employees' share on the additional service fees charged to customers. These are normally settled within one month.

Taxes payable includes local taxes, deferred output VAT, expanded withholding taxes and taxes withheld on employee compensation and benefits.

11. Participation Liabilities

The Company entered into Condotel Participation Agreements (the Agreements) with unit buyers (the Participants) of the Fora Condotel Tower 1 (Condotel Project) with a term of 25 years. Pursuant to the provisions of the Agreement, the Participant shall pay the Company the Joining Fee, which shall be returned without interest at the end of the term of the Condotel Project, and the Company shall manage and operate the Participants' contributed units.

The Company may terminate the Agreements upon reasonable determination that the operation of the Condotel Project can no longer be sustained due to operating losses. In such event, the Company shall return the amount of the Joining Fee, pro rata, received from the participants.

The Unit Buyers' participation interest in the Condotel Project shall be evidenced by Certificates. Each of the Certificate of Participation corresponds to the 164 units in the Condotel Project. The SEC



through its SEC MSRD Order No. 25, Series of 2023 issued on May 17, 2023, approved the registration of said 164 Certificates of Participation. The SEC likewise issued the Certificate of Permit to Offer Securities for Sale for said 164 Certificates, on the same date.

Relative to the Agreement, the Certificate Holders shall be entitled to: (a) the payment of distributable participation interest on an annual basis, subject to the terms hereof and the Agreement; and, (b) maximum of 14 nights room use privilege in the Condotel Project per calendar year.

The distributable participation interest is based on total participation income, as adjusted with the impact of provisions, reserves and noncash transactions.

As of December 31, 2023, the Company issued Certificate of Participation for 164 units in the Condotel Project amounting to ₱37.76 million, presented under Participation liabilities in the statement of financial position. In 2023, total participation interest recognized amounted to ₱4.56 million.

12. Related Party Transactions

The Company has entered into various transactions with related parties. Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party in making financial and operating decision or the parties are subject to common control or common significant influence. Related parties may be individuals or corporate entities. Affiliates are entities under common control of the Parent Company, FDC and ALGI.

Terms and conditions of transactions with related parties

Outstanding balances at year-end are unsecured, interest-free and require settlement in cash, unless otherwise stated. There have been no guarantees provided or received for any related party receivables or payables. As of December 31, 2023, 2022 and 2021, the Company has not made any provision for ECL relating to amounts owed by related parties. This assessment is undertaken each financial year by examining the financial position of the related party and the market in which the related party operates.

The amounts and balances from the significant related party transaction follows:

		2023			
		Amount/ Volume	Outstanding balance	Terms	Conditions
<i>Cash and cash equivalents</i>					
<i>Affiliate</i>					
a.	Cash and cash equivalents (Note 4)	(₱9,158,064)	₱76,148,839	Interest-bearing at prevailing market rate	Unrestricted
	Interest income	2,528,164			
<i>Due to related parties</i>					
b.	Parent Company	(₱59,129)	(₱288,067)	Noninterest-bearing; due and demandable	Unsecured
c.	Filinvest Land, Inc. (FLI)	15,071,865	(2,373,545)	Noninterest-bearing; due and demandable	Unsecured
d.	Fora Restaurants, Inc. (FRI)	(1,248,911)	(6,314,499)	Noninterest-bearing; due and demandable	Unsecured
e.	Chroma Hospitality, Inc. (CHI)	647,881	(1,028,891)	Noninterest-bearing; due and demandable	Unsecured
f.	Entrata Hotel Services, Inc. (EHSI)	27,452	(92,812)	Noninterest-bearing; due and demandable	Unsecured
g.	Corporate Technologies, Inc. (CTI)	(1,133,253)	(4,007,142)	Noninterest-bearing; due and demandable	Unsecured
h.	Hospitality Enterprise Resources Corp. (HERC)	(3,978,294)	(3,978,294)	Noninterest-bearing; due and demandable	Unsecured
		(₱18,083,250)			



		2023			
		Amount/ Volume	Outstanding balance	Terms	Conditions
Due from related parties					
i.	FLI	11,940,700	11,940,700	Noninterest-bearing; due within 1 year	Unsecured
j.	FRI	(3,345,013)	₱716,930	Noninterest-bearing; due and demandable	Unsecured
j.	CHI	196,066	217,329	Noninterest-bearing; due and demandable	Unsecured
j.	EHSI	27,735	27,735	Noninterest-bearing; due and demandable	Unsecured
		₱12,902,694			
Accrued expenses					
c.	FLI (Rent)	₱9,264,410	₱-	Noninterest-bearing; due and demandable	Unsecured
k.	Interest expense	3,320,468	3,320,468	Due in May 2024	Unsecured
		₱3,320,468			
Participation liabilities					
k.	Joining fee	₱25,816,000	₱25,816,000	Noninterest-bearing; due in 2048	Unsecured
		₱25,816,000			
		2022			
		Amount/ Volume	Outstanding balance	Terms	Conditions
Cash and cash equivalents					
Affiliate					
a.	Cash and cash equivalents (Note 4)	₱31,949,406	₱85,306,903	Interest-bearing at prevailing market rate	Unrestricted
	Interest income	799,652	-	-	-
Due to related parties					
b.	Parent Company	(₱176,017)	(₱228,938)	Noninterest-bearing; due and demandable	Unsecured
c.	Filinvest Land, Inc. (FLI)	1,672,707	(17,445,410)	Noninterest-bearing; due and demandable	Unsecured
d.	Fora Restaurants, Inc. (FRI)	1,552,452	(5,065,588)	Noninterest-bearing; due and demandable	Unsecured
e.	Chroma Hospitality, Inc. (CHI)	(689,524)	(1,676,772)	Noninterest-bearing; due and demandable	Unsecured
f.	Entrata Hotel Services, Inc. (EHSI)	260,051	120,264	Noninterest-bearing; due and demandable	Unsecured
f.	Corporate Technologies, Inc. (CTI)	5,220,741	(2,873,889)	Noninterest-bearing; due and demandable	Unsecured
		(₱27,410,861)			
Due from related parties					
j.	FRI	₱4,061,943	₱4,061,943	Noninterest-bearing; due and demandable	Unsecured
j.	CHI	21,263	21,263	Noninterest-bearing; due and demandable	Unsecured
		₱4,083,206			
Accrued expenses					
c.	FLI (Rent)	₱9,226,418	(₱9,226,418)	Noninterest-bearing; 30-day term upon receipt of billing	Unsecured

Significant transactions with related parties are as follows:

- a. The Company maintains cash and cash equivalents with East West Banking Corporation, an entity under common control with FDC.
- b. FHC advanced the Company's costs for incorporation, taxes and licenses and other costs incurred on its pre-opening period.

In 2022, the Company entered into an agreement with FHC, wherein the Company is annually charged with admin fee equivalent to one percent (1%) of the Company's gross operating revenue for receiving various administrative functions. The agreement has a term of one (1) year and automatically renewable every year for a similar term unless terminated by either party.



As of December 31, 2023 and 2022, balance due to parent amounted to ₱0.29 million and ₱0.23 million, respectively.

- c. In 2019, FLI, an affiliate, advanced the Company's funding to support its pre-operations and initial working capital to support its operations.

Rental

In 2019, the Company entered into a lease agreement with FLI for the lease of space in Quest Hotel for the purpose of the hotel and related operations. The contract pertains to leased premises which consist of hotel rooms owned by FLI. The lease commences beginning April 1, 2019 until March 31, 2021, subject to automatic renewal for a similar term unless terminated by either party. Effective May 17, 2023, the lease agreement between the Company and FLI was terminated. The termination came into effect as the participation agreement took precedence over the lease agreement. Under the participation agreement, new terms and conditions govern the relationship between the Company and FLI regarding the use of leased premises (see Note 11).

The Company agreed to pay variable lease payments equivalent to the Company's net income less outstanding receivables. In 2022, the Company and FLI confirmed that the composition of condotel revenue considered in the net income computation per its lease agreement to exclude proceeds from insurance claims earmarked for refurbishment, income generating activities from use of function rooms, parking fees and food and beverage operations, among others. In 2023 and 2022, the Company incurred rent expense amounting to ₱9.26 million and ₱9.23 million (nil in 2021).

- d. FRI, an affiliate, charges its revenue from food and beverage to the Company as part of the guest's bill upon bill-out.
- e. In July 2018, the Company entered into a management service agreement with CHI, an entity jointly controlled by FDC, whereby CHI provides technical services to the Company with regard to the development and establishment of the hotel during the stages of feasibility, conceptualization, design and construction, and fit-out.
- f. EHSI, an affiliate, charges the Company for intercompany expenses.
- g. CTI, an affiliate, charges the Company for telecommunication and IT solutions expenses.

The Company entered into a lease agreement with CTI for the supply of network equipment and implementation services. This contract is effective until September 30, 2021. In 2021, the depreciation of the related right-of-use assets, presented under general and administrative expense in the statement of comprehensive income, included in the depreciation and amortization, amounted to ₱1.21 million (nil in 2023 and 2022; see Note 15). Interest expense related to lease liability recognized amounted to ₱0.04 million in 2021 (nil in 2023 and 2022).

- h. In 2023, the Company entered into an agreement wherein HERC is to provide services related to compensation and benefits and recruitment, accounting, revenue management and reservation, and supply chain.
- i. Due from FLI represents excess advances for fit-out paid by the Company. The excess shall be returned by FLI within one (1) year.
- j. The Company charges FHC, FRI, CHI and EHSI for intercompany expenses.



- k. Participation liabilities pertain to joining fee received from FLI which is equivalent to the offer price paid for a certificate and will be repaid upon end of the term of the Condotel Participation Agreement. Each certificate is entitled to participation interest distributed annually (see Note 11).

Compensation of key management personnel

Compensation of key management personnel of the Company consists of employee salaries and benefits amounting to ₱1.69 million, ₱1.23 million and ₱1.26 million in 2023, 2022 and 2021, respectively.

13. Revenue, Income and Contract Balances

Revenue from Contracts with Customers

The Company deals with guests who are required to pay hotel room charges which cover room services and use of other ancillary services.

Revenue from rooms and other operating department is recognized over the time the related services are rendered and/or facilities and amenities are used. Transaction price is determined to be the invoice amount, and each transaction is considered as a single performance obligation, therefore it is not necessary to allocate the transaction price. The hotel room rate is fixed and has no variable consideration. The service is capable of being distinct from the other services and the transaction price for each service is separately identifiable.

Guest usually pays in advance either in full or partially to guarantee reservation. Guests are required to settle all outstanding bills before check-out. Corporate accounts and travel agencies are required to pay 30 to 90 days from billing date.

Other income consists of smoking fees, forfeiture of unclaimed deposits and others. This is recognized over the time the related services are rendered and/or facilities and amenities are used.

Contract Liabilities

Contract liabilities pertain to advance or partial payments received from guests to guarantee reservations. This represents the obligation to provide services to the customer for which the Company has received consideration. These are guest deposits which are expected to be recognized as revenue when the event has taken place or refunded to the customers upon cancellation.

The following summarizes the activities related to contract liabilities with customers as of December 31:

	2023	2022
Balances at beginning of year	₱3,200,181	₱726,507
Additions	14,609,419	5,750,282
Recognized as revenue	(16,575,951)	(3,276,608)
Balances at end of year	₱1,233,649	₱3,200,181

Income from Insurance Claims

In January 2020, Taal Volcano's eruption interrupted the Company's hotel operations which resulted to business losses. The Company filed a Notice of Claim to the insurance firm on account of losses due to the volcanic eruption. The Company received an offer letter for the proposed settlement for the business interruption loss amounting to ₱9.47 million to which the Company conform and received as of December 31, 2022.



14. Cost of Services

This account consists of:

	2023	2022	2021
Utilities	₱13,304,810	₱12,072,534	₱5,354,218
Rental (Note 12)	9,264,410	9,226,418	–
Salaries and wages	7,752,964	7,384,792	3,850,652
Commission	4,467,265	3,357,650	2,621
Laundry	3,411,095	2,388,157	661,793
E-commerce fee	2,850,765	1,460,820	671,941
Operating supplies (Note 6)	2,683,880	2,664,906	805,521
Condominium dues	1,560,928	–	–
Spa services	1,447,685	567,075	–
Linens	–	2,566,677	–
Others	2,442,034	2,337,295	1,265,669
	49,185,836	₱44,026,324	₱12,612,415

Others include payment for office supplies, cable, uniforms, printing, decorations and other miscellaneous expenses.

15. General and Administrative Expenses

This account consists of:

	2023	2022	2021
Salaries, wages and benefits	₱8,250,733	₱6,450,504	₱4,729,010
Corporate office reimbursable	5,208,110	3,478,024	100,710
Management fees (Note 12)	2,935,261	2,307,833	883,561
E-commerce fee	2,592,976	1,794,354	812,678
System costs (Note 12)	2,365,019	1,696,475	2,182,815
Repairs and maintenance	2,302,066	2,921,120	1,359,448
Security services	2,294,838	2,184,558	1,296,383
Insurance premium	2,143,507	1,131,853	1,095,600
Contracted services	2,109,384	1,071,438	–
Credit card service fee	1,651,135	1,321,101	–
Telecommunication	1,326,999	1,420,925	1,141,615
Administrative fee (Note 12)	1,026,409	823,389	–
Depreciation and amortization (Notes 8 and 9)	680,556	360,563	1,406,492
Sales office expenses	653,119	630,145	545,256
Professional fees	607,259	252,925	204,000
Travel and transportation	362,829	1,819,484	1,763,683
Taxes and licenses	251,060	315,082	622,458
Office and cleaning supplies	120,826	132,208	61,479
Representation and entertainment	35,117	460,756	–
Others (Note 12)	1,600,899	2,442,628	1,744,440
	₱38,518,102	₱33,015,365	₱19,949,628



Others include recruitment and training expenses, medical expenses, postage and mailing charges, printing, dues and subscription, and other operating expenses from various administrative departments of the Company.

16. Equity

As of December 31, 2023 and 2022, the capital stock of the Company consists of:

	No. of Shares	Amount
Authorized - ₱100 par value	16,000	₱1,600,000
Subscribed and issued shares	4,000	400,000

Capital Management

The primary objective of the Company's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximize shareholder value. The Company manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders or issue new shares. No changes were made in the objectives, policies or processes in 2023 and 2022.

The Company considers its capital stock and participation liabilities amounting to ₱38.16 million and ₱0.40 million, as of December 31, 2023 and 2022, respectively, as its capital employed.

The Company is not subject to externally imposed capital requirements.

17. Income Taxes

The provision for income tax consists of:

	2023	2022	2021
Current	₱2,073,162	₱3,580,704	₱798,549
Final	421,864	159,930	7,038
Deferred	—	—	29,219
	₱2,495,026	₱3,740,634	₱834,806

The reconciliation of the income tax computed at statutory rate of 25% to provision for income tax follows:

	2023	2022	2021
Income tax at statutory income tax rate	₱2,600,493	₱3,780,617	₱836,514
Tax effects of:			
Interest income subjected to final tax	(105,467)	(39,983)	(1,760)
Movement in unrecognized deferred tax assets	—	—	(4,818)
Change in tax rate as a result of CREATE Act	—	—	4,870
	₱2,495,026	₱3,740,634	₱834,806



18. Segment Reporting

The Company has determined that it is operating as one operating segment. Based on management's assessment, no part or component of the business of the Company meets the qualifications of an operating segment as defined by PFRS 8, *Operating Segments*.

The Company's hotel operations is its only income generating activity and such is the measure used by the chief operating decision maker (CODM) in allocating resources. Rooms revenue recognized from government contracts represent 6.77%, 5.75% and 42.04% of the Company's total revenue for the years ended December 31, 2023, 2022 and 2021, respectively.

19. Financial Assets and Financial Liabilities

Fair Value Information

The carrying values of cash and cash equivalents, receivables, security deposits (presented under other current assets), accounts and other payables (except statutory payables) and due from and to related parties approximate their fair values as of December 31, 2023 and 2022 due to the short-term nature of the transactions.

As of December 31, 2023, the Company's participation liabilities has a carrying value and fair value of ₱37.76 million and ₱8.68 million, respectively. The estimated fair value of participation liabilities is determined by discounting the sum of future cash flows using the prevailing market rates of 6.12%.

Financial Risk Management Objectives and Policies

The Company's financial instruments include the Company's cash, due from related parties, security deposits (presented under other current assets), accounts and other payables (except statutory payables), and due from and to related parties.

The main purpose of these financial instruments is to finance the Company's operations. The main objectives of the Company'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 main risks arising from the Company's financial instruments are liquidity risk and credit risk.

Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. It is the Company's practice that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis with the result that the Company's exposure to bad debts is not significant.



The table below shows the summary of maximum credit risk exposure on financial assets:

	2023	2022
Cash and cash equivalents*	₱83,768,782	₱91,733,985
Receivables	12,216,060	11,536,941
Due from related parties	12,902,694	4,083,206
Security deposits	9,200	9,200
	₱108,896,736	₱107,363,332

*Excludes cash on hand.

As of December 31, 2023 and 2022, all financial assets classified as neither past due nor impaired has high grade in terms of credit quality rating. High grade is the highest possible rating, which pertains to accounts with very low credit risk exposure. High grade also pertains to receivables with no possible default in payment based on historical experience and evaluation of financial conditions of the creditor.

Liquidity risk

Liquidity risk is the risk that the Company is unable to meet its financial obligations when due. The Company monitors its cash flow position and overall liquidity position in assessing its exposure to liquidity risk. The Company maintains a level of cash deemed sufficient to finance operations and to mitigate the effects of fluctuation in cash flows.

Maturity profile of the Company's financial instruments as at December 31 follow:

	2023				Total
	On demand	Less than 3 months	3 to 12 months	More than 12 months	
Financial assets					
Cash and cash equivalents	₱59,640,003	₱25,233,232	₱-	₱-	₱84,873,235
Receivables	-	12,216,060	-	-	12,216,060
Due from related parties	12,902,694	-	-	-	12,902,694
	₱72,542,697	₱37,449,292	₱-	₱-	₱109,991,989
Financial liabilities					
Accounts and other payables*	₱-	₱27,788,611	₱3,644,769	₱-	₱31,433,380
Due to related parties	18,083,250	-	-	-	18,083,250
Participation liabilities	-	-	-	37,756,700	37,756,700
	₱18,083,250	₱27,788,611	₱3,644,769	₱37,756,700	₱87,273,330

*Excludes statutory payables amounting to ₱4.48 million.

	2022				Total
	On demand	Less than 3 months	3 to 12 months	More than 12 months	
Financial assets					
Cash and cash equivalents	₱27,620,834	₱65,529,539	₱-	₱-	₱93,150,373
Receivables	-	11,536,941	-	-	11,536,941
Due from related parties	4,083,206	-	-	-	4,083,206
	₱31,704,040	₱77,066,480	₱-	₱-	₱108,770,520
Financial liabilities					
Accounts and other payables*	₱-	₱62,423,763	₱-	₱-	₱62,423,763
Due to related parties	27,410,861	-	-	-	27,410,861
	₱27,410,861	₱62,423,763	₱-	₱-	₱89,834,624

*Excludes statutory payables amounting to ₱5.65 million.



INDEPENDENT AUDITOR'S REPORT

The Board of Directors and Stockholders
Fora Services, Inc. doing business as Quest Hotel Tagaytay
Fora Rotunda Tagaytay, General Emilio Aguinaldo Highway
Silang Junction, Barangay Silang Crossing East
Tagaytay, 4120 Cavite

We have audited the accompanying financial statements of Fora Services, Inc. doing business as Quest Hotel Tagaytay as at December 31, 2023 and 2022 and for each of the three years in the period ended December 31, 2023, on which we have rendered the attached report dated April 29, 2024.

In compliance with the Revised Securities Regulation Code Rule 68, we are stating that the above Company has one (1) stockholder owning one hundred (100) or more shares.

SYCIP GORRES VELAYO & CO.

Wanessa G. Salvador

Wanessa G. Salvador

Partner

CPA Certificate No. 0118546

Tax Identification No. 248-679-852

BOA/PRC Reg. No. 0001, April 16, 2024, valid until August 23, 2026

BIR Accreditation No. 08-001998-137-2023, January 25, 2023, valid until January 24, 2026

PTR No. 10082009, January 6, 2024, Makati City

April 29, 2024



FORA SERVICES, INC.
DOING BUSINESS AS QUEST HOTEL TAGAYTAY

INDEX TO SUPPLEMENTARY SCHEDULES

- Annex A: Reconciliation of Retained Earnings Available for Dividend Declaration
- Annex B: Map Showing the Relationships Between and Among the Company and its Ultimate Parent Company, Middle Parent, Subsidiaries or Co-subsidiaries, Associates, Wherever Located or Registered
- Annex C: Supplementary Schedules Required by Revised SRC Rule 68 (Annex 68-J)
- Schedule A. Financial Assets
 - Schedule B. Amounts Receivable from Directors, Officers, Employees, Related Parties, and Principal Stockholders (Other than Related Parties)
 - Schedule C. Amounts Receivable from Related Parties which are Eliminated During the Consolidation of Financial Statements
 - Schedule D. Long-term Debt
 - Schedule E. Indebtedness to related parties
 - Schedule F. Guarantees of securities of other issuers
 - Schedule G. Capital stock

FORA SERVICES, INC.
DOING BUSINESS AS QUEST HOTEL TAGAYTAY

RECONCILIATION OF RETAINED EARNINGS AVAILABLE FOR
DIVIDEND DECLARATION
DECEMBER 31, 2023

Unappropriated Retained Earnings, beginning of reporting period	₱13,839,545
Add: Items that are directly credited to Unappropriated Retained Earnings	
Reversal of retained earnings appropriation	—
Effect of restatements	—
Others	—
Less: Items that are directly debited to Unappropriated Retained Earnings	
Dividend declaration during the reporting period	—
Retained earnings appropriated during the reporting period	—
Effect of restatements	—
Others – deferred tax assets recognized	—
Unappropriated Retained Earnings, as adjusted	13,839,545
Add/Less: Net income (loss) for the current year	7,906,944
Less: Unrealized income recognized in the profit or loss during the reporting period (net of tax)	
Equity in net income of associate/joint venture, net of dividends declared	—
Unrealized foreign exchange gain, except those attributable to cash and equivalents	—
Unrealized fair value adjustment (marked-to-market gains) of financial instruments at fair value through profit or loss (FVTPL)	—
Unrealized fair value gain of investment property	—
Other unrealized gains or adjustments to the retained earnings as a result of certain transactions accounted for under PFRS	—
Sub-total	—
Add: Unrealized income recognized in the profit or loss in prior reporting periods but realized in the current reporting period (net of tax)	
Realized foreign exchange gain, except those attributable to Cash and cash equivalents	—
Realized fair value adjustment (market-to-market gains) of financial instruments at fair value through profit or loss FVTPL)	—
Realized fair value gain of Investment Property	—
Other realized gains or adjustments to the retained earnings as a result of certain transactions accounted for under the PFRS	—
Sub-total	—

Add: Unrealized income recognized in profit or loss in prior periods but reversed in the current reporting period (net of tax)

Reversal of previously recorded foreign exchange gain, except those attributable to cash and cash equivalents	—	
Reversal of previously recorded fair value adjustment (market-to-market gains) of financial instruments at fair value through profit or loss (FVTPL)	—	
Reversal of previously recorded fair value gain of Investment Property	—	
Reversal of other unrealized gains or adjustments to the retained earnings as a result of certain transactions accounted for under the PFRS, previously recorded	—	
Sub-total	—	—

Adjusted Net Income/Loss	7,906,944
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Add: Non-actual losses recognized in profit or loss during the reporting period (net of tax)

Depreciation on revaluation increment (after tax)	—	
Sub-total	—	—

Add/Less: Adjustments related to relief granted by the SEC and BSP

Amortization of the effect of reporting relief	—	
Total amount of reporting relief granted during the year	—	
Others	—	
Sub-total	—	—

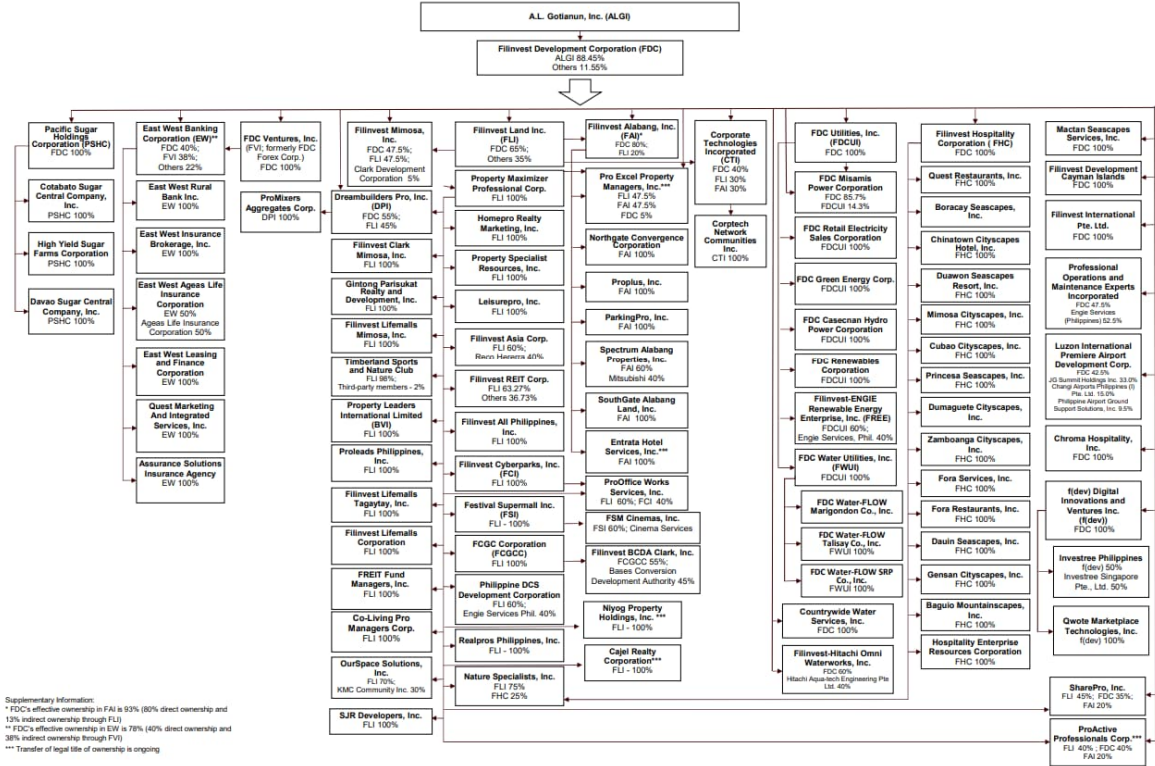
Add/Less: Other items that should be excluded from the determination of the amount of available for dividends distribution

Net movement of treasury shares (except for reacquisition of redeemable shares)	—	
Net movement of deferred tax asset not considered in the reconciling items under the previous categories	—	
Net movement in deferred tax asset and deferred tax liabilities related to same transaction, e.g., set up of right of use asset and lease liability, set-up of asset and asset retirement obligation, and set-up of service concession asset and concession payable	—	
Adjustment due to deviation from PFRS/GAAP - gain (loss)	—	
Others	—	
Sub-total	—	—

Total Retained Earnings, end of reporting period available for dividend	₱21,746,489
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**FORA SERVICES, INC.
DOING BUSINESS AS QUEST HOTEL TAGAYTAY**
MAP SHOWING THE RELATIONSHIPS BETWEEN AND AMONG THE COMPANY AND ITS ULTIMATE PARENT COMPANY, MIDDLE PARENT, SUBSIDIARIES OR CO-SUBSIDIARIES, ASSOCIATES
DECEMBER 31, 2023

A.L. GOTIANUN, INC.
MAP SHOWING THE RELATIONSHIP BETWEEN AND AMONG THE COMPANIES IN THE GROUP, ITS ULTIMATE PARENT, CO-SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES
(As of December 31, 2023)



INDEPENDENT AUDITOR'S REPORT ON SUPPLEMENTARY SCHEDULES

The Board of Directors and Stockholders
Fora Services, Inc. doing business as Quest Hotel Tagaytay
Fora Rotunda Tagaytay, General Emilio Aguinaldo Highway
Silang Junction, Barangay Silang Crossing East
Tagaytay, 4120 Cavite

We have audited in accordance with Philippine Standards on Auditing, the financial statements of Fora Services, Inc. doing business as Quest Hotel Tagaytay as at December 31, 2023 and 2022 and for each of the three years in the period ended December 31, 2023, and have issued our report thereon dated April 29, 2024. Our audits were made for the purpose of forming an opinion on the basic financial statements taken as a whole. The schedules listed in the Index to the Supplementary Schedules are the responsibility of the Company's management. These schedules are presented for purposes of complying with the Revised Securities Regulation Code Rule 68, and are not part of the basic financial statements. These schedules have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, fairly state, in all material respects, the financial information required to be set forth therein in relation to the basic financial statements taken as a whole.

SYCIP GORRES VELAYO & CO.

Wanessa G. Salvador

Wanessa G. Salvador

Partner

CPA Certificate No. 0118546

Tax Identification No. 248-679-852

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PTR No. 10082009, January 6, 2024, Makati City

April 29, 2024



FORA SERVICES, INC.
DOING BUSINESS AS QUEST HOTEL TAGAYTAY

SUPPLEMENTARY INFORMATION AND DISCLOSURES REQUIRED BY
REVISED SRC RULE 68 (ANNEX 68-J)
DECEMBER 31, 2023

Philippine Securities and Exchange Commission (SEC) issued the amended Securities Regulation Code Rule SRC Rule 68 and 68.1 which consolidates the two separate rules and labeled in the amendment as “Part I” and “Part II”, respectively. It also prescribes the additional information and schedule requirements for issuers of securities to the public.

Below are the additional information and schedules required by Revised SRC Rule 68 and 68.1 as amended that are relevant to Fora Services, Inc. (“the Company”). This information is presented for purposes of filing with the SEC and is not required part of the basic financial statements.

Schedule A. Financial Assets

The entity’s Financial Assets comprises of cash and cash equivalents, receivables and security deposits. As stated in the regulation, before mentioned amount should be provided if the aggregate cost or the market value of FVTPL as of the end of the reporting period is 5% or more of the total current asset. As of December 31, 2023, the entity recorded the financial assets as financial assets at amortized cost, therefore it is deemed assumed that this schedule is not applicable to the Company.

Schedule B. Amounts Receivable from Directors, Officers, Employees, Related Parties and Principal Stockholders (Other than Related parties)

As of December 31, 2023, all amounts receivable from employees and related parties pertain to items arising in the ordinary course of business and does not meet the minimum required balance as stated in the Revised SRC Rule to be presented in the report. This schedule is not applicable to the Company.

Schedule C. Amounts Receivable from Related Parties, which are eliminated during the consolidation of financial statements

Below is the list of outstanding receivables from related parties of the Company, presented in the financial statements as of December 31, 2023.

	Balance at beginning of period	Additions	Amounts collected	Balance at end of period
Filinvest Land, Inc. (FLI)	₱–	₱11,940,700	₱–	₱11,940,700
Fora Restaurants, Inc. (FRI)	4,061,943		3,345,013	716,930
Chroma Hospitality, Inc. (CHI)	21,263	196,066	–	217,329
Entrata Hotel Services, Inc. (EHSI)	–	27,735	–	27,735
	₱4,083,206	₱12,164,501	₱3,345,013	₱12,902,694

The receivables from related parties pertain to share in common expenses, intercompany charges and reimbursements, all are noninterest-bearing and are expected to be settled within the year. There were no amounts written off during the year.

Schedule D. Long-term Debt

This schedule is not applicable since the Company does not have any long-term debt as of December 31, 2023.

Schedule E. Indebtedness to Related Parties

As of December 31, 2023, due to a related party pertains to Participation liabilities.

Name of Related Party	Balance at beginning of the year	Movement	Balance at end of the year
Filinvest Land, Inc.	–	₱25,816,000	₱25,816,000

Schedule F. Guarantees of Securities of Other Issuers

This schedule is not applicable since the Company does not have guarantees of securities of other issuers as of December 31, 2023.

Schedule G. Capital Stock

Title of issue	Number of shares authorized	Number of shares issued and outstanding as shown under related balance sheet caption	Number of shares reserved for options, warrants, conversion and other rights	Number of shares held by related parties	Directors, Officers and Employees	Others
Common Shares	16,000	4,000	–	3,995	6	None

INDEPENDENT AUDITOR'S REPORT ON COMPONENTS OF FINANCIAL SOUNDNESS INDICATORS

The Board of Directors and Stockholders
Fora Services, Inc. doing business as Quest Hotel Tagaytay
Fora Rotunda Tagaytay, General Emilio Aguinaldo Highway
Silang Junction, Barangay Silang Crossing East
Tagaytay, 4120 Cavite

We have audited in accordance with Philippine Standards on Auditing, the financial statements of Fora Services, Inc. doing business as Quest Hotel Tagaytay as at December 31, 2023 and 2022 and for the each of the three years in the period ended December 31, 2023, and have issued our report thereon dated April 29, 2024. Our audits were made for the purpose of forming an opinion on the basic financial statements taken as a whole. The Supplementary Schedule on Financial Soundness Indicators, including their definitions, formulas, calculation, and their appropriateness or usefulness to the intended users, are the responsibility of the Company's management. These financial soundness indicators are not measures of operating performance defined by Philippine Financial Reporting Standards (PFRSs), and may not be comparable to similarly titled measures presented by other companies. This schedule is presented for the purpose of complying with the Revised Securities Regulation Code Rule 68 issued by the Securities and Exchange Commission and is not a required part of the basic financial statements prepared in accordance with PFRSs. The components of these financial soundness indicators have been traced to the Company's financial statements as at December 31, 2023 and 2022, and for each of the three years in the period ended December 31, 2023, and no material exceptions were noted.

SYCIP GORRES VELAYO & CO.

Wanessa G. Salvador

Wanessa G. Salvador

Partner

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Tax Identification No. 248-679-852

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PTR No. 10082009, January 6, 2024, Makati City

April 29, 2024



FORA SERVICES, INC.
DOING BUSINESS AS QUEST HOTEL TAGAYTAY
SUPPLEMENTARY SCHEDULE OF FINANCIAL SOUNDNESS INDICATORS

Ratio	Formula	2023	2022
Current Ratio	Total Current assets divided by Total Current Liabilities <div style="text-align: right;"> Total Current Assets ₱114,493,206 Divide by: Total Current Liabilities <hr/> Current Ratio 2.02 </div>	2.02	1.13
Debt Ratio	Total Liabilities divided by Total Assets <div style="text-align: right;"> Total Liabilities ₱94,301,495 Divide by: Total Assets 116,447,984 <hr/> Debt Ratio 0.81 </div>	0.81	0.87
Quick Asset Ratio	Quick Assets (<i>total current assets less inventories</i>) divided by Current Liabilities <div style="text-align: right;"> Total Current Assets ₱114,493,206 Less: Inventories 1,996,179 <hr/> Quick Assets 112,497,027 Divide by: Total Current Liabilities 56,544,795 <hr/> Quick Asset Ratio 1.99 </div>	1.99	1.12
Solvency Ratio	Net Income before Depreciation (<i>net income plus depreciation</i>) divided by Total Liabilities <div style="text-align: right;"> Net Income ₱7,906,944 Add: Depreciation 680,556 <hr/> Net Income before Depreciation 8,587,500 Divide by: Total Liabilities 94,301,495 <hr/> Solvency Ratio 0.09 </div>	0.09	0.12
Interest Coverage Ratio	Earnings before Interest and Other Charges and Income Tax (EBIT) divided by Interest Expense <div style="text-align: right;"> EBIT ₱14,957,931 Divide by: Interest Expense 4,555,961 <hr/> Interest Coverage Ratio 3.28 </div>	3.28	–
Net Profit Margin	Net Income divided by Revenue <div style="text-align: right;"> Net Income ₱7,906,944 Divide by: Revenue 100,130,683 <hr/> Net Profit Margin 0.08 </div>	0.08	0.14

Ratio	Formula	2023	2022
Return on Equity	Net Income divided by Total Equity $\frac{\text{Net Income } \text{₱}7,906,944}{\text{Divide by: Total Equity } 22,146,489}$ Return on Equity 0.36	0.36	0.80
Return on Assets	Net Income divided by Average Total Assets $\frac{\text{Net Income } \text{₱}7,906,944}{\text{Divide by: Average Total Assets } 114,688,399}$ Return on Assets 0.07	0.07	0.12
Asset-to-Equity Ratio	Total Assets divided by Total Equity $\frac{\text{Total Assets } \text{₱}116,447,984}{\text{Divide by: Equity } 22,146,489}$ Asset-to-Equity Ratio 5.26	5.26	7.93