

# COVER SHEET

SEC Registration Number

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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 |   |   |
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|   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |

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

|   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |
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| 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

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Department requiring the report

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| C | R | M | D |
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Secondary License Type, If Applicable

|   |   |   |
|---|---|---|
| N | / | A |
|---|---|---|

### COMPANY INFORMATION

Company's Email Address

|  |
|--|
| katrina.clemente-lua@filinvestland.com |
|--|

Company's Telephone Number

|           |
|-----------|
| 7918-8188 |
|-----------|

Mobile Number

|     |
|-----|
| N/A |
|-----|

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

|   |
|---|
| <b>Fora Rotunda Tagaytay, General Emilio Aguinaldo Highway Silang Junction, Barangay Silang Crossing East Tagaytay, 4120 Cavite</b> |
|---|

**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.

**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 **March 31, 2024**
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 issuer's 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 Section 8 and 12 of the SRC

| <b>Class</b> | <b>No. of Certificates Per Class</b> | <b>Offer Price per Certificate</b> | <b>Aggregate Offer Price per Class</b> |
|--------------|--------------------------------------|------------------------------------|--|
| 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                          |
| <b>TOTAL</b> | <b>164</b>                           |                                    | <b>Php 37,756,700</b>                  |

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

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**PART 1 – FINANCIAL INFORMATION**

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

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**Unaudited Interim Financial Statements**

As at March 31, 2024 and Dec 31, 2023  
and  
For the Three months ended March 31, 2024 and 2023

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

|  | <b>March 31</b>    | December 31 |
|--|--------------------|-------------|
|  | <b>2024</b>        | 2023        |
|  | <b>(Unaudited)</b> | (Audited)   |
| <b>ASSETS</b>                                |                    |             |
| <b>Current Assets</b>                        |                    |             |
| Cash and cash equivalents (Notes 4 and 12)   | <b>89,527,573</b>  | 84,873,235  |
| Receivables (Note 5)                         | <b>10,927,875</b>  | 12,216,060  |
| Due from related parties (Note 12)           | -                  | 12,902,694  |
| Inventories (Note 6)                         | <b>2,288,668</b>   | 1,996,179   |
| Other currents assets (Note 7)               | <b>2,585,277</b>   | 2,505,038   |
| <b>Total Current Assets</b>                  | <b>105,329,393</b> | 114,493,206 |
| <b>Noncurrent Assets</b>                     |                    |             |
| Property and equipment (Note 8)              | <b>11,660,385</b>  | 1,098,191   |
| Software costs (Note 9)                      | <b>800,295</b>     | 856,587     |
| <b>Total Noncurrent Assets</b>               | <b>12,460,680</b>  | 1,954,778   |
|  | <b>117,790,073</b> | 116,447,984 |
| <b>LIABILITIES AND EQUITY</b>                |                    |             |
| <b>Current Liabilities</b>                   |                    |             |
| Accounts and other payables (Note 10 and 11) | <b>29,947,713</b>  | 32,270,001  |
| Accrued interest payable                     | <b>8,655,727</b>   | 3,644,769   |
| Contract liabilities (Note 13)               | <b>176,082</b>     | 1,233,649   |
| Due to related parties (Note 12)             | <b>16,315,865</b>  | 18,083,250  |
| Income tax payable                           | <b>1,648,494</b>   | 1,313,126   |
| <b>Total Current Liabilities</b>             | <b>56,743,881</b>  | 56,544,795  |
| <b>Non Current Liabilities</b>               |                    |             |
| Participation liability (Notes 11 and 12)    | <b>37,756,700</b>  | 37,756,700  |
| <b>Total Non Current Liabilities</b>         | <b>37,756,700</b>  | 37,756,700  |
|  | <b>94,500,581</b>  | 94,301,495  |
| <b>Equity</b>                                |                    |             |
| Capital stock (Note 16)                      | <b>400,000</b>     | 400,000     |
| Retained earnings                            | <b>22,889,492</b>  | 21,746,489  |
| <b>Total Equity</b>                          | <b>23,289,492</b>  | 22,146,489  |
|  | <b>117,790,073</b> | 116,447,984 |

*See accompanying Notes to Financial Statements.*

**FORA SERVICES, INC.**  
**DOING BUSINESS AS QUEST HOTEL TAGAYTAY**  
**STATEMENTS OF COMPREHENSIVE INCOME**  
**For the Three months ended March 31, 2024**

|  | <b>Three months Ended March 31</b> |             |
|--|------------------------------------|-------------|
|  | <b>2024</b>                        | <b>2023</b> |
| <b>REVENUE</b>                                       |                                    |             |
| Revenue from services                                |                                    |             |
| Rooms  | <b>26,604,371</b>                  | 25,758,764  |
| Other operating departments                          | <b>447,863</b>                     | 585,637     |
| Miscellaneous  | -                                  | 173,164     |
|  | <b>27,052,234</b>                  | 26,517,564  |
| <b>COST OF SERVICES</b> (Note 14)                    | <b>10,283,837</b>                  | 9,856,700   |
| <b>GENERAL AND ADMINISTRATIVE EXPENSES</b> (Note 15) | <b>10,103,618</b>                  | 8,977,681   |
| <b>OTHER INCOME (EXPENSE)</b>                        |                                    |             |
| Interest income (Note 4)                             | <b>453,846</b>                     | 604,285     |
| Interest expense (Note 11 and 12)                    | <b>(5,640,258)</b>                 |             |
|  | <b>(5,186,412)</b>                 | 604,285     |
| <b>INCOME BEFORE INCOME TAX</b>                      | <b>1,478,368</b>                   | 8,287,469   |
| <b>PROVISION FOR INCOME TAX</b> (Note 17)            | <b>(335,368)</b>                   | (1,920,796) |
| <b>NET INCOME/ TOTAL COMPREHENSIVE INCOME</b>        | <b>1,142,998</b>                   | 6,366,673   |

*See accompanying Notes to Financial Statements.*

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

|   | <b>March 31, 2024</b> | March 31, 2023      |
|---|-----------------------|---------------------|
|   | <i>Unaudited</i>      | <i>Unaudited</i>    |
| <b>CAPITAL STOCK</b> (Note 16)            | <b>₱ 400,000</b>      | ₱ 400,000           |
| <b>RETAINED EARNINGS (DEFICIT)</b>        |                       |                     |
| Balances at beginning of period January 1 | <b>21,746,489</b>     | 13,839,545          |
| Net income (loss) for the period          | <b>1,142,998</b>      | 6,366,673           |
| Balances at end of period                 | <b>22,889,487</b>     | 20,206,218          |
|   | <b>₱ 23,289,487</b>   | <b>₱ 20,606,218</b> |

See accompanying Notes to Financial Statements.

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

|  | March 31, 2024    | March 31, 2023     |
|--|-------------------|--------------------|
|  | <i>Unaudited</i>  | <i>Unaudited</i>   |
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>            |                   |                    |
| Income before income tax                               | 1,478,366         | 8,295,074          |
| Adjustments for:                                       |                   |                    |
| Income from insurance claims (Note 13)                 |                   |                    |
| Depreciation and Amortization (Notes 8, 9 and 15)      | 1,061,213         | 170,700            |
| Interest expense (Notes 11 and 12)                     | 5,640,258         | -                  |
| Interest income (Note 4)                               | (453,506)         | (604,285)          |
| Operating income (loss) before working capital changes | 7,726,331         | 7,861,489          |
| Changes in operating assets and liabilities:           |                   |                    |
| Decrease (increase) in:                                |                   |                    |
| Receivables  | 1,288,185         | 892,148            |
| Due from related parties                               | 12,902,695        | (108,580)          |
| Inventories  | (292,488)         | (197,566)          |
| Other current assets                                   | (80,239)          | (1,285,145)        |
| Increase (decrease) in:                                |                   |                    |
| Accounts and other payables                            | 2,688,672         | (9,079,662)        |
| Contract liabilities                                   | (1,057,566)       | (1,092,071)        |
| Due to related parties                                 | (1,767,385)       | 683,217            |
| Net cash generated from operations                     | 21,408,206        | (2,333,776)        |
| Insurance claims received                              |                   |                    |
| Interest paid  |                   |                    |
| Interest received                                      | 453,506           | 604,285            |
| Income taxes paid                                      | -                 | -                  |
| Net cash provided by operating activities              | 21,861,712        | (1,729,491)        |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>            |                   |                    |
| Additions to property and equipment (Note 8)           | (11,567,116)      | (776,264)          |
| Cash used in investing activities                      | (11,567,116)      | (776,264)          |
| <b>CASH FLOWS FROM FINANCING ACTIVITIES</b>            |                   |                    |
| Increase in interest payable                           | (5,640,258)       | -                  |
| <b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>       | <b>4,654,338</b>  | <b>(2,505,755)</b> |
| <b>CASH AND CASH EQUIVALENTS</b>                       |                   |                    |
| <b>AT BEGINNING OF PERIOD, JANUARY 1</b>               | <b>84,873,235</b> | <b>93,150,373</b>  |
| <b>CASH AND CASH EQUIVALENTS</b>                       |                   |                    |
| <b>AT END OF PERIOD (Note 4)</b>                       | <b>89,527,573</b> | <b>90,644,618</b>  |

See accompanying Notes to Financial Statements.

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

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**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 March 31, 2024 and 2023 and for each of the three years in the period ended March 31, 2024 were approved and authorized for issue by the BOD on May 20, 2024.

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**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 March 31, 2024 and 2023 and for the three months ended March 31, 2024, and 2023 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 March 31, 2024 and 2023, 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 March 31, 2024 and 2023, 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 March 31, 2024 and 2023, 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 March 31, 2024 and 2023, 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 to five (5) 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 March 31, 2024 and 2023 (see Note 18).

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### **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 March 31, 2024 and 2023, the carrying value of receivables amounted to ₱10.93 million and ₱12.22 million, respectively. There is no provision for ECL recognized in 2024 and 2023 (see Note 5).

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#### 4. Cash and Cash Equivalents

This account consists of

|                            | 2024               | 2023        |
|----------------------------|--------------------|-------------|
| Cash on hand               | <b>₱1,280,614</b>  | ₱1,104,453  |
| Cash in banks (Note 12)    | <b>27,566,895</b>  | 58,535,550  |
| Cash equivalents (Note 12) | <b>60,680,064</b>  | 25,233,232  |
|                            | <b>₱89,527,573</b> | ₱84,873,235 |

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 3.27% to 4.50% and 3.00% to 5.00% in 2024 and 2023, respectively.

Interest income earned from cash and cash equivalents amounted to ₱0.45 million, ₱2.53 million in 2024, 2023, respectively (see Note 12).

There are no restrictions on the Company's cash and cash equivalents as of March 31, 2024 and 2023.

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#### 5. Receivables

This account consists of:

|  | 2024               | 2023        |
|--|--------------------|-------------|
| Contract receivables:                    |                    |             |
| Corporate, travel agency and individuals | <b>₱8,429,670</b>  | ₱9,871,433  |
| Credit cards                             | <b>1,761,398</b>   | 1,265,759   |
| Guest ledger                             | <b>121,493</b>     | 460,802     |
| Others                                   | <b>615,314</b>     | 618,066     |
|  | <b>₱10,927,875</b> | ₱12,216,060 |

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.

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## 6. Inventories

This account consists of:

|          | 2024              | 2023       |
|----------|-------------------|------------|
| Supplies | <b>₱2,018,115</b> | ₱1,655,476 |
| Fuel     | <b>270,553</b>    | 340,703    |
|          | <b>₱2,288,668</b> | ₱1,996,179 |

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 ₱1.65 million and ₱1.41 million in 2024 and 2023, respectively (see Note 14).

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## 7. Other Current Assets

This account consists of:

|                                      | 2024              | 2023       |
|--------------------------------------|-------------------|------------|
| Prepaid expenses                     | <b>₱1,547,208</b> | ₱1,630,318 |
| Advances to suppliers                | <b>611,086</b>    | 611,086    |
| Input value-added tax (VAT) deferred | <b>242,889</b>    | 254,434    |
| Security deposits                    | <b>9,200</b>      | 9,200      |
| Creditable withholding taxes         | <b>174,894</b>    | —          |
|                                      | <b>₱2,585,277</b> | ₱2,505,038 |

Prepaid expenses pertain to the Company's prepayments on insurance, and e-commerce 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.

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## 8. Property and Equipment

The rollforward analysis of this account follows:

|                                 | 2024                                  |                |                       |                        |                                       |                   |
|---------------------------------|---------------------------------------|----------------|-----------------------|------------------------|---------------------------------------|-------------------|
|                                 | Machineries<br>Tools and<br>Equipment | Vehicles       | Computer<br>Equipment | Operating<br>Equipment | Furniture,<br>Fixtures &<br>Equipment | Total             |
| <b>Cost</b>                     |                                       |                |                       |                        |                                       |                   |
| At beginning of period          | 673,395                               | -              | 947,597               | -                      |                                       | 1,620,992         |
| Additions                       | -                                     | 733,650        | -                     | 1,431,994              | 9,401,472                             | 11,567,116        |
| <b>At end of period</b>         | <b>673,395</b>                        | <b>733,650</b> | <b>947,597</b>        | <b>1,431,994</b>       | <b>9,401,472</b>                      | <b>13,188,108</b> |
| <b>Accumulated Depreciation</b> |                                       |                |                       |                        |                                       |                   |
| At beginning of period          | 183,876                               | -              | 338,925               | -                      |                                       | 522,801           |
| Depreciation (Note 15)          | 108,228                               | 36,682         | 6,180                 | 70,376                 | 783,456                               | 1,004,922         |
| At end of period                | 292,104                               | 36,682         | 345,105               | 70,376                 | 783,456                               | 1,527,723         |
| <b>Net Book Values</b>          | <b>381,291</b>                        | <b>696,968</b> | <b>602,492</b>        | <b>1,361,618</b>       | <b>8,618,016</b>                      | <b>11,660,385</b> |

|                                 | 2023                                   |                       |                   |
|---------------------------------|--|-----------------------|-------------------|
|                                 | Machineries,<br>Tools and<br>Equipment | Computer<br>Equipment | Total             |
| <b>Cost</b>                     |  |                       |                   |
| At beginning of period          | ₱456,007                               | ₱256,696              | ₱712,703          |
| Additions                       | 217,388                                | 690,901               | 908,289           |
| At end of period                | 673,395                                | 947,597               | 1,620,992         |
| <b>Accumulated Depreciation</b> |  |                       |                   |
| 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           |
| <b>Net Book Values</b>          | <b>₱489,519</b>                        | <b>₱608,672</b>       | <b>₱1,098,191</b> |

The Company's property and equipment are not pledged or used as collateral to secure any obligation as of March 31, 2024 and 2023.

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## 9. Software Costs

The rollforward analysis of this account follows:

|                               | 2024              | 2023      |
|-------------------------------|-------------------|-----------|
| <b>Cost</b>                   |                   |           |
| Balances at beginning of year | <b>₱1,572,243</b> | ₱806,033  |
| Additions                     | -                 | 766,210   |
| Balances at end of year       | <b>1,572,243</b>  | 1,572,243 |

(Forward)

|                                 | 2024            | 2023            |
|---------------------------------|-----------------|-----------------|
| <b>Accumulated Amortization</b> |                 |                 |
| Balances at beginning of year   | 715,656         | 422,504         |
| Amortization (Note 15)          | 56,292          | 293,152         |
| Balances at end of year         | 771,948         | 715,656         |
| <b>Net Book Value</b>           | <b>₱800,295</b> | <b>₱856,587</b> |

## 10. Accounts and Other Payables

This account consists of:

|  | 2024               | 2023               |
|--|--------------------|--------------------|
| Trade payables                           | ₱9,015,422         | ₱16,337,862        |
| Accrued expenses                         | 13,596,603         | 11,450,749         |
| Wages and employee-related payables      | 2,584,213          | 2,489,718          |
| Taxes payable                            | 4,751,475          | 1,991,672          |
| Subtotal                                 | 29,947,713         | 32,270,001         |
| Accrued interest payables (Note 11)      | 8,655,727          | 3,644,769          |
| <b>Total Accounts and Other Payables</b> | <b>₱38,603,440</b> | <b>₱35,914,770</b> |

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 March 31, 2024, 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 March 31, 2024, and 2023, 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:

|   | 2024              |                        | Terms                                      | Conditions   |
|---|-------------------|------------------------|--|--------------|
|   | Amount/<br>Volume | Outstanding<br>balance |  |              |
| <b><i>Cash and cash equivalents</i></b> |                   |                        |  |              |
| <b><i>Affiliate</i></b>                 |                   |                        |  |              |
| a. Cash and cash equivalents (Note 4)   | ₱4,654,337        | ₱89,527,573            | Interest-bearing at prevailing market rate | Unrestricted |
| Interest income                         | 453,506           |                        |  |              |
| <b><i>Due to related parties</i></b>    |                   |                        |  |              |
| b. Parent Company                       | (₱180,000)        | (₱468,067)             | Noninterest-bearing; due and demandable    | Unsecured    |
| c. Filinvest Land, Inc. (FLI)           | 1,493,714         | (879,831)              | Noninterest-bearing; due and demandable    | Unsecured    |
| d. Fora Restaurants, Inc. (FRI)         | 645,783           | (5,668,716)            | Noninterest-bearing; due and demandable    | Unsecured    |
| e. Chroma Hospitality, Inc. (CHI)       | (335,180)         | (1,364,071)            | Noninterest-bearing; due and demandable    | Unsecured    |
| f. Entrata Hotel Services, Inc. (EHSI)  | 47,065            | (45,747)               | Noninterest-bearing; due and demandable    | Unsecured    |
| g. Corporate Technologies,              | 96,003            | (3,911,140)            | Noninterest-bearing;                       | Unsecured    |

|                                  |  | 2024                 |                        |   |              |
|----------------------------------|--|----------------------|------------------------|---|--------------|
|                                  |  | Amount/<br>Volume    | Outstanding<br>balance | Terms   | Conditions   |
|                                  | Inc. (CTI)   |                      |                        | due and<br>demandable                             |              |
|                                  | h. Hospitality Enterprise<br>Resources Corp.<br>(HERC) | -                    | (3,978,294)            | Noninterest-<br>bearing;<br>due and<br>demandable | Unsecured    |
|                                  |  | <b>(P16,315,865)</b> |                        |   |              |
| <b>Due from related parties</b>  |  |                      |                        |   |              |
|                                  | i. FLI   | (11,940,700)         | -                      | Noninterest-<br>bearing;<br>due within 1 year     | Unsecured    |
|                                  | j. FRI   | (716,930)            | -                      | Noninterest-<br>bearing;<br>due and<br>demandable | Unsecured    |
|                                  | j. CHI   | (217,329)            | -                      | Noninterest-<br>bearing;<br>due and<br>demandable | Unsecured    |
|                                  | j. EHSI  | (27,735)             | -                      | Noninterest-<br>bearing;<br>due and<br>demandable | Unsecured    |
|                                  |  | <b>P-</b>            |                        |   |              |
| <b>Accrued expenses</b>          |  |                      |                        |   |              |
|                                  | k. Interest expense                                    | 5,010,958            | 8,655,727              | Due in May 2024                                   | Unsecured    |
|                                  |  | <b>P8,655,727</b>    |                        |   |              |
| <b>Participation liabilities</b> |  |                      |                        |   |              |
|                                  | k. Joining fee   | P25,816,000          | P25,816,000            | Noninterest-<br>bearing;<br>due in 2048           | Unsecured    |
|                                  |  | 2023                 |                        |   |              |
|                                  |  | Amount/<br>Volume    | Outstanding<br>balance | Terms   | Conditions   |
| <b>Cash and cash equivalents</b> |  |                      |                        |   |              |
| <b>Affiliate</b>                 |  |                      |                        |   |              |
|                                  | i. Cash and cash<br>equivalents<br>(Note 4)            | (P9,158,064)         | P76,148,839            | Interest-bearing at<br>prevailing market<br>rate  | Unrestricted |
|                                  | Interest income  | 2,528,164            |                        |   |              |
| <b>Due to related parties</b>    |  |                      |                        |   |              |
|                                  | j. Parent Company                                      | (P59,129)            | (P288,067)             | Noninterest-<br>bearing;<br>due and<br>demandable | Unsecured    |
|                                  | k. Filinvest Land, Inc.<br>(FLI)                       | 15,071,865           | (2,373,545)            | Noninterest-<br>bearing;<br>due and<br>demandable | Unsecured    |
|                                  | l. Fora Restaurants, Inc.<br>(FRI)                     | (1,248,911)          | (6,314,499)            | Noninterest-<br>bearing;<br>due and<br>demandable | Unsecured    |

| <b>2023</b>                                      |                           |                                |   |                   |
|--|---------------------------|--------------------------------|---|-------------------|
|  | <b>Amount/<br/>Volume</b> | <b>Outstanding<br/>balance</b> | <b>Terms</b>                            | <b>Conditions</b> |
| m. Chroma Hospitality, Inc. (CHI)                | <b>647,881</b>            | <b>(1,028,891)</b>             | Noninterest-bearing; due and demandable | Unsecured         |
| n. Entrata Hotel Services, Inc. (EHSI)           | <b>27,452</b>             | <b>(92,812)</b>                | Noninterest-bearing; due and demandable | Unsecured         |
| o. Corporate Technologies, Inc. (CTI)            | <b>(1,133,253)</b>        | <b>(4,007,142)</b>             | Noninterest-bearing; due and demandable | Unsecured         |
| p. Hospitality Enterprise Resources Corp. (HERC) | <b>(3,978,294)</b>        | <b>(3,978,294)</b>             | Noninterest-bearing; due and demandable | Unsecured         |
| <b>(P18,083,250)</b>                             |                           |                                |   |                   |
| <b><i>Due from related parties</i></b>           |                           |                                |   |                   |
| k. FLI   | <b>11,940,700</b>         | <b>11,940,700</b>              | Noninterest-bearing; due within 1 year  | Unsecured         |
| l. FRI   | <b>(3,345,013)</b>        | <b>P716,930</b>                | Noninterest-bearing; due and demandable | Unsecured         |
| l. CHI   | <b>196,066</b>            | <b>217,329</b>                 | Noninterest-bearing; due and demandable | Unsecured         |
| l. EHSI  | <b>27,735</b>             | <b>27,735</b>                  | Noninterest-bearing; due and demandable | Unsecured         |
| <b>P12,902,694</b>                               |                           |                                |   |                   |
| <b><i>Accrued expenses</i></b>                   |                           |                                |   |                   |
| c. FLI (Rent)                                    | <b>P9,264,410</b>         | <b>P-</b>                      | Noninterest-bearing; due and demandable | Unsecured         |
| m. Interest expense                              | <b>3,320,468</b>          | <b>3,320,468</b>               | Due in May 2024                         | Unsecured         |
| <b>P3,320,468</b>                                |                           |                                |   |                   |
| <b><i>Participation liabilities</i></b>          |                           |                                |   |                   |
| m. Joining fee                                   | <b>P25,816,000</b>        | <b>P25,816,000</b>             | Noninterest-bearing; due in 2048        | 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 March 31, 2024 and 2023, 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. As of March 31, 2024, Due from Affiliates was reclassified to fixed assets account.
- j. The Company charges FHC, FLI, 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 ₱0.41 million, ₱1.23 million in 2024, and 2023, respectively.

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### **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:

|                               | <b>2024</b>        | 2023         |
|-------------------------------|--------------------|--------------|
| Balances at beginning of year | <b>₱1,233,649</b>  | ₱3,200,181   |
| Additions                     | <b>5,631,836</b>   | 14,609,419   |
| Recognized as revenue         | <b>(6,689,403)</b> | (16,575,951) |
| Balances at end of year       | <b>₱ 176,082</b>   | ₱1,233,649   |

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#### 14. Cost of Services

This account consists of:

|                               | <b>2024</b>         | 2023               |
|-------------------------------|---------------------|--------------------|
| Utilities                     | ₱ 1,433,869         | ₱3,344,316         |
| Association Dues              | 2,640,837           | -                  |
| Salaries, wages, and benefits | 1,873,564           | 2,074,336          |
| Commission                    | 1,245,317           | 1,502,281          |
| Operating Supplies            | 1,651,836           | 630,178            |
| E-Commerce                    | 732,830             | 783,284            |
| Spa services                  | 260,600             | 671,412            |
| Telecommunication             | 2,000               | 370,868            |
| Travel and transportation     | 1,049               | 9,500              |
| Others                        | 441,935             | 10,971             |
|                               | <b>₱ 10,283,837</b> | <b>₱ 9,856,700</b> |

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

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## 15. General and Administrative Expenses

This account consists of:

|                                | 2024                | 2023               |
|--------------------------------|---------------------|--------------------|
| Salaries, wages, and benefits  | P 2,089,209         | P 2,027,814        |
| Corporate office reimburseable | 583,082             | 672,607            |
| Repairs and maintenance        | 802,168             | 373,692            |
| Management fees                | 901,677             | 1,050,842          |
| Security services              | 582,613             | 532,257            |
| E-Commerce fee                 | 892,164             | 844,599            |
| System costs                   | 594,422             | 530,895            |
| Telecommunication              | 448,957             | 330,148            |
| Travel and transportation      | 90,571              | 116,087            |
| Credit and collection          | 474,697             | 443,326            |
| Insurance premium              | 324,477             | 481,405            |
| Contract services              | 392,782             | 514,178            |
| Administration Fee             | 270,522             | 271,159            |
| Sales office expenses          | 178,675             | 177,134            |
| Depreciation and amortization  | 1,061,214           | 170,700            |
| Taxes and licenses             | 16,278              | 23,817             |
| Professional fees              | 50,000              | 50,000             |
| Office and cleaning supplies   | 199,857             | 1,178              |
| Others                         | 150,253             | 365,843            |
|                                | <b>P 10,103,618</b> | <b>P 8,977,681</b> |

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.

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## 16. Equity

As of March 31, 2024 and 2023, the capital stock of the Company consists of:

|                              | No. of Shares | Amount     |
|------------------------------|---------------|------------|
| Authorized - P100 par value  | 16,000        | P1,600,000 |
| 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 2024 and 2023.

The Company considers its capital stock and participation liabilities amounting to P38.16 million and P0.40 million, as of March 31, 2024 and 2023, respectively, as its capital employed. The Company is not subject to externally imposed capital requirements.

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## 17. Income Taxes

The provision for income tax consists of:

|         | 2024      | 2023 |
|---------|-----------|------|
| Current | P 244,599 | P-   |
| Final   | 90,769    | -    |

|          |                 |           |
|----------|-----------------|-----------|
| Deferred | -               | -         |
|          | <b>P335,368</b> | <b>P-</b> |

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

|  | 2024            | 2023      |
|--|-----------------|-----------|
| Income tax at statutory income tax rate      | <b>P426,137</b> | P-        |
| Tax effects of:                              |                 |           |
| Interest income subjected to final tax       | <b>(90,769)</b> | -         |
| Movement in unrecognized deferred tax assets | -               | -         |
| Change in tax rate as a result of CREATE Act | -               | -         |
|  | <b>P335,368</b> | <b>P-</b> |

## 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 5% and 14% of the Company's total revenue for the years ended March 31, 2024, and 2023, respectively. The decrease is due to the market mix and lower government contracts in 2024 compared to last year.

## 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 March 31, 2024 and 2023 due to the short-term nature of the transactions.

As of March 31, 2024, and December 31, 2023, the Company's participation liabilities has a carrying value and fair value of P37.76 million. 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:

|                            | <b>2024</b>        | 2023         |
|----------------------------|--------------------|--------------|
| Cash and cash equivalents* | <b>₱88,246,959</b> | ₱83,768,782  |
| Receivables                | <b>10,927,875</b>  | 12,216,060   |
| Due from related parties   | -                  | 12,902,694   |
| Security deposits          | <b>9,200</b>       | 9,200        |
|                            | <b>₱99,184,034</b> | ₱108,896,736 |

\*Excludes cash on hand.

As of March 31, 2024 and 2023, 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:

|                              | 2024               |                    |                   |                     | Total               |
|------------------------------|--------------------|--------------------|-------------------|---------------------|---------------------|
|                              | On demand          | Less than 3 months | 3 to 12 months    | More than 12 months |                     |
| <b>Financial assets</b>      |                    |                    |                   |                     |                     |
| Cash and cash equivalents    | P27,566,895        | P60,680,064        | P-                | P-                  | P 88,246,959        |
| Receivables                  | 10,927,875         | -                  | -                 | -                   | 10,927,875          |
| Due from related parties     | -                  | -                  | -                 | -                   | -                   |
|                              | <b>P38,494,770</b> | <b>P60,680,064</b> | <b>P-</b>         | <b>P-</b>           | <b>P 99,174,834</b> |
| <b>Financial liabilities</b> |                    |                    |                   |                     |                     |
| Accounts and other payables* | P-                 | P31,436,163        | P7,934,403        | P-                  | P39,370,566         |
| Due to related parties       | 16,315,865         | -                  | -                 | -                   | 16,315,865          |
| Participation liabilities    | -                  | -                  | -                 | 37,756,700          | 37,756,700          |
|                              | <b>16,315,865</b>  | <b>P31,436,163</b> | <b>P7,934,403</b> | <b>P37,756,700</b>  | <b>P93,443,131</b>  |

\*Excludes statutory payables amounting to P8.74 million.

|                              | 2023               |                    |                   |                     | Total                |
|------------------------------|--------------------|--------------------|-------------------|---------------------|----------------------|
|                              | On demand          | Less than 3 months | 3 to 12 months    | More than 12 months |                      |
| <b>Financial assets</b>      |                    |                    |                   |                     |                      |
| Cash and cash equivalents    | P59,640,003        | P25,233,232        | P-                | P-                  | P 84,873,235         |
| Receivables                  | -                  | 12,216,060         | -                 | -                   | 12,216,060           |
| Due from related parties     | 12,902,694         | -                  | -                 | -                   | 12,902,694           |
|                              | <b>P72,542,697</b> | <b>P37,449,292</b> | <b>P-</b>         | <b>P-</b>           | <b>P 109,991,989</b> |
| <b>Financial liabilities</b> |                    |                    |                   |                     |                      |
| Accounts and other payables* | P-                 | P27,788,611        | P3,644,769        | P-                  | P 31,433,380         |
| Due to related parties       | 18,083,250         | -                  | -                 | -                   | 18,083,250           |
| Participation liabilities    | -                  | -                  | -                 | 37,756,700          | 37,756,700           |
|                              | <b>P18,083,250</b> | <b>P27,788,611</b> | <b>P3,644,769</b> | <b>P37,756,700</b>  | <b>P 87,273,330</b>  |

\*Excludes statutory payables amounting to P4.48 million.

**FORA SERVICES, INC.  
DOING BUSINESS AS QUEST HOTEL TAGAYTAY**

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

**Three Months Ended March 31**

|  | 2024<br>(Unaudited) | 2023<br>(Unaudited) | Change Increase<br>(Decrease) Php | %            |
|--|---------------------|---------------------|-----------------------------------|--------------|
| <b>REVENUE</b>                                 |                     |                     |                                   |              |
| Revenue from services                          | 26,604,371          | 25,758,764          | 845,607                           | 3%           |
| Other operating departments                    | 447,864             | 585,637             | (137,773)                         | -24%         |
| Miscellaneous                                  | -                   | 173,164             | (173,164)                         | -100%        |
|  | <b>27,052,235</b>   | <b>26,517,564</b>   | <b>534,671</b>                    | <b>2%</b>    |
| <b>COST OF SERVICES</b>                        | <b>10,283,837</b>   | <b>9,856,700</b>    | <b>427,137</b>                    | <b>4%</b>    |
| <b>GENERAL AND ADMINISTRATIVE EXPENSES</b>     | <b>10,103,618</b>   | <b>8,977,681</b>    | <b>1,125,937</b>                  | <b>13%</b>   |
| <b>INCOME BEFORE OTHER INCOME (EXP)</b>        | <b>6,664,780</b>    | <b>7,683,184</b>    | <b>(1,018,404)</b>                | <b>-13%</b>  |
| <b>OTHER INCOME (EXPENSE)</b>                  |                     |                     | -                                 |              |
| Income from insurance claims                   |                     | -                   | -                                 | 0%           |
| Interest income                                | 453,846             | 604,285             | (150,439)                         | -25%         |
| Interest expense                               | (5,640,258)         |                     | (5,640,258)                       | 0%           |
|  | <b>(5,186,412)</b>  | <b>604,285</b>      | <b>(5,790,697)</b>                | <b>-958%</b> |
| <b>INCOME BEFORE INCOME TAX</b>                | <b>1,478,368</b>    | <b>8,287,469</b>    | <b>(6,809,101)</b>                | <b>-82%</b>  |
| <b>PROVISION FOR INCOME TAX</b>                | <b>335,368</b>      | <b>1,920,796</b>    | <b>(1,585,428)</b>                | <b>-83%</b>  |
| <b>NET INCOME / TOTAL COMPREHENSIVE INCOME</b> | <b>1,142,998</b>    | <b>6,366,673</b>    | <b>(5,223,673)</b>                | <b>-82%</b>  |

As of March 31, 2024 the company reported a Net Income of ₱1.14 million lower by ₱5.22 million or 82% of ₱6.3 million last year mainly attributed to the Interest Expense or the Participation Income to be paid to Unit Owners.

**Revenue**

For the Three Months Ended March 31, 2024 the company revenue from services increased by 3% from last year partly offset by lower other operating departments income due to the phase out of minibar operations. The increase in the revenue from services is mainly driven by higher average daily rate of ₱2,864 (same period last year, ₱2,807) with the change in the market mix.

**Cost of Services**

Cost of Services slightly increased by 4% or ₱0.43 million mainly due to higher utility costs partly offset by cost-savings initiatives.

**General and Administrative Expenses**

General and Admin Expenses amounted to ₱10.1 million, 13% or ₱1.1 million higher than last year mainly due to higher repairs and maintenance and depreciation cost.

## Other Income (Expenses)

**Interest Income** pertains to interest earned from deposits and short term investment

**Interest Expense- attributed to** accrued distributable participation interest

## Provision for Income tax

For the Three months ended March 31, 2024, MCIT was used in computing the provision for income tax. In prior year, the provision for current income tax was recognized based on 25% effective income tax rate.

|                                      | March 31<br>2024<br>(Unaudited) | December 31<br>2023<br>(Audited) | Change<br>Increase<br>(Decrease)<br>Php | %           |
|--------------------------------------|---------------------------------|----------------------------------|---|-------------|
| <b>ASSETS</b>                        |                                 |                                  |   |             |
| <b>Current Assets</b>                |                                 |                                  |   |             |
| Cash and cash equivalents            | 89,527,573                      | 84,873,235                       | 4,654,338                               | 5%          |
| Receivables                          | 10,927,875                      | 12,216,060                       | (1,288,185)                             | -11%        |
| Due from related parties             | -                               | 12,902,694                       | (12,902,694)                            | 100%        |
| Inventories                          | 2,288,668                       | 1,996,179                        | 292,489                                 | 15%         |
| Other currents assets                | 2,585,277                       | 2,505,038                        | 80,239                                  | 3%          |
| <b>Total Current Assets</b>          | <b>105,329,393</b>              | <b>114,493,206</b>               | <b>(9,163,813)</b>                      | <b>-8%</b>  |
| <b>Noncurrent Assets</b>             |                                 |                                  |   |             |
| Property and equipment               | 11,660,385                      | 1,098,191                        | 10,562,194                              | 962%        |
| Software costs                       | 800,295                         | 856,587                          | (56,292)                                | -7%         |
| <b>Total Noncurrent Assets</b>       | <b>12,460,680</b>               | <b>1,954,778</b>                 | <b>10,505,902</b>                       | <b>537%</b> |
|                                      | <b>117,790,073</b>              | <b>116,447,984</b>               | <b>1,342,089</b>                        | <b>1%</b>   |
| <b>LIABILITIES AND EQUITY</b>        |                                 |                                  |   |             |
| <b>Current Liabilities</b>           |                                 |                                  |   |             |
| Accounts and other payables          | 38,603,440                      | 35,914,770                       | 2,688,670                               | 7%          |
| Contract liabilities                 | 176,082                         | 1,233,649                        | (1,057,567)                             | -86%        |
| Due to related parties               | 16,315,865                      | 18,083,250                       | (1,767,385)                             | -10%        |
| Income tax payable                   | 1,648,494                       | 1,313,126                        | 335,368                                 | 26%         |
| <b>Total Current Liabilities</b>     | <b>56,743,881</b>               | <b>56,544,795</b>                | <b>199,086</b>                          | <b>0%</b>   |
| <b>Non Current Liabilities</b>       |                                 |                                  |   |             |
| Participation liability              | 37,756,700                      | 37,756,700                       | -                                       | 100%        |
| <b>Total Non Current Liabilities</b> | <b>37,756,700</b>               | <b>37,756,700</b>                | <b>-</b>                                | <b>100%</b> |
| <b>Equity</b>                        |                                 |                                  |   |             |
| Capital stock                        | 400,000                         | 400,000                          | -                                       | 0%          |
| Retained earnings                    | 22,889,492                      | 21,746,489                       | 1,143,003                               | 5%          |
| <b>Total Equity</b>                  | <b>23,289,492</b>               | <b>22,146,489</b>                | <b>2,109,066</b>                        | <b>10%</b>  |
|                                      | <b>117,790,073</b>              | <b>116,447,984</b>               | <b>12,476,033</b>                       | <b>11%</b>  |

As of March 31, 2024 the financial position of the company remained strong with total assets of ₱117.79 million, a minimal increase of ₱1.3 million compared to last year.

**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 4.5%. For the Three months ended March 31, 2024 total cash balance increased by 5% attributed to the increase in operating cash flow.

**Receivables**

As of March 31, 2024 total accounts receivables amounted to ₱10.93 million. 11% decrease due to improved collection.

**Due from related parties**

As of March 31, 2024 total Due from related parties decreased due to reclassification mainly to fixed asset accounts.

**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 March 31, 2024, a minimal decrease of 0.2% compared to last year.

**Other Current Assets**

Other Assets consists mainly of advances to suppliers, creditable withholding taxes, and prepaid expenses.

**Noncurrent Assets**

Noncurrent assets consist of property and equipment and software cost.

**Accounts and Other Payables**

As of March 31, 2024, Accounts and other payables amounted to ₱38.6 million. The increment 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.

For the Three months ended March 31, 2024, contract liabilities went down to 86% attributed to additional deposits from guests offset against usage of deposits from room reservation.

**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 March 31, 2024 and December 31, 2023 total due to related party amounted to ₱16.3 million and ₱18.08 million, respectively.

**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 10% mainly attributed to net income earned during the period.

**ATTACHMENT-I**

**FORA SERVICES, INC.  
DOING BUSINESS AS QUEST HOTEL TAGAYTAY**

**AGING OF ACCOUNTS RECEIVABLE**

**MARCH 31, 2024**

|                          | <b>Current</b>   | <b>1-30 days</b> | <b>31-60 days</b> | <b>61-90 days</b> | <b>&gt;120 days</b> | <b>Total</b>     |
|--------------------------|------------------|------------------|-------------------|-------------------|---------------------|------------------|
| <b>Trade Receivables</b> | 3,706,501        | 3,778,535        | 944,634           | -                 | -                   | 8,429,670        |
| <b>TOTAL</b>             | <b>3,706,501</b> | <b>3,778,535</b> | <b>944,634</b>    | <b>-</b>          | <b>-</b>            | <b>8,429,670</b> |

**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 MSR Order No. 25, Series of 2023, viz:

| <b>Class</b> | <b>No. of Certificates per Class</b> | <b>Offer Price per Certificate</b> | <b>Aggregate Offer Price per Class</b> |
|--------------|--------------------------------------|------------------------------------|--|
| 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                            |
| <b>TOTAL</b> | <b>164</b>                           |                                    | <b>₱37,756,700</b>                     |

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**

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- 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
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**FORA SERVICES, INC.**  
**DOING BUSINESS AS QUEST HOTEL TAGAYTAY**  


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**RECONCILIATION OF RETAINED EARNINGS AVAILABLE FOR**  
**DIVIDEND DECLARATION**  
**MARCH 31, 2024**

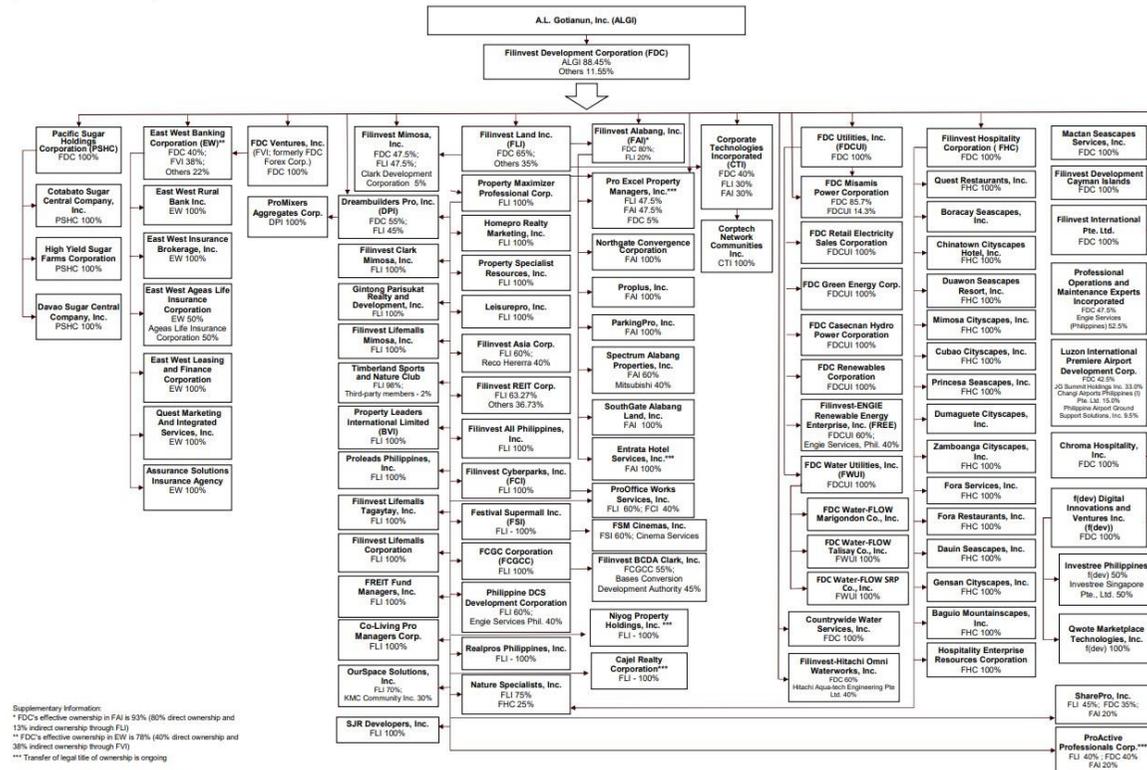
|   |   |                   |
|---|---|-------------------|
| <b>Unappropriated Retained Earnings, beginning of reporting period</b>  |   | P21,746,489       |
| <b>Add: Items that are directly credited to Unappropriated Retained Earnings</b>  |   |                   |
| Reversal of retained earnings appropriation   | - |                   |
| Effect of restatements  | - |                   |
| Others  | - |                   |
| <b>Less: Items that are directly debited to Unappropriated Retained Earnings</b>  |   |                   |
| Dividend declaration during the reporting period  |   |                   |
| Retained earnings appropriated during the reporting period  | - |                   |
| Effect of restatements  | - |                   |
| Others – deferred tax assets recognized   | - | -                 |
| <b>Unappropriated Retained Earnings, as adjusted</b>  |   | <u>21,746,489</u> |
| <b>Add/Less: Net income (loss) for the current year</b>   |   | 1,142,998         |
| <b>Less: Unrealized income recognized in the profit or loss during the reporting period (net of tax)</b>  |   |                   |
| 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   |   | -                 |
| <b>Add: Unrealized income recognized in the profit or loss in prior reporting periods but realized in the current reporting period (net of tax)</b> |   |                   |
| 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   |   | -                 |
| <b>Add: Unrealized income recognized in profit or loss in prior periods but reversed in the current reporting period (net of tax)</b>               |   |                   |
| 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   |   | -                   |
| <b>Adjusted Net Income/Loss</b>   |   | <b>1,142,998</b>    |
| <b>Add: Non-actual losses recognized in profit or loss during the reporting period (net of tax)</b>   |   |                     |
| Depreciation on revaluation increment (after tax)   | - |                     |
| Sub-total   |   | -                   |
| <b>Add/Less: Adjustments related to relief granted by the SEC and BSP</b>   |   |                     |
| Amortization of the effect of reporting relief  | - |                     |
| Total amount of reporting relief granted during the year  | - |                     |
| Others  | - |                     |
| Sub-total   |   | -                   |
| <b>Add/Less: Other items that should be excluded from the determination of the amount of available for dividends distribution</b>   |   |                     |
| 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   |   | -                   |
| <b>Total Retained Earnings, end of reporting period available for dividend</b>  |   | <b>₱ 22,889,487</b> |

**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  
MARCH 31, 2024**

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)



**FORA SERVICES, INC.**  
**DOING BUSINESS AS QUEST HOTEL TAGAYTAY**  


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**SUPPLEMENTARY INFORMATION AND DISCLOSURES REQUIRED BY REVISED SRC RULE 68**  
**(ANNEX 68-J)**  
**MARCH 31, 2024**

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 March 31, 2024, 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 March 31, 2024, 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 March 31, 2024.

|                                     | Balance at<br>beginning of<br>period | Additions | Amounts<br>collected /<br>reclassified | Balance at end<br>of period |
|-------------------------------------|--------------------------------------|-----------|--|-----------------------------|
| Filinvest Land, Inc. (FLI)          | <b>₱11,940,700</b>                   | ₱–        | ₱11,940,700                            | ₱–                          |
| Fora Restaurants, Inc. (FRI)        | <b>716,930</b>                       | –         | 716,930                                | –                           |
| Chroma Hospitality, Inc. (CHI)      | <b>217,329</b>                       | –         | 217,329                                | –                           |
| Entrata Hotel Services, Inc. (EHSI) | <b>27,735</b>                        | –         | 27,735                                 | –                           |
|                                     | <b>₱12,902,694</b>                   | <b>₱–</b> | <b>₱12,902,694</b>                     | <b>₱–</b>                   |

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 March 31, 2024.

Schedule E. Indebtedness to Related Parties

As of March 31, 2024, 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.  | P25,816,000                      | -        | P25,816,000                |

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 March 31, 2024.

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   |

**FORA SERVICES, INC.  
DOING BUSINESS AS QUEST HOTEL TAGAYTAY**

**SUPPLEMENTARY SCHEDULE OF FINANCIAL SOUNDNESS INDICATORS**

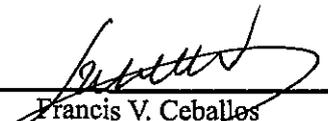
| <b>Ratio</b>            | <b>Formula</b>  | <b>2024</b> | <b>2023</b> |
|-------------------------|---|-------------|-------------|
| Current Ratio           | Total Current Assets divided by Total Current Liabilities   | <b>1.86</b> | 1.13        |
|                         | Total Current Assets 105,329,393<br>Divide by: Total Current Liabilities 56,743,881                 |             |             |
|                         | Current Ratio 1.86  |             |             |
| Debt Ratio              | Total Liabilities divided by Total Assets   | <b>0.48</b> | 0.81        |
|                         | Total Liabilities 56,743,881<br>Divide by: Total Assets 117,790,073                                 |             |             |
|                         | Debt Ratio 0.48   |             |             |
| Quick Asset Ratio       | Quick Assets ( <i>total current assets less inventories</i> ) divided by Current Liabilities        | <b>1.82</b> | 1.19        |
|                         | Total Current Assets 105,329,393<br>Less: Inventories 2,288,668                                     |             |             |
|                         | Quick Assets 103,040,725<br>Divide by: Total Current Liabilities 56,743,881                         |             |             |
|                         | Quick Asset Ratio 1.82  |             |             |
| Solvency Ratio          | Net Income before Depreciation ( <i>net income plus depreciation</i> ) divided by Total Liabilities | <b>0.04</b> | 0.08        |
|                         | Net Income 1,143,000<br>Add: Depreciation 1,061,214   |             |             |
|                         | Net Income before Depreciation 2,204,214  |             |             |
|                         | Divide by: Total Liabilities 56,743,881   |             |             |
|                         | Solvency Ratio 0.04   |             |             |
| Interest Coverage Ratio | Earnings before Interest and Other Charges and Income Tax (EBIT) divided by Interest Expense        | <b>1.19</b> | -           |
|                         | EBIT 6,688,711<br>Divide by: Interest Expense 5,640,258   |             |             |
|                         | Interest Coverage Ratio 1.19  |             |             |
| Net Profit Margin       | Net Income divided by Revenue   | <b>0.04</b> | 0.06        |
|                         | Net Income 1,143,000<br>Divide by: Revenue 27,052,235   |             |             |
|                         | Net Profit Margin 0.04  |             |             |

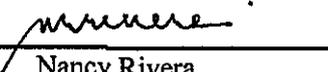
|                       |  |             |      |
|-----------------------|--|-------------|------|
| Return on Equity      | Net Income divided by Total Equity         | <b>0.05</b> | 0.30 |
|                       | Net Income                                 | 1,143,000   |      |
|                       | Divide by: Total Equity                    | 23,289,492  |      |
|                       | Return on Equity                           | 0.05        |      |
| Return on Assets      | Net Income divided by Average Total Assets | <b>0.02</b> | 0.12 |
|                       | Net Income                                 | 1,143,000   |      |
|                       | Divide by: Average Total Assets            | 58,895,037  |      |
|                       | Return on Equity                           | 0.02        |      |
| Asset-to-Equity Ratio | Total Assets divided by Total Equity       | <b>5.06</b> | 5.15 |
|                       | Total Assets                               | 117,790,073 |      |
|                       | Divide by: Total Equity                    | 23,289,492  |      |
|                       | Return on Equity                           | 5.06        |      |

## 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