COVER SHEET

SEC Registration Number

C	S	2	0	1	8	1	8	3	3	9

COMPANY NAME

FORA SERVICES, INC. DOING BUSINESS AS QUEST HOTEL TAGAYTAY

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

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

Form Type	Department requiring the report	Secondary License Type, If Applicable
17-Q	CRMD	N/A

COMPANY INFORMATION

Company's Email Address	Company's Telephone Number	Mobile Number
katrina.clemente-lua@filinvestland.com	7918-8188	N/A

No. of Stockholders	Annual Meeting (Month / Day)	Fiscal Year (Month / Day)
6	Last Friday of October	12/31

CONTACT PERSON INFORMATION

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

Name of Contact Person	Email Address	Telephone Number/s	Mobile Number
Nancy R. Rivera	nancy.rivera@filinvesthospitality.com	+6346-8460278	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-Q

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

1. For the quarterly period ended **September 30, 2023**

2. SEC Identification Number **201818339**

3. BIR Tax ID **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 issuer's principal office
Fora Rotunda Tagaytay, General Emilio Aguinaldo Highway Silang Junction, Barangay Silang Crossing East Tagaytay
Postal Code **4120**

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 Section 8 and 12 of the SRC

Title of Each Class	**Number of shares of Common Stock Outstanding**	**Amount Issued and Outstanding**
Common Stock, Php100.00 par value	4,000	₱ 400,000.00
Securities	**No. of Certificates**	**Total Amount**
Certificates of Participation	164	₱ 37,756,700.00

11. Are any or all of these securities listed on the Philippine Stock Exchange?
Yes [ ] No [/]

12. Indicate by check mark whether the issuer:

(a) has filed reports required to be filed by Section 17 of the Code and SRC Rule 17 thereunder or Section 11 of the RSA Rule 1(a)-1 thereunder, and Sections 26 and 141 of the Corporation Code
(b) 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 [ ]

(c) has been subject to such filing requirements for the past 90 days.
Yes [/] No [ ]

TABLE OF CONTENTS

PART 1 – FINANCIAL INFORMATION

FOR A SERVICES, INC.
DOING BUSINESS AS QUEST HOTEL TAGAYTAY

Unaudited Interim Financial Statements

As at September 30, 2023 and Dec 31, 2022
and
For the Nine months ended September 30, 2023 and 2022

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

	September 30	December 31
	2023	2022
ASSETS		
Current Assets		
Cash and cash equivalents (Notes 4 and 11)	**₱133,861,931**	₱93,150,373
Receivables (Note 5)	**11,182,845**	11,536,941
Due from related parties (Note 11)	**524,287**	4,083,206
Inventories (Note 6)	**1,884,873**	1,673,358
Other currents assets (Note 7)	**5,290,216**	1,524,101
Total Current Assets	**152,744,152**	111,967,979
Noncurrent Assets		
Property and equipment (Note 8)	**1,141,040**	577,306
Software cost (Note 8)	**712,869**	383,529
Total Noncurrent Assets	**1,853,909**	960,835
	₱154,598,061	₱112,928,814
LIABILITIES AND EQUITY		
Current Liabilities		
Accounts and other payables (Notes 9 and 11)	**₱96,533,809**	₱68,078,227
Contract liabilities (Note 10)	**1,260,053**	3,200,181
Due to related parties (Note 11)	**11,022,568**	27,410,861
Total Liabilities	**₱108,816,430**	₱98,689,269
Noncurrent Liabilities		
Others (Note 12)	**25,816,000**	-
Total Noncurrent Liabilities	**25,816,000**	
Capital stock (Note 15)	**400,000**	400,000
Retained earnings	**19,565,631**	13,839,545
Total Equity	**19,965,631**	14,239,545
	₱154,598,061	₱112,928,814

See accompanying Notes to Financial Statements.

FORA SERVICES, INC.
DOING BUSINESS AS QUEST HOTEL TAGAYTAY

STATEMENTS OF COMPREHENSIVE INCOME
For the Nine months ended September 30, 2023

	Nine months Ended September 30	
	2023	2022
REVENUE		
Revenue from services		
Rooms	**₱72,149,827**	₱50,990,841
Other operating departments	**1,608,700**	273,035
Miscellaneous	**556,822**	351,909
	74,315,349	51,615,785
COST OF SERVICES (Note 13)	**38,196,910**	27,861,787
GENERAL AND ADMINISTRATIVE EXPENSES (Note 14)	**26,886,065**	22,089,961
OTHER INCOME (EXPENSE)		
Income from insurance claims (Note 19)	**-**	9,467,928
Interest income (Note 4)	**1,752,926**	284,602
Interest expense	**(3,492,498)**	-
	(1,739,572)	9,752,530
INCOME BEFORE INCOME TAX	**7,492,802**	11,416,567
PROVISION FOR INCOME TAX (Note 16)	**1,766,716**	2,769,110
NET INCOME / TOTAL COMPREHENSIVE INCOME (Note 2)	**₱5,726,086**	₱8,647,457

See accompanying Notes to Financial Statements.

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

	Nine months Ended September 30	
	2023	2022
CAPITAL STOCK (Note 15)	**₱ 400,000**	₱ 400,000
RETAINED EARNINGS (DEFICIT)		
Balances at beginning of period January 1	**13,839,545**	2,457,709
Net income for the period	**5,726,086**	8,647,457
Balances at end of period	**19,565,631**	11,105,166
	₱19,965,631	₱11,505,166

See accompanying Notes to Financial Statements.

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

	Nine months Ended September 30	
	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax	**₱7,492,802**	₱11,416,567
Adjustments for:		
Income from insurance claims (Note 19)	**–**	(9,467,928)
Depreciation (Notes 8, 11 and 14)	**509,857**	236,990
Interest income (Note 4)	**(1,752,926)**	(284,602)
Interest expense	**3,492,498**	–
Operating income (loss) before working capital changes	**9,742,231**	1,901,027
Changes in operating assets and liabilities:		
Decrease (increase) in:		
Receivables	**354,098**	7,741,014
Due from related parties	**3,558,919**	(2,637,063)
Inventories	**(211,516)**	(560,903)
Other current assets	**(3,766,116)**	3,459,032
Increase (decrease) in:		
Accounts and other payables	**28,455,578**	13,376,878
Contract liabilities	**(1,940,128)**	640,455
Due to related parties	**(16,388,293)**	2,586,871
Net cash generated from operations	**19,804,773**	26,507,311
Insurance claims received	**-**	9,467,928
Interest received	**1,752,926**	284,602
Income taxes paid	**(1,766,716)**	(2,832,973)
Net cash provided by operating activities	**19,790,983**	33,426,868
CASH FLOWS FROM INVESTING ACTIVITIES		
Additions to property and equipment (Note 8)	**(836,730)**	(743,514)
Additions to Software	**(566,201)**	
Cash used in investing activities	**(1,402,931)**	(743,514)
CASH FLOWS FROM FINANCING ACTIVITIES		
Increase in non-current payable (Note 12)	**25,816,000**	
Interest expense (Note 4)	**(3,492,498)**	
Net cash provided by financing activities	**22,323,502**	
NET INCREASE IN CASH AND CASH EQUIVALENTS	**40,711,558**	32,683,354
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD, JANUARY 1	**93,150,373**	60,507,260
CASH AND CASH EQUIVALENTS AT END OF PERIOD (Note 4)	**₱133,861,931**	₱93,190,614

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'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.

On May 17, 2023, Securities and Exchange Commission (SEC), issued the Certificate of Permit to Offer Securities for Sale to Fora Services Inc. (FOSI). The certificate allows the company to sell 164 certificates of participation exclusively to unit owners of the Project.

2. Summary of Significant Accounting Policies

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 September 30, 2023 and December 31, 2022 and for the nine months ended September 30, 2023 and 2022 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).

Adoption of New and Amended Accounting Standards and Interpretations

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, 2022. The adoption of the following pronouncements does not have significant impact to the Company's financial statements.

- Amendments to PFRS 3, *Reference to the Conceptual Framework*
- Amendments to PAS 16, *Plant and Equipment: Proceeds before Intended Use*
- Amendments to PAS 37, *Onerous Contracts – Costs of Fulfilling a Contract*

- *Annual Improvements to PFRSs* 2018-2020 Cycle
  - Amendments to PFRS 1, *First-time Adoption of Philippines Financial Reporting Standards, Subsidiary as a first-time adopter*
  - Amendments to PFRS 9, *Financial Instruments*, *Fees in the '10 per cent' test for derecognition of financial liabilities*
  - Amendments to PAS 41, *Agriculture, Taxation in fair value measurements*

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, 2023
- 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 1 and PFRS Practice Statement 2, *Disclosure of Accounting Policies*

Effective beginning on or after January 1, 2024
- Amendments to PAS 1*, Classification of Liabilities as Current or Non-current*

Effective beginning on or after January 1, 2025
- PFRS 17, *Insurance Contracts*

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*

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

Current versus Noncurrent Classification
The Company presents assets and liabilities in the statement of financial position based on current/noncurrent classification.

An asset is current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realized within twelve (12) months after the reporting period; or
- Cash and cash equivalents unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period.

All other assets are classified as noncurrent.

A liability is current when:

- It is expected to be settled in the normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within 12 months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period.

The Company classifies all other liabilities as noncurrent.

Deferred tax assets and liabilities are classified as noncurrent assets and liabilities.

Fair Value Measurement
Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability; or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible to the Company.

The fair value of an asset or liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Company determines whether transfers have occurred between Levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

'Day 1' difference
Where the transaction price in a non-active market is different from the fair value based on other observable current market transactions in the same instrument or based on a valuation technique whose variables include only data from observable market, the Company recognizes the difference between the transaction price and fair value (a 'Day 1' difference) in profit or loss, unless it qualifies for recognition as some other type of asset or liability. In cases where an unobservable data is used, the difference between the transaction price and model value is only recognized in profit and loss when the inputs become observable or when the instrument is derecognized. For each transaction, the Company determines the appropriate method of recognizing the 'Day 1' difference amount.

Financial Instruments
Financial assets and liabilities are recognized in the statement of financial position when, and only when, the Company becomes a party to the contractual provisions of the instrument. Purchases or sales of financial assets that require delivery or assets within the time frame established by regulation or convention in the marketplace are recognized on the trade date.

Recognition and Measurement of Financial Instruments
A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets
Initial recognition and measurement
Financial assets are classified, at initial recognition, as either subsequently measured at amortized cost, at fair value through other comprehensive income (FVOCI), or at fair value through profit or loss (FVPL).

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them. The Company initially measures a financial asset at its fair value plus, in the case of a financial asset not at FVPL, transaction costs. Receivables are measured at the transaction price determined under PFRS 15.

In order for a financial asset to be classified and measured at amortized cost or at FVOCI, it needs to give rise to cash flows that are 'solely payments of principal and interest' (SPPI) on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

The Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognized on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

The Company's financial assets comprise financial assets at amortized cost.

Subsequent measurement
For purposes of subsequent measurement, financial assets are classified in four categories:
- Financial assets at amortized cost (debt instruments)
- Financial assets at FVOCI with recycling of cumulative gains and losses (debt instruments)
- Financial assets designated at FVOCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)
- Financial assets at FVPL

Financial assets at amortized cost
Financial assets are measured at amortized cost if both of the following conditions are met:

- the asset is held within the Company's business model whose objective is to hold assets in order to collect contractual cash flows; and,
- the contractual terms of the instrument give rise on specified dates to cash flows that are SPPI on the principal amount outstanding.

Financial assets at amortized cost are subsequently measured at amortized cost using the effective interest rate (EIR) method and are subject to impairment. Gains and losses are recognized in the statement of comprehensive income when the asset is derecognized, modified or impaired.

The Company's financial assets at amortized cost include cash and cash equivalents and receivables.

Reclassification of financial assets
The Company can reclassify financial assets if the objective of its business model for managing those financial assets changes. The Company is required to reclassify the following financial assets:

- from amortized cost to FVPL if the objective of the business model changes so that the amortized cost criteria are no longer met; and,
- from FVPL to amortized cost if the objective of the business model changes so that the amortized cost criteria start to be met and the instrument's contractual cash flows meet the amortized cost criteria.

Reclassification of financial assets designated as at FVPL at initial recognition is not permitted.

A change in the objective of the Company's business model must be effected before the reclassification date. The reclassification date is the beginning of the next reporting period following the change in the business model.

Financial liabilities
Initial recognition and measurement
Financial liabilities are classified, at initial recognition, as financial liabilities at FVPL, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities comprise financial liabilities at amortized cost (loans and borrowings).

Subsequent measurement
After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method.

Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR.

This accounting policy applies to accounts and other payables (excluding statutory payables) and due to related parties.

<u>Impairment of Financial Assets</u>
The Company recognizes an allowance for expected credit losses (ECLs) for all debt instruments not held at FVPL. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original EIR. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

The Company applies a simplified approach in calculating ECLs for financial assets at amortized costs. Therefore, the Company does not track changes in credit risk, but instead recognizes a loss allowance based on lifetime ECLs at each reporting date. The Company has established a provision matrix for accounts and other receivables that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

The Company considers a financial asset in default when contractual payments are 30 days past due. However, in certain cases, the Company may also consider a financial asset to be in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Company. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

For cash and cash equivalents, the Company applies the low credit risk simplification. The probability of default and loss given defaults are publicly available and are considered to be low credit risk investments. It is the Company's policy to measure ECLs on such instruments on a 12-month basis. However, when there has been a significant increase in credit risk since origination, the allowance will be based on the lifetime ECL. The Company's uses the ratings from reputable rating agencies to determine whether the debt instrument has significantly increased in credit risk and to estimate ECLs.

<u>Derecognition of Financial Assets and Financial Liabilities</u>
Financial assets
A financial asset is derecognized when:

- the rights to receive cash flows from the asset have expired;
- the Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay them in full without material delay to a third party under a 'pass-through' arrangement and either (a) has transferred substantially all the risks and rewards of the asset, or (b) has neither transferred nor retained substantially all risks and rewards of the asset, but has transferred control of the asset.

Where the Company has transferred its rights to receive cash flows from an asset and has neither transferred nor retained substantially all the risks and rewards of an asset nor transferred control of the asset, the asset is recognized to the extent of the Company's continuing involvement in the asset. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Financial liabilities
A financial liability is derecognized when the obligation under the liability is discharged, cancelled or has expired.

Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognized in the statement of comprehensive income.

Offsetting of Financial Instruments
Financial assets and financial liabilities are only offset and the net amount reported in the statement of financial position when there is a legally enforceable right to offset the recognized amounts and the Company intends to either settle on a net basis, or to realize the asset and settle the liability simultaneously. This is not generally the case with master netting agreements, where the related assets and liabilities are presented at gross in the statement of financial position.

Inventories
Inventories are valued at the lower of cost and net realizable value (NRV). Cost is determined using the moving average method. NRV is the estimated selling price in the ordinary course of business less estimated costs necessary to make the sale. NRV of supplies is the estimated current replacement cost.

Other 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, advances to officers and employees and advances to suppliers.

Prepaid expenses
Prepaid expenses are amounts paid in advance for goods and services that are yet to be delivered and from which future economic benefits are expected to flow to the Company within its normal operating cycle or within 12 months from the balance sheet date. These are measured at amortized cost less any impairment loss.

VAT
Revenues, expenses, and assets are recognized net of the amount of VAT, if applicable.

When VAT from sales of goods and/or services (output VAT) exceeds VAT passed on from purchases of goods or services (input VAT), the excess is recognized as payable in the statement of financial position. When VAT passed on from purchases of goods or services (input VAT) exceeds VAT from sales of goods and/or services (output VAT), the excess is recognized as an asset in the statement of financial position to the extent of the recoverable amount.

Creditable VAT
Creditable VAT pertains to the VAT withheld on government sales which are creditable against output VAT.

Advances to suppliers
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. Classification of advances to suppliers is based on the actual realization of such advances based on the determined usage/realization of the asset to which it is intended for.

<u>Property and Equipment</u>
Property and equipment are carried 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.

Subsequent costs are capitalized as part of property and equipment only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be reasonably measured. All other repairs and maintenance are charged against current operations as incurred. In situations where it can be clearly demonstrated that the expenditures have resulted in an increase in the future economic benefits expected to be obtained from the use of an item of property and equipment beyond its originally assessed standard of performance, the expenditures are capitalized as an additional cost of property and equipment.

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.

The useful lives and depreciation methods are reviewed periodically to ensure that the period and method of depreciation are consistent with the expected pattern of economic benefits from items of property and equipment.

The separate recognition of significant components of property and equipment depends on whether these components serve the same purpose as the related items of property and equipment. If the corresponding components do not serve the same purpose, they must be recognized separately. If the component parts serve the same purpose, the need to recognize them separately depends on whether they have the same structure and the same normal useful life as the other component parts of the asset. If the structure and normal useful life are different, the component parts must be recognized separately insofar as they comply with the definition of the assets. Accordingly, the cost of acquisition must be allocated to the individual components over their respective useful lives.

The depreciation of the component parts must be recognized for each component part separately. The subsequent expenses for the exchange or replacement of such assets must be recognized as acquisition costs for a separate asset and depreciated over their useful life.

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 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 3 years.

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.

A previously recognized impairment loss is reversed only if there has been a change in the estimates used to determine the recoverable amount of an asset, however, not to an amount higher than the carrying amount that would have been determined (net of any depreciation and amortization) had no impairment loss been recognized for the asset in prior years. A reversal of an impairment loss is credited to current operations.

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 its revenue arrangements.

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

Rooms
Revenue from rooms 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 service is capable of being distinct from the other services and the transaction price for each service is separately identifiable.

Other operating departments
Revenue from other operating departments 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 service is capable of being distinct from the other services and the transaction price for each service is separately identifiable.

Interest income
Interest income is recognized as it accrues taking into account the effective yield on the asset.

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.

Other income
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 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. Direct costs and operating expenses encompass losses as well as those expenses that arise in the course of ordinary activities of the Company. Direct costs are charged to statement of comprehensive income when related revenue is recognized, while operating expenses are recognized when incurred. These are measured at the amount paid or payable.

Cost of sales and services
Cost of sales and services pertain to expenses incurred in relation to sale of goods and rendering of services. These are recognized when incurred and measured at the amount paid or payable.

Leases
The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a lessee
Leases where the lessor retains substantially all the risks and benefits of ownership of the asset are classified as operating leases. Lease payments on leases of low-value assets are recognized as expense in the statement of comprehensive income on a straight-line basis over the lease term. Initial direct costs incurred in negotiating operating leases are added to the carrying amount of the leased asset and recognized over the lease term on the same basis as the lease expense. Contingent rents are recognized as expense in the period in which they are incurred.

Other Comprehensive Income (OCI)
OCI are items of income and expense that are not recognized in the profit or loss for the period in accordance with PFRS. The Company has no OCI item for the Nine months ended September 30, 2023 and 2022.

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 used to compute the amount are those that are enacted or substantively enacted at the reporting date.

Deferred tax
Deferred tax is provided, using the liability method, on all 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 some exceptions. Deferred tax assets are recognized for all deductible temporary differences, carryforward benefit of the excess of minimum corporate income tax (MCIT) over regular corporate income tax (RCIT) and unused net operating loss carryover (NOLCO), to the extent that it is probable that sufficient taxable profit will be available against which the deductible temporary differences and carryforward of excess MCIT and unused NOLCO can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are reassessed at each reporting date and are recognized to the extent that it has become probable that future taxable profit will allow the deferred tax assets to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are applicable to the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantially enacted at the reporting date.

Deferred tax relating to items recognized in other comprehensive income or directly in equity is also recognized in other comprehensive income.

Deferred tax assets and liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

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 September 30, 2023 and December 31, 2022 (see Note 16).

Provisions
A provision is recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessment of the time value of money and, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognized as interest expense. When the Company expects part or all of provision to be reimbursed or recovered, the reimbursement is recognized as a separate asset, but only when the reimbursement is virtually certain.

Contingencies
Contingent liabilities are not recognized in the financial statements. They are disclosed unless the possibility of an outflow of resources embodying economic benefits is remote. Contingent assets are not recognized in the financial statements but are disclosed when an inflow of economic benefits is probable.

Events after the Reporting Period
Post year-end events that provides additional information about the Company's position at the financial reporting date (adjusting events) are reflected in the financial statements. Post year-end events that are not adjusting events are disclosed in the notes to the financial statements when material.

3. Significant Accounting Estimates and Assumption

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.

Management's 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 uses a provision matrix to calculate ECLs for receivables. The provision rates are based on days past due. The provision matrix is initially based on the Company's historical observed default rates. The Company calibrates the matrix to adjust the historical credit loss experience with forward-looking information. At every financial reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analyzed.

The assessment of the correlation between historical observed default rates, forecast economic conditions (e.g., inflation and lending rate) 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 member's actual default in the future.

As of September 30, 2023 and December 31, 2022, the carrying value of receivables amounted to ₱11.18 million and ₱11.53 million, respectively. There is no provision for ECL recognized for the nine months ended September 30, 2023 and 2022 (see Note 5).

Estimation of NRV of inventories
Inventories are valued at the lower of cost or NRV. To determine the NRV, the Company is required to make estimate of the inventories' estimated selling price in the ordinary course of business and costs necessary to make a sale. In determining the recoverability of the inventories, management considers whether those inventories are damaged or if their selling prices have declined. The amount and timing of recorded expenses for any period would differ if different judgment were made or different estimates were utilized.

For the Nine months ended September 30, 2023 and 2022, there is no allowance for inventory write-down recognized since the Company has determined that the NRV of inventories is higher than its cost. As of September 30, 2023 and December 31, 2022, total inventories carried at cost amounted to ₱1.55 million and ₱1.67 million, respectively (see Note 6).

4. Cash and Cash Equivalents

This account consists of:

	September 30, 2023	December 31, 2022
Cash on hand	**₱859,467**	₱1,416,387
Cash in banks (Note 11)	**71,292,276**	26,204,446
Cash equivalents (Note 11)	**61,710,188**	65,529,539
	₱133,861,931	₱93,150,372

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 0.25%.

Interest income earned from cash and cash equivalents amounted to ₱1.75 million and ₱0.22 million for the Nine months ended September 30, 2023 and 2022, respectively (see Note 11).

There are no restrictions on the Company's cash and cash equivalents as of September 30, 2023 and December 31, 2022.

5. Receivables

This account consists of:

	September 30, 2023	December 31, 2022
Contract receivables:		
Corporate, travel agency and individuals	**₱9,542,284**	₱8,642,460
Guest ledger	**527,510**	1,121,267
Credit cards	**1,113,051**	1,773,214
	₱11,182,845	₱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 3 to 5 days from transaction date.

6. Inventories

This account consists of:

	September 30, 2023	December 31, 2022
Supplies	**₱1,572,257**	₱1,429,592
Fuel	**312,616**	243,766
	₱1,884,873	₱1,673,358

Supplies include guest, engineering, cleaning, and other operating supplies as a requirement in the day-to-day operations of the Company.

Fuel pertains to fuel and oil.

The cost of inventories recognized as part of "Cost of services" in the statements of comprehensive income amounted to ₱2.18 million and ₱1.82 million for the nine months ended September 30, 2023 and 2022, respectively (see Note 12).

7. Other Assets

This account consists of:

	September 30, 2023	December 31, 2022
Prepayments and advances	**₱3,465,424**	₱ 245,616
Advances to suppliers	**1,683,960**	819,763
Creditable withholding taxes	**131,632**	449,520
Security deposits	**9,200**	9,200
	₱5,290,216	₱1,524,101

Prepayments and advances pertain to advance deposit service provider and suppliers arising from ordinary course of business

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 suppliers represent payments made in advance for the guest supplies and software costs. These advances will be applied against the future billings of the Company's suppliers.

8. Property and Equipment and Software Costs

Property and equipment
The roll-forward analysis of this account follows:

	As of September 30, 2023			
	Machineries, Tools and Equipment	**Computer Equipment**	**Furn., Fixtures & Equipment**	**Total**
Cost				
Balances at beginning of year	**₱456,007**	**₱256,696**	**₱ -**	**₱712,703**
Additions	**47,812**	**690,901**	**98,018**	**836,731**
Balances at end of year	**503,819**	**947,597**	**98,018**	**1,549,434**
Accumulated Amortization				
Balances at beginning of year	**102,101**	**33,296**		**135,397**
Amortization	**114,002**	**158,995**	**-**	**272,997**
Balances at end of year	**216,103**	**192,291**	**-**	**408,394**
Net Book Value	**₱287,716**	**₱ 755,306**	**₱98,018**	**₱1,141,040**

The Company's property and equipment are not pledged or used as collateral to secure any obligation as of September 30, 2023 and December 31, 2022.

Software costs

This account pertains to the software costs for accounting system and front office management system purchased by the Company.

The roll forward analysis of this account follows:

	September 30, 2023	December 31, 2022
Cost		
At beginning of period	**₱806,033**	₱675,499
Additions	**566,201**	130,534
At end of period	**1,372,234**	806,033
Accumulated Depreciation		
At beginning of period	**422,504**	197,338
Amortization (Note 13)	**236,861**	225,166
At end of period	**659,365**	422,504
Net Book Values	**₱712,869**	₱383,529

Depreciation expense recognized as part of "General and administrative expenses" in the statements of comprehensive income amounted to ₱0.50 million and ₱0.24 million for the nine months ended September 30, 2023 and 2022, respectively (see Note 14).

9. Accounts and Other Payables

This account consists of:

	September 30, 2023	December 31, 2022
Trade payables	**₱63,590,978**	₱18,031,830
Accrued expenses	**29,855,561**	44,391,933
Taxes payable	**1,413,040**	4,105,075
Wages and employee related payables	**1,674,226**	1,549,389
	₱96,533,809	₱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 to 90-day term.

Accrued expenses represent accruals for telecommunication, utilities, salaries, security services and other expenses that are normally settled on a 30 to 90-day term upon receipt of billing.

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

Wages and employee-related payables include employees' share on the additional service fees charged to customers and accrued compensation. These are normally settled within one (1) month.

10. 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:

	September 30, 2023	December 31, 2022
Balances at beginning of period	**₱3,200,181**	₱726,507
Additions	**1,900,004**	5,750,282
Recognized as revenue	**(3,840,132)**	(3,276,608)
Balances at end of period	**₱1,260,053**	₱3,200,181

11. Related Party Transactions

The Company has entered various transactions with related parties. Parties are 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 September 30, 2023 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 September 30, 2023 and December 31, 2022, the Company has not made any provision for ECL relating to amounts owed by related parties. This assessment is undertaken each financial period 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:

	30-Sep-23			
	Amount/ Volume	**Outstanding balance**	**Terms**	**Conditions**
Cash and cash equivalents				
Affiliate				
a. Cash and cash equivalents (Note 4)	**43,072,127**	**128,379,030**	Interest-bearing at prevailing market rate	Unrestricted
Interest income	**1,752,926**		–	–
Due to related parties				
b. Parent Company	**212,983**	**(15,955)**	Noninterest-bearing; due and demandable	Unsecured
c. Filinvest Land, Inc. (FLI)	**15,071,867**	**(2,373,543)**	Noninterest-bearing; due and demandable	Unsecured
d. Fora Restaurants, Inc. (FRI)	**2,747,363**	**(2,318,225)**	Noninterest-bearing; due and demandable	Unsecured
e. Chroma Hospitality, Inc. (CHI)	**(504,151)**	**(2,180,923)**	Noninterest-bearing; due and demandable	Unsecured
f. Entrata Hotel Services, Inc.	**29,318**	**(90,946)**	Noninterest-bearing;	Unsecured

(EHSI)			due and demandable	
g. Corporate Technologies, Inc.	**(1,133,253)**	**(4,007,142)**	Noninterest-bearing; due and demandable	Unsecured
h. Hospitality Enterprise Resources Inc.(HERC)	**(35,833)**	**(35,833)**	Noninterest-bearing; due and demandable	Unsecured
		(11,022,567)		

	30-Sept-23			
	Amount/ Volume	Outstanding balance	Terms	Conditions
Due from related parties				
h. Fora Restaurants, Inc. (FRI)	(3,782,720)	279,223	Noninterest-bearing; due and demandable	Unsecured
h.. Chroma Hospitality, Inc. (CHI)	196,066	217,329	Noninterest-bearing; due and demandable	Unsecured
h.. Entrata Hotel Services, Inc. (EHSI)	27,735	27,735	Noninterest-bearing; due and demandable	Unsecured
		524,287		
Accrued expenses				
c. FLI (rent)		(9,264,409)	Noninterest-bearing;	Unsecured

	31-Dec-22			
	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
g.			Noninterest-bearing; due and demandable	Unsecured
h. Corporate Technologies, Inc. (CTI)	5,220,741	(2,873,889)	Noninterest-bearing; due and demandable	Unsecured
		(27,410,861)		

	31-Dec-22			
	Amount/ Volume	Outstanding balance	Terms	Conditions
Due from related parties				
d. Fora Restaurants, Inc. (FRI)	4,061,943	4,061,943	Noninterest-bearing; due and demandable	Unsecured
e. Chroma Hospitality, Inc. (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; due and demandable	Unsecured
		(9,226,418)		

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. As of September 30, 2022, the Company paid the balance in full.

   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 1 year and automatically renewable every year for a similar term unless terminated by either party. For the Nine months ended September 30, 2023, the Company recognized admin fee amounted to ₱0.83 million (see Note 14; ₱0.517 for the Nine months ended September 30, 2022).

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 the 164 hotel rooms. The lease commences beginning April 1, 2019 until March 31, 2021, subject to automatic renewal for a similar term unless terminated by either party. 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. For the Nine months ended September 30, 2023 the company incurred rent expense amounting to ₱9.26 million (see Note 13; nil for the Nine months ended September 30, 2022).

d. FRI, an affiliate, charges its revenue from food and beverage packages 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 (the "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.

CHI as a management company supervises and manages the operations of the Hotel in consideration of management base fee and incentive fee. For the Nine months ended September 30, 2023 and 2022, management fees billed, amounted to ₱2.48 million and ₱1.42 million (see Note 14).

f. EHSI, an affiliate, charges the Company for intercompany expenses relative its share of security services

g. CTI, an affiliate, charges the Company for telecommunication, IT solutions expenses and system costs related to the system implementation and support services.

h. The intercompany transactions with FRI, CHI, EHSI and HERC pertains to share of expenses.

Compensation of key management personnel
Compensation of key management personnel of the Company consists of employee salaries and benefits amounting to ₱1.38 million and ₱1.27 million for the Nine months ended September 30, 2023 and 2022, respectively.

12. Noncurrent Liabilities

Noncurrent liabilities pertain to the joining fees payable to certificate holders. Joining fees are amounts equivalent to the offer price paid by an initial owner for a certificate, which will be repaid to the Certificate Holders upon end of the term of the condotel project, without interest. As of September 30, 2023, joining fee payable amounts to ₱25.81 million.

13. Cost of Services

This account consists of:

	September 30, 2023	September 30, 2022
Utilities	**₱11,127,475**	₱8,335,619
Rental	**9,264,409**	4,038,115
Salaries and wages	**5,661,051**	4,703,806
Travel Agency Commissions	**3,103,605**	2,399,349
Operating supplies (Note 6)	**2,182,539**	1,820,190
Linens	**-**	2,566,677
Laundry	**2,261,593**	1,516,920
E-commerce fee	**2,068,039**	716,909
Spa Services	**1,160,490**	210,200
Others	**1,367,709**	1,554,001
	₱38,196,910	₱27,861,787

Commissions pertain to payments made to travel and booking agencies for which the hotel transacts with.

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

14. General and Administrative Expenses

This account consists of:

	September 30, 2023	September 30, 2022
Salaries, wages, and benefits	**₱5,925,693**	₱4,666,595
Management fees (Note 11)	**2,475,520**	1,422,312
E-commerce fee	**2,122,834**	1,263,122
Corporate office reimbursable	**2,330,494**	1,720,908
System costs	**1,834,124**	1,446,526
Insurance premium	**1,516,780**	817,840
Security services	**1,713,357**	1,494,292
Contract services	**1,542,764**	773,446
Credit and collection service fees	**1,288,398**	297,518
Repairs and maintenance	**1,329,705**	2,090,612
Telecommunication	**994,715**	1,066,176
Admin fee (Note 11)	**837,079**	516,938
Depreciation (Notes 8 and 11)	**509,857**	236,990
Sales office expenses	**445,489**	1,167,911
Travel and transportation	**292,358**	479,624
Professional fees	**382,259**	122,912
Provision for OPEQ	**225,132**	384,376
Rep and Entertainment	**25,961**	215,756
Taxes and licenses	**46,034**	312,867
Printing and office supplies	**63,156**	161,554
Others	**984,356**	1,431,686
	₱26,886,065	₱22,089,961

Others include uniform laundry and dry clean of uniform, recruitment, and training expenses, postage, and courier charges, representation and entertainment, and other miscellaneous expenses.

15. Equity

As of September 30, 2023 and December 31, 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 make 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 for the Nine months ended September 30, 2023 and 2022.

As of September 30, 2023 and December 31, 2022, the Company considers its capital stock amounted to ₱0.40 million as its capital employed.

The Company is not subject to externally imposed capital requirements.

16. Income Taxes

The provision for income tax consists of:

	September 30, 2023	September 30, 2022
Current – RCIT	**₱ 1,434,969**	₱ 2,782,439
Final	**331,747**	51,085
Deferred	**–**	–
	₱ 1,766,716	₱ 2,833,524

Corporate Recovery and Tax Incentives for Enterprises (‘CREATE’) Act
On March 26, 2021, President Rodrigo Duterte signed into law the CREATE Act to attract more investments and maintain fiscal prudence and stability in the Philippines. Republic Act (RA) 11534 or the CREATE Act introduces reforms to the corporate income tax and incentives systems. Applying the provisions of the CREATE Act, the Company will be subjected to the RCIT rate of twenty-five percent (25%) or MCIT of one percent (1%).

For the Nine months ended September 30, 2023 and 2022, provision for current income tax are recognized based on the effective income tax rate of 25%.

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

	September 30, 2023	September 30, 2022
Income tax at statutory income tax rate	**₱ 1,849,653**	₱ 2,846,158
Tax effects of:		
Nondeductible expenses	**-**	-
Interest income subjected to final tax	**(82,937)**	(12,634)
	₱ 1,766,716	₱ 2,833,524

17. 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.*

18. Financial Assets and Financial Liabilities

Fair Value Information
The carrying values of cash and cash equivalents, receivables, accounts, and other payables (except statutory payables) and due to related parties approximate their fair values as of September 30, 2023 and December 31, 2022 due to the short-term nature of the transactions.

Financial Risk Management Objectives and Policies
The Company’s financial instruments include the Company’s cash and cash equivalents, receivables, accounts and other payables (except statutory payables) and due 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:

	September 30, 2023	December 31, 2022
Cash and cash equivalents*	**₱ 133,002,464**	₱ 91,733,985
Receivables	**11,182,845**	11,536,943
Due from related parties	**524,287**	4,083,206
Security deposits	**9,200**	9,200
	₱ 144,718,796	₱107,363,334

**Excludes cash on hand.*

As of September 30, 2023 and December 31, 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 September 30, 2023 and December 31, 2022 follows:

	September 30, 2023			
	On demand	**Less than 3 months**	**3 to 12 months**	**Total**
Financial assets				
Cash and cash equivalents	**₱72,151,743**	**₱61,710,188**		**₱133,861,931**
Receivables	**–**	**5,917,435**	**₱5,265,410**	**11,182,845**
Due from related parties	**524,287**			**524,287**
	₱72,676,030	**₱67,627,622**	**₱5,265,410**	**₱145,569,063**
Financial liabilities				
Accounts and other payables*	**₱28,812,674**	**₱64,633,869**		**₱93,446,543**
Due to related parties		**11,022,568**	**–**	**11,022,568**
	₱28,812,674	**₱75,656.473**	**₱–**	**₱104,469,111**

**Excludes statutory payables amounting to ₱3.08 million*

	December 31, 2022			
	On demand	Less than 3 months	3 to 12 months	Total
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

	December 31, 2022			
	On demand	Less than 3 months	3 to 12 months	Total
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 ₱8.82 million*

19. 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 September 30, 2022.

20. Other Matters

The declaration of COVID-19 by the World Health Organization (WHO) as a pandemic and declaration of nationwide state of calamity and implementation of community quarantine measures throughout the country starting March 16, 2020 have caused disruptions in the Company's business activities. The Company continues to abide by and comply with all rules and regulations issued by the government in relation to the COVID-19 pandemic. In line with applicable rules and regulations, the said risks are mitigated by business continuity strategies set in place by the Company. Measures currently undertaken by the Company to mitigate the risks of COVID-19 pandemic on its operations include work-from-home arrangements, proper and frequent sanitation of office premises, and the practice of social distancing through remote communication, among others.

In 2022, reopening process for hotel operators has slowly begun as domestic and international travel gradually reduced restrictions. Hotel operations in January 2022 was generally affected by the surge of COVID 19 cases. In February 2022, hotel operations improved due to implementation of Alert Level 1 and the change to multiple use from quarantine facility. These changes drive the increasing revenue trend starting first quarter of 2022.

In 2023 the post-pandemic urge to travel remained strong which drive continued growth in the first half of the year. Leisure demand continued to rise with a growth of 42% in occupancy mainly due to relaxed travel restrictions and revenge travel.

In May 17, 2023, the company has secured approval from Securities and Exchange Commission to sell certificates of participation in Quest Hotel Tagaytay project. The certificates will be offered and sold exclusively to buyers of the 164 rooms in Quest Hotel Tagaytay.

FORA SERVICES, INC.
DOING BUSINESS AS QUEST HOTEL TAGAYTAY

Management's Discussion and Analysis of Financial Condition and Results of Operation

Nine Months Ended September 30

	2023 (Unaudited)	2022 (Unaudited)	Change Increase (Decrease)	%
REVENUE				
Revenue from services	**₱72,149,827**	**₱50,990,841**	21,158,986	41%
Other operating departments	**1,608,700**	**273,035**	1,335,665	489%
Miscellaneous	**556,822**	**351,909**	204,913	58%
	74,315,349	**51,615,785**	22,699,564	44%
COST OF SERVICES	**38,196,910**	**27,861,787**	10,335,123	37%
GENERAL AND ADMINISTRATIVE EXPENSES	**26,886,065**	**22,089,961**	4,796,104	22%
INCOME (LOSS) BEFORE OTHER INCOME (EXP)	**9,232,374**	**1,664,037**	**7,568,337**	455%
OTHER INCOME (EXPENSE)				
Income from insurance claims		9,467,928	(9,467,928)	(100%)
Interest income	**1,752,926**	284,602	1,468,324	516%
Interest expense	**(3,492,498)**	-	(3,492,498)	100%
	(1,739,572)	**9,752,530**	(11,428,239)	118%
INCOME BEFORE INCOME TAX	**7,492,802**	**11,416,562**	(3,923,760)	-36%
PROVISION FOR INCOME TAX	**1,766,716**	**2,769,110**	(1,002,394)	-38%
NET INCOME / TOTAL COMPREHENSIVE INCOME	**₱5,726,086**	**₱8,647,457**	(2,921,371)	-34%

As of September, 30, 2023 the company reported a Net Income of ₱5.7million. Decrease of ₱2.9million or 34% of ₱8.6million last year, mainly attributed to proceeds from insurance claim. Excluding proceeds from insurance, Net Income increased by 455%.

Revenue
For the nine months ended September 30, 2023 the company revenue increased by 44% from last year. The increase mainly driven by higher average daily rate of ₱2,720 (same period last year, ₱2,496) coupled with increase in occupancy rate from 45% to 59%.

Cost of Services
Cost of services increased by 37% corresponding to the increase in volume of transactions and cost of doing business. The company also incurred lease amounting to ₱9.26 million. Lease agreement was terminated on May 17, 2023 upon issuance of Certificate of Permit to Offer Securities by SEC.

General and Administrative Expenses
For the nine months ended September 30, 2023 and 2022, general and administrative expense amounted to Php26.8 million and Php22.08 million, respectively, 22% increase also attributed to volume of transactions.

Other Income (Expenses)

Income from Insurance claims represent proceeds from claims from business interruption. (Note 19)

Interest Income pertains to interest earned from deposits and short term investment
Interest Expense is attributed to accrued a distributable participation interest

Provision for Income tax
For the nine months ended September 30, 2023 and 2022, provision for current income tax and deferred tax are recognized based on 25% effective income tax rate. 38% decrease in provision from income tax primarily due to lower net income.

	30-Sept-23 (Unaudited)	31-Dec-22 (Audited)	Change Increase (Decrease)	
			Php	%
ASSETS				
Current Assets				
Cash and cash equivalents	**₱133,861,931**	₱93,150,373	40,711,558	44%
Receivables	**11,182,845**	11,536,943	-354,098	-3%
Due from related parties	**524,287**	4,083,206	(3,558,919)	-87%
Inventories	**1,884,873**	1,673,357	211,516	13%
Other currents assets	**5,290,216**	1,524,100	3,766,116	247%
Total Current Assets	**152,744,152**	111,967,979	40,776,173	36%
Noncurrent Assets				
Property and equipment	**1,141,040**	577,306	563,734	98%
Software costs	**712,869**	383,529	**329,340**	86%
Total Noncurrent Assets	1,853,909	960,835	893,074	93%
	₱154,598,061	₱112,928,814	41,669,247	37%
LIABILITIES AND EQUITY				
Current Liabilities				
Accounts and other payables	**₱96,533,809**	₱ 68,078,227	13,202,072	19%
Contract liabilities	**1,260,053**	3,200,181	-1,328,037	-41%
Due to related parties	**11,022,568**	27,410,861	-1,507,068	-5%
Total Current Liabilities	**108,816,430**	98,689,269	10,366,967	11%
Non Current Liabilities				
Others	**25,816,000**			
Total Non Current Liabilities	**25,816,000**	-	25,816,000	100%
Equity				
Capital stock	**400,000**	400,000		0%
Retained earnings	**19,565,631**	13,839,545	2,109,066	15%
Total Equity	**19,965,631**	**14,239,545**	2,109,066	15%
	₱154,598,061	**₱112,928,814**	12,476,033	11%

As of September, 30, 2023 financial position of the company remained strong with total assets of ₱154.59 million. Increase in total assets was driven by 44% increase in cash and cash equivalent and 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%. For the nine months ended Sept 30, 2023 total cash balance increased by 44% attributed to the increase in operating cash flow, upward trend in revenue and collection of receivables

Receivables
As of September, 30, 2023 total accounts receivables amounted to ₱11.18 million. 3% decrease driven by improved collection days.

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. Ending inventory as of September 30, 2023 amounted to ₱1.88 million, increase of 13% from December last year.

Other Current Assets
Other Assets consist of advances to suppliers, taxes and prepaid expenses.

For the nine months ended September 30, 2022, increased by ₱5.2 million mainly from advances ,deposits and prepayments.

Noncurrent Assets
Noncurrent assets consist of property and equipment and software cost.

Total non-current assets amounted to ₱1.85 million and ₱0.96million for the nine months ended September 30, 2023 and September 2022, respectively. Increase of 93% was attributed to fixed asset acquisition.

Due to related parties
The company has entered various transaction with related parties that are unsecured, interest-free and require settlement in cash. As of September, 30, 2023 total due to/from related party amounted to ₱11.2 million and ₱.52 million.

Accounts and Other Payables
As of September 30, 2023, accounts and other payables amounted to ₱98.92 million equivalent to 19% increase. Increase from last year was driven by additional accrual of electricity, contract services, system and operating requirements incurred during the period

Contract Liabilities
Contract liabilities represents obligation to provide services to the customer for which the Company has received consideration.
As of September 30, 2023, contract liabilities amounted to ₱1.26 million mainly attributed to deposits from guests.
Noncurrent Liability
This account pertains to the joining fee equivalent to the Offer Price paid by an initial Unit Owner for a Certificate, which will be repaid to the Certificate Holders upon end of the Term of the Condotel Project, without interest.

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

ATTACHMENT-I

FORA SERVICES, INC.
DOING BUSINESS AS QUEST HOTEL TAGAYTAY

AGING OF ACCOUNTS RECEIVABLE
SEPTEMBER 30, 2023

	Current	1-30 days	31-60 days	61-90 days	>120 days	Total
Accounts Receivable	6,181,255	433,994	971,286	51,084	3,545,226	11,182,845
Total	**6,181,255**	**433,994**	**971,286**	**51,084**	**3,545,226**	**11,182,845**

FORA SERVICES, INC.
DOING BUSINESS AS QUEST HOTEL TAGAYTAY
OTHER INFORMATION

SALE OF SECURITIES

Fora Services Inc. (FOSI) received from SEC the Certificate of Permit to Offer Securities dated 17 May 2023, relating to the following 164 Certificates of Participation ("Certificates") in the Quest Hotel Tagaytay Project covered under SEC MSRD Order No. 25, Series of 2023, viz:

Class	No. of Certificates per Class	Offer Price per Certificate	Aggregate Offer Price per Class
Studio 23	63	₱187,700	₱11,825,100
Studio 27	61	₱220,400	₱13,444,400
Studio 29	18	₱236,700	₱ 4,260,600
Suite 44	18	₱359,100	₱ 6,463,800
Suite 54	4	₱440,700	₱ 1,762,800
TOTAL	**164**		**₱37,756,700**

The Certificates shall have a term of twenty-five year counted from the date of the SEC Permit to Sell for the Project, subject to renewal or extension for a similar or shorter period at the sole option of FOSI. The Certificates will be offered and sold by FOSI exclusively to Unit Owners of the Project. The Offer Price will be repaid to the Certificate Holders upon the end of the term of the Project.

The foregoing securities have been registered pursuant to the requirements of Sections 8 and 12 of the Securities Regulation Code and its amended Implementing Rules and Regulations.

FORA SERVICES, INC.
DOING BUSINESS AS QUEST HOTEL TAGAYTAY
INDEX TO SUPPLEMENTARY SCHEDULES

FORA SERVICES, INC.
DOING BUSINESS AS QUEST HOTEL TAGAYTAY

RECONCILIATION OF RETAINED EARNINGS AVAILABLE FOR DIVIDEND DECLARATION
SEPTEMBER 30, 2023

Unappropriated Retained Earnings, January 1, 2023		₱13,839,545	
Less: Deferred tax assets as of December 31, 2022			–
Retained earnings as adjusted to amount available for dividend declaration, beginning			₱13,839,545
Net income earned/realized during the period:			
Net income during the period closed to retained earnings	5,726,086		
Less: Non-actual/unrealized income net of tax	–		
Equity in net income of associate/joint venture	–		
Unrealized foreign exchange gain-net (except those attributable to Cash and Cash equivalents)	–		
Fair value adjustment (M2M gains)	–		
Fair value adjustment of investment property resulting to gain	–		
Adjustment due to deviation from PFRS/GAAP-gain	–		
Other unrealized gains or adjustments to the retained earnings as a result of certain transactions accounted for under the PFRS	–		
Add: Non-actual losses			
Depreciation on revaluation increment (after tax)	–		
Adjustment due to deviation from PFRS/GAAP-loss	–		
Loss on fair value adjustment of investment property (after tax)	–		
Net income actually earned during the period			₱19,565,631
Add (less):			
Movement in deferred tax assets			–
Dividend declarations during the period			–
Transfer of remeasurement gain on retirement plan			–
Appropriations of retained earnings during the period			–
Unappropriated Retained Earnings, as adjusted September 30, 2023			₱19,565,631

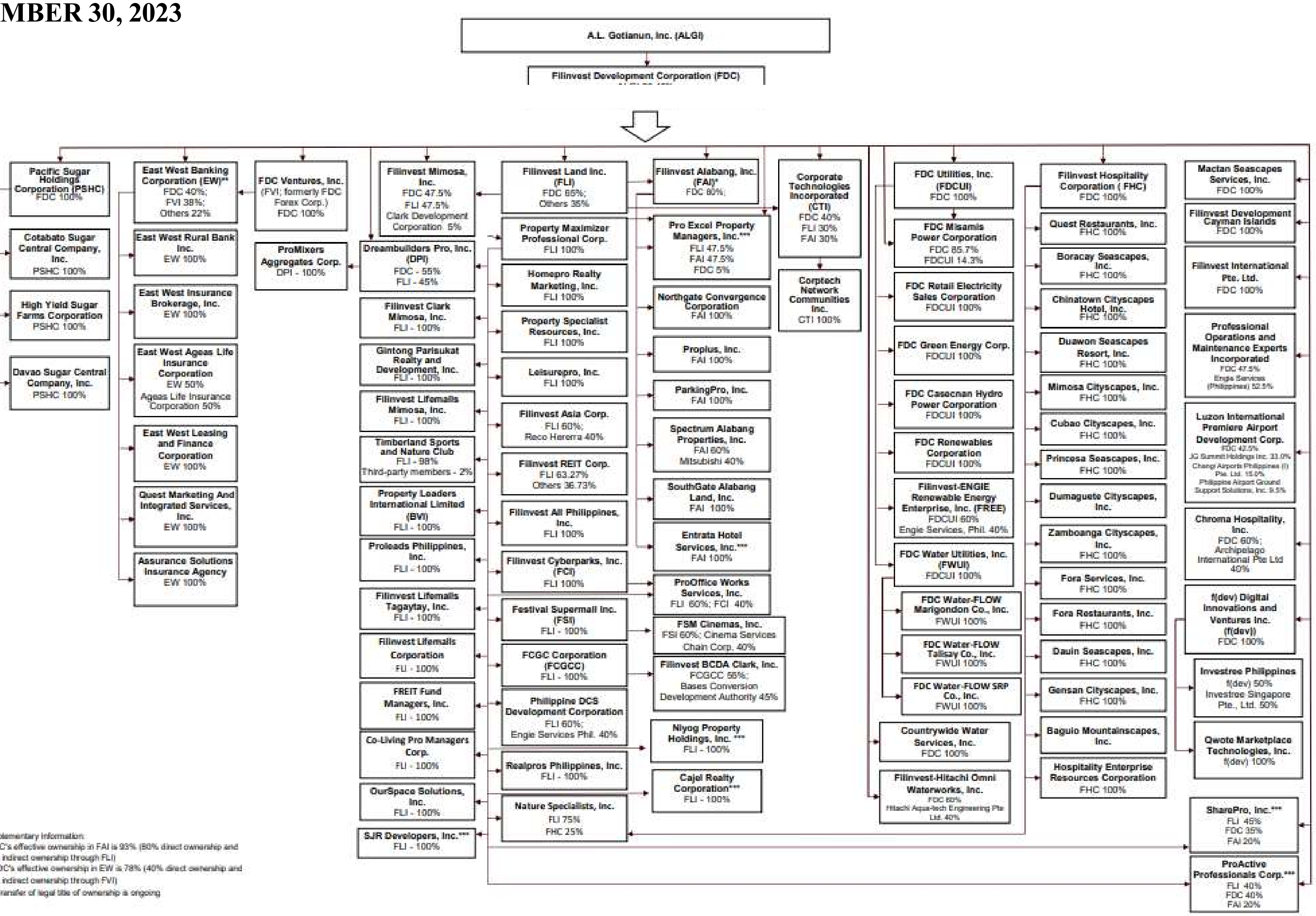
ANNEX B

FOR A 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

SEPTEMBER 30, 2023



Supplementary Information:

* FDC's effective ownership in FAI is 93% (80% direct ownership and 13% indirect ownership through FLI)

** FDC's effective ownership in EW is 78% (40% direct ownership and 38% indirect ownership through FVI)

*** Transfer of legal title of ownership is ongoing

FORA SERVICES, INC.
DOING BUSINESS AS QUEST HOTEL TAGAYTAY
SUPPLEMENTARY INFORMATION AND DISCLOSURES REQUIRED BY REVISED SRC RULE 68 (ANNEX 68-J)
SEPTEMBER 30, 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 September, 30, 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 September30, 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 September 30, 2023.

	Balance at beginning of period	Additions	Amounts collected	Balance at end of period
Fora Restaurants, Inc. (FRI)	₱4,061,943	₱1,862,160	₱(5,644,880)	₱ 279,223
Chroma Hospitality, Inc. (CHI)	21,263	196,066	-	217,329
Entrata Hotel Services Inc.		27,735	-	27,735
	₱4,083,206	₱2,085,961	₱(5,644,880)	₱ 524,287

The receivables from related parties pertain to share in common expenses, 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 September 30, 2023.

Schedule E. Indebtedness to Related Parties

This schedule is not applicable since the Company does not have noncurrent indebtedness to its related parties as of September 30, 2023.

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 September 30, 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	5	None

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 Total Current Assets ₱152,744,152 Divide by: Total Current Liabilities 108,816,430 Current Ratio 1.40	**1.40**	1.13
Debt Ratio	Total Liabilities divided by Total Assets Total Liabilities ₱134,632,430 Divide by: Total Assets 154,598,061 Debt Ratio 0.87	**0.87**	0.87
Quick Asset Ratio	Quick Assets *(total current assets less inventories)* divided by Current Liabilities Total Current Assets ₱152,744,152 Less: Inventories 1,884,873 Quick Assets 150,859,279 Divide by: Total Current Liabilities 108,816,430 Quick Asset Ratio 1.39	**1.39**	1.12
Solvency Ratio	Net Income before Depreciation *(net income plus depreciation)* divided by Total Liabilities Net Income ₱5,726,086 Add: Depreciation 509,857 Net Income before Depreciation 6,235,943 Divide by: Total Liabilities 134,632,430 Solvency Ratio 0.05	**0.05**	0.09
Net Profit Margin	Net Income divided by Revenue Net Income ₱5,726,086 Divide by: Revenue 74,315,349 Net Profit Margin 0.08	**0.08**	0.11

Ratio	**Formula**	**2023**	2022
Return on Equity	Net Income divided by Total Equity Net Income ₱5,726,086 Divide by: Total Equity 19,965,631 Return on Equity 0.29	**0.29**	0.59
Return on Assets	Net Income divided by Average Total Assets Net Income ₱5,726,086 Divide by: Average Total Assets 78,491,401 Return on Assets 0.07	**0.07**	0.15
Asset-to-Equity Ratio	Total Assets divided by Total Equity Total Assets ₱156,982,802 Divide by: Equity 19,965,631 Asset-to-Equity Ratio 7.86	**7.86**	7.93

SIGNATURES

Pursuant to the requirements of the Securities Regulation Code, the issuer has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

FORA SERVICES, INC. DOING BUSINESS AS QUEST HOTEL TAGAYTAY

Signature: ______________________
Francis V. Ceballos
Title: President CEO

Signature: ______________________
Nancy Rivera
Title: Treasurer/ Chief Financial Officer

Signature Certificate

Reference number: XISBD-7YCYJ-VANKV-TXR5X

Signer	Timestamp	Signature
Nancy Rivera Email: nancy.rivera@filinvesthospitality.com Shared via link		
Sent:	14 Nov 2023 09:19:24 UTC	
Viewed:	14 Nov 2023 12:07:17 UTC	
Signed:	14 Nov 2023 12:08:00 UTC	IP address: 63.222.16.157
Email: francis.ceballos@filinvestland.com Shared via link		
Sent:	14 Nov 2023 09:19:24 UTC	
Viewed:	14 Nov 2023 12:09:21 UTC	
Signed:	14 Nov 2023 12:15:38 UTC	IP address: 112.204.242.138 Location: Mandaluyong City, Philippines

Document completed by all parties on:

14 Nov 2023 12:15:38 UTC