

FILINVEST
LAND, INCORPORATED

2019 ANNUAL REPORT





REACHING OUT to the Underserved

With a diverse portfolio and an expanding geographic footprint, Filinvest Land, Inc. (FLI) reaches out to the affordable and middle-income markets, which are largely underserved yet hold vast potential for growth. FLI continues to serve these sectors with responsive products such as integrated townships and dynamic workspaces. As it develops more land, FLI is focused on enhancing lives and leaving a positive social impact as it builds more Filipino dreams across the country.

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VISION

To be the most trusted placemaker of environs that inspire and enhance a happy life

MISSION

- To enliven and enrich lives in Filinvest communities
- To enable and encourage the growth of our partners
- To create and add value for our investors
- To build platforms that create vibrant and sustainable ecosystems
- To respect and protect the environment
- To keep affordable housing at our core

CORE VALUES

The core values of integrity, customer service, professionalism, teamwork, innovation and cost-effectiveness are highly valued. The highest standards of business and moral ethics shall be exercised.

FINANCIAL HIGHLIGHTS

FILINVEST LAND, INC. and SUBSIDIARIES

(Amounts in Thousands of Pesos, Except Per Share Data)

OPERATING RESULTS

	2019	2018	2017	2016	2015
• Revenues *	25,673,310	22,205,185	20,269,651	19,500,586	18,302,853
• Net Income	6,519,800	6,075,873	5,834,181	5,350,786	5,098,564
• Net Income Attributable to Parent	6,283,634	5,894,408	5,685,394	5,247,262	5,011,815
• Return on Assets (Average)	3.92%	4.00%	4.25%	4.27%	4.48%
• Return on Equity (Average)	9.35%	9.29%	9.49%	9.30%	9.46%

FINANCIAL POSITION

• Total Assets	173,696,431	158,860,483	145,121,919	129,425,232	121,195,171
• Total Long-Term Debt	63,412,920	59,782,739	58,084,201	53,252,649	47,696,836
• Stockholders' Equity	72,164,293	67,271,622	63,501,043	59,412,637	55,697,261
• No. of Shares Issued and Outstanding (000's)	24,249,759	24,249,759	24,249,759	24,249,759	24,249,759
• Debt to Equity **	87.87%	88.87%	91.47%	89.63%	85.64%
• Net Debt to Equity ***	81.26%	79.32%	79.54%	81.43%	73.79%

PER SHARE DATA

• Primary/Fully Diluted Earnings	Php 0.26	Php 0.24	Php 0.23	Php 0.22	Php 0.21
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DIVIDENDS

• Dividends per share ****	0.0619	0.0618	0.0613	0.0610	0.0560
• Dividend payout rate (on previous year's net income)	25%	26%	29%	30%	30%

* includes equity in net earnings of associates

** computed as long-term debt divided by stockholders' equity

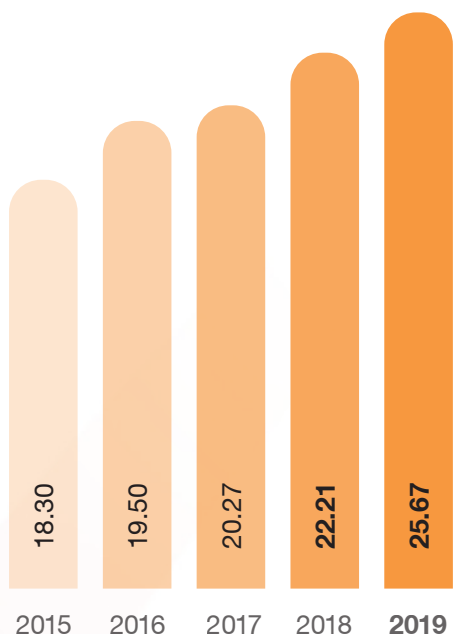
*** computed as long-term debt less cash and cash equivalents divided by stockholders' equity

**** dividend per share declared in 2020 amounts to P0.0648 equivalent to 25% of 2019 net income to be given in two tranches.

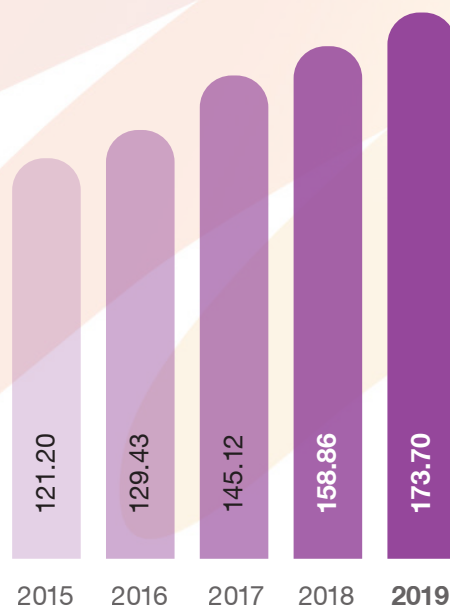
• The first tranche of P0.0324 will be have a record date fixed on July 10, 2020 and payment date on August 5, 2020.

• The second tranche of P0.0324 will have a record date fixed on November 16, 2020 and payment date on December 11, 2020

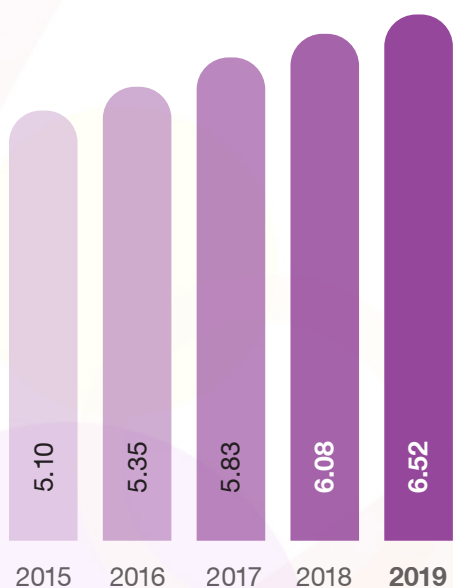
FINANCIAL HIGHLIGHTS



REVENUES*

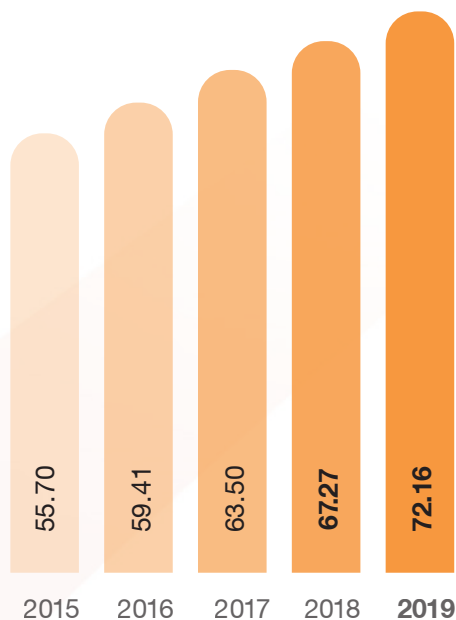


TOTAL ASSETS*



NET INCOME*

*in billions



TOTAL STOCKHOLDERS' EQUITY*

MESSAGE OF THE CHAIRMAN

The Philippine Economy and Real Estate Industry

In 2019, the Philippine economy grew at a slower pace compared to 2018, ending the year with 5.9% growth in GDP, the first time in eight years it went below 6%. However, Business Process Outsourcing (BPO) revenues and OFW remittances which grew 3.9%, continue to be drivers of growth while inflation stabilized at 2.5% by the end of the year. Filinvest Land, Inc. (FLI) benefitted from the solid growth of the BPO business with office revenues rising 34%.



**JONATHAN T.
GOTIANUN**

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Building for Growth

At the end of 2019, the recurring income portfolio reached close to 780,000 square meters. The rental business now accounts for 48% of the company's total net income, with revenues growing by 25%. We expect to maintain this growth trajectory as we expect a number of our office buildings will be completed this year and prospective clients have already signified their interest to lease from us.

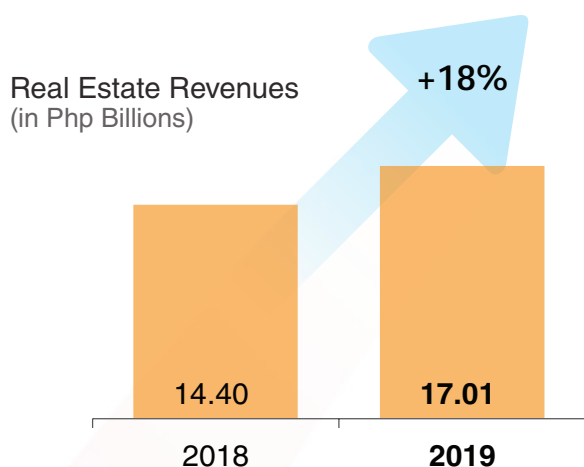
Your Company has expanded to logistics and industrial parks by providing large spaces needed by logistics and light manufacturing companies, initially in the Filinvest Innovation Park in New Clark City. The Filinvest Innovation Park will be ready to welcome locators by the third quarter of 2020. Another new leasing product, a dormitel project, which offers office workers a temporary home close to their workplace will be completed within this year.

Your company targets to reach **2.1 million square meters GLA by 2024** for its recurring income business which includes **office, retail, logistics/innovation and dormitel investment properties.**

Your Company also launched Php13 billion worth of residential projects across the country catering primarily to the affordable and middle-income markets.

Maximizing Shareholder Value

FLI ended the year with a net income attributable to equity holders of Php6.28 billion, 7% higher than in 2018. We are proud to report that our residential development as well as our rental business achieved significant growth with residential revenues reflecting an 18% growth and a 25% growth from the rental business.



In 2019, we declared cash dividends amounting to **Php0.0619 per share equivalent to 25% payout ratio and a dividend yield at the time of declaration of **4% among the highest for Philippine property companies.****

2020: A Challenging Year Ahead

In the first few months of 2020, your company is faced with new challenges brought by the COVID-19 pandemic. We will be adversely impacted, the magnitude of which will depend on the extent and duration of the spread of the disease. Nevertheless, your Company is proactively managing the crisis by putting into action its Business Continuity Plan. Your management will see to it that the long-term prospects of your company are preserved.

Corporate Social Responsibility

Amidst the COVID-19 global health crisis, your Company, together with the Filinvest Group through its foundations, pledged Php100 million to support the fight against COVID-19. We supported healthcare workers with over 30,000 personal protective equipment and provided temporary accommodations for them. We also donated ventilators and PCR testing equipment to various hospitals and local government units. Through its affiliate Filinvest Alabang Inc., a space for a quarantine center that can accommodate 108 patients was provided. The Filinvest foundations also sponsored the development of a COVID-19 dashboard together with the Department of Health, the Department of Science and Technology and Thinking Machines, a data science company, to help the government have relevant, timely and accurate data.



Appreciation

On behalf of our Board of Directors, I would like to express my appreciation to all of you, our shareholders, creditors, business partners and customers for your trust and faith in us. We are grateful for the opportunity to serve you.

MESSAGE OF THE PRESIDENT &CEO

We are now amidst the world's most perplexing crisis, one that impacts both the economy and public health and is global in nature. Its precedent was more than a 100 years ago when the world was less interdependent, the population less dense and world travel less intense. Your Company's response to this crisis was far from an insular one.



**JOSEPHINE
GOTIANUN YAP**

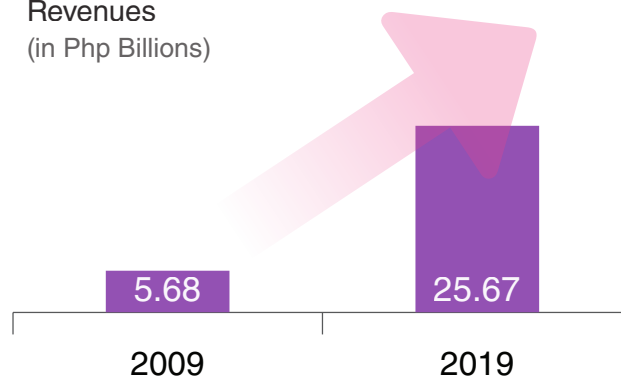
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It was a multi-dimensional response in fighting COVID-19 which included public health care and testing support, financial relief and safety measures for our customers and the community and most important, mitigation measures and financial support to ensure the safety and financial peace of mind of our workforce, both direct and indirect.

Steady Financial Performance

The year 2019 was a year of achieving growth for your Company, FLI. Consolidated revenues grew 16% to Php25.67 billion. This was driven by a 25% increase in rental revenues, which reached Php7.01 billion, and an 18% rise in residential revenues, which amounted to Php17.01 billion. The Company reported a 7% increase in net income attributable to equity holders of the parent from Php5.89 billion in 2018 to Php6.28 billion in 2019. Consolidated net income likewise grew 7% from Php6.08 billion to Php 6.52 billion.

10-Yr CAGR of 16%
Revenues
(in Php Billions)

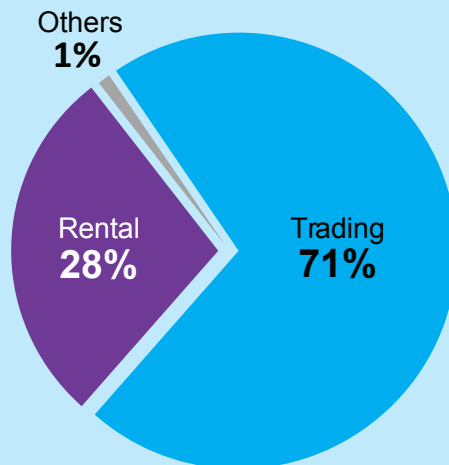


Rental Business Accounts for 48% of Net Income and Growing

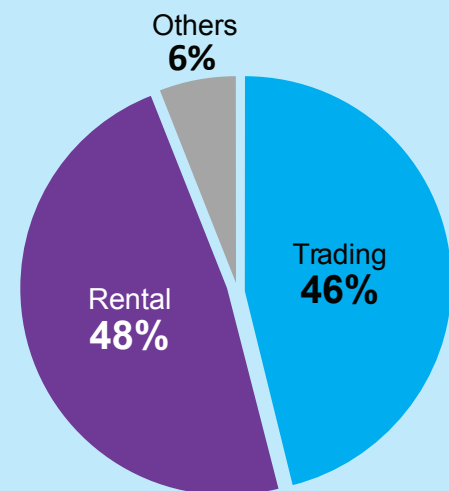
In line with your Company's program to build up its leasing portfolio, FLI and its subsidiaries now operate 33 office and retail developments with close to 780,000 square meters of Gross Leasable Area (GLA). Currently, there are 210,000 square meters of rental space for delivery in 2020; some of which will move down to 2021 due to the pandemic's impact on construction. Rental revenues amounted to Php7.01 billion, growing 25% compared to 2018. This was on the back of the completion of two new office buildings that brought FLI's total to 30 office buildings equivalent to 524,000 square meters of gross leasable area (GLA), and the full-year effect of rentals for buildings completed in 2018.

The office buildings are concentrated in its three major PEZA hubs in Filinvest City, Alabang, Mimosas+ in Clark Special Economic Zone and Cebu Cyberzone. Its other office developments spread around Metro Manila are found in strategic locations in Makati, Bay City, Ortigas complex; many of which are along the MRT and major highways. The office segment is expected to continue to grow in the medium term driven by demand from traditional offices, BPOs, co-working spaces, and emerging technology and e-commerce companies.

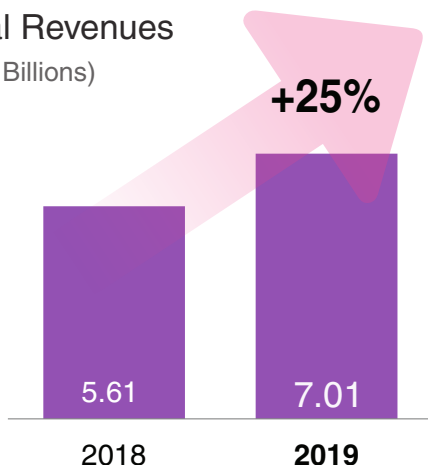
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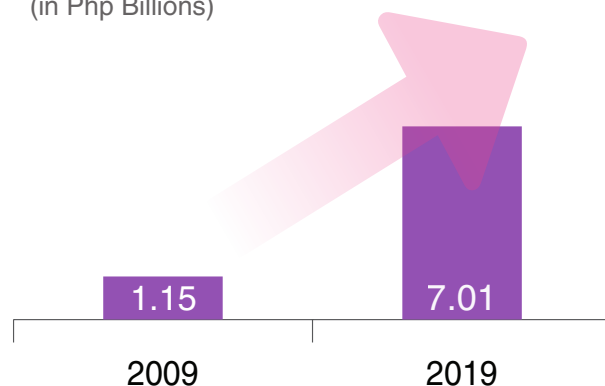
2019



Rental Revenues
(in Php Billions)



10-Yr CAGR of 20% Rental Revenues
(in Php Billions)



Diversifying Your Leasing Portfolio

To further boost its rental business, FLI has also ventured into the logistics space through the launch of the Filinvest Innovation Park at New Clark City in 2019. Another logistics park will be launched in Laguna beside the fully sold Filinvest Technology Park. The company is seeing a demand for big land parcels and ready-built factories to address the needs of the growing logistics and e-commerce industry. Apart from lot leases, FLI is looking at constructing high-specification structures for lease to customers. By the second half of 2020, Phase 1 or 64 hectares of the Innovation Park can start receiving locators who may wish to immediately start their building and warehouse construction. Meanwhile, your Company will be watchful of market demand to start the development of Phase 2 originally programmed to commence by the fourth quarter of 2020. The newly-completed government-built access road from the Subic-Clark-Tarlac Expressway (SCTEX) to New Clark City has substantially improved travel and transportation to and from the Filinvest Innovation Park.

Your Company has also developed a new leasing product which is the “dormitels” to address the needs of office workers who wish to live near their workplace. The first project, Lodgeplus, which will be completed this year, is located within the Filinvest Mimosa+ Leisure City.





Futura Vinta, Zamboanga

Underserved End-User Housing Continues to Be Our Focus

FLI's residential projects continue to address the needs of the end-user affordable and middle-income markets which remain to be stable and underserved. Residential revenue growth of 18% is attributable to the high sales take-up levels in 2018 as well as the completion of mid-rise and high-rise residential buildings in 2019. Over the last decade, the market has evolved from being in-house financing-centric to bank financing. The residential segment supports its cashflow requirements from customer deposits and bank take-outs.

This growth was brought about by strong demand for FLI's product offerings under the Futura brand, focused on affordable housing projects and mid-rise building communities, and its dynamic lifestyle Aspire brand with its selection of themed horizontal, resort-inspired mid-rise and highly accessible communities catering to the middle-income segment. In 2019, FLI launched Php13.1 billion worth of residential projects in greater Metro Manila such as Valenzuela City, Taguig City, Manila, Cainta and Muntinlupa, as well as in the provinces of Cavite, Rizal, Laguna, Pampanga, Cebu and Davao. To ensure that demand for housing across the country is addressed, your Company continues to acquire land in key areas and insure sufficient inventory for the medium term.

Making a Big Bet on the Clark Special Economic Zone

Your Company has continued to focus on the development of its projects in the Clark Special Economic Zone: Filinvest Mimosa+ Leisure City which is a joint development of your Company and parent company Filinvest Development Corporation (FDC); and Filinvest at New Clark City which is a joint venture between FLI and the Bases Conversion Development Authority (BCDA).

Developments in the Filinvest Mimosa+ Leisure City are in full swing as one more 15,295-square meter office building is scheduled to be completed in 2020. A total of 10 office buildings will form Phase 1 of the Workplus Office Park over the next five years. FLI has nearly completed the first residential tower of Lodgeplus to house the locator workforce of the business park. The retail strip mall which will cater to the business park workers and guests of the Filinvest Mimosa+ Leisure City has been substantially completed and is expected to be operational later this year. The 24,876-square meter Mimosa Lifestyle Mall has been awarded and has broken ground.

The 288-hectare township Filinvest in New Clark City, a joint venture with BCDA, now has the Filinvest Innovation Park which will be host to logistics locators.

Recognition

In 2019, your Company was recognized by The International Finance's Real Estate Awards as "The Most Innovative Mixed-Use Developer". The award-giving body recognizes excellence in the residential and commercial property space in emerging markets. It also honors companies that stand out due to the quality of the products, service standards and consistency of service, by ensuring customer satisfaction and related products, including home loans.

Operating Under the New Normal

Your Company has prepared a re-entry program post-Enhanced Community Quarantine (ECQ). The program defines three major issues:

On the financial side, your company reassessed and revisited our project launches and capital expenditure programs and pushed back second-half launches to 2021 cutting our capex by 48% to Php16 billion. We will observe sales absorption in this environment and can easily accelerate projects should we experience a V-shape rebound since the project plans are ready and in place.

On workplace safety, we reduced office density by increasing work-from-home arrangements coupled with dual shifting schedules. This is complemented by a sanitation, social distancing and COVID-19 testing protocol which clearly defines the rules governing the new normal. Personal hygiene tools like masks and sanitizers are required and the adoption of video conference meetings is the rule in communicating internally and with our clients and consultants.

Your Company has adjusted to new customer communications and expectations. Your Company is supporting clients by granting our homebuyers a grace period during the duration of the ECQ period. We also gave rent relief to mall tenants who have remained closed during the period. We have instituted new sanitary and social distancing guidelines in both our office and residential properties. Our property management team has provided new services such as organizing small markets or group deliveries to save our homeowners from long lines at the groceries.

Your Company recognizes that financial performance will be impacted in 2020. The extent of the impact will be dependent on the duration and extent of the pandemic and how the government will intervene to minimize the economic disruption from the ECQ. We expect the office business to be most resilient while the retail business will be significantly impacted due to restrictions during the ECQ period and the General Community Quarantine (GCQ) period which limit the operations of our malls and the volume of mall-goers. We also expect the residential business to be weaker because of the more difficult financial circumstances of potential Overseas Filipino Workers (OFW) and the domestic buyers.



Nevertheless, your Company assures all its stakeholders that despite the difficulties, it will continue to deliver outstanding service to its office and retail tenants, and quality housing to residential customers. We are in this for the long term. Your Company has surpassed several crises in the past and has proven itself to be resilient.

An Active Supporter in the Fight Against COVID-19

Filinvest, through its foundations, pledged Php100 Million to support the fight against COVID-19. First, we rallied to support our healthcare workers with over 30,000 personal protective equipment and provided temporary facilities for frontliners as well as the use of our properties as temporary quarantine centers to prevent any meltdown in our healthcare system. This was followed by donation of

ventilators and PCR testing machines to increase testing capacity of the country.

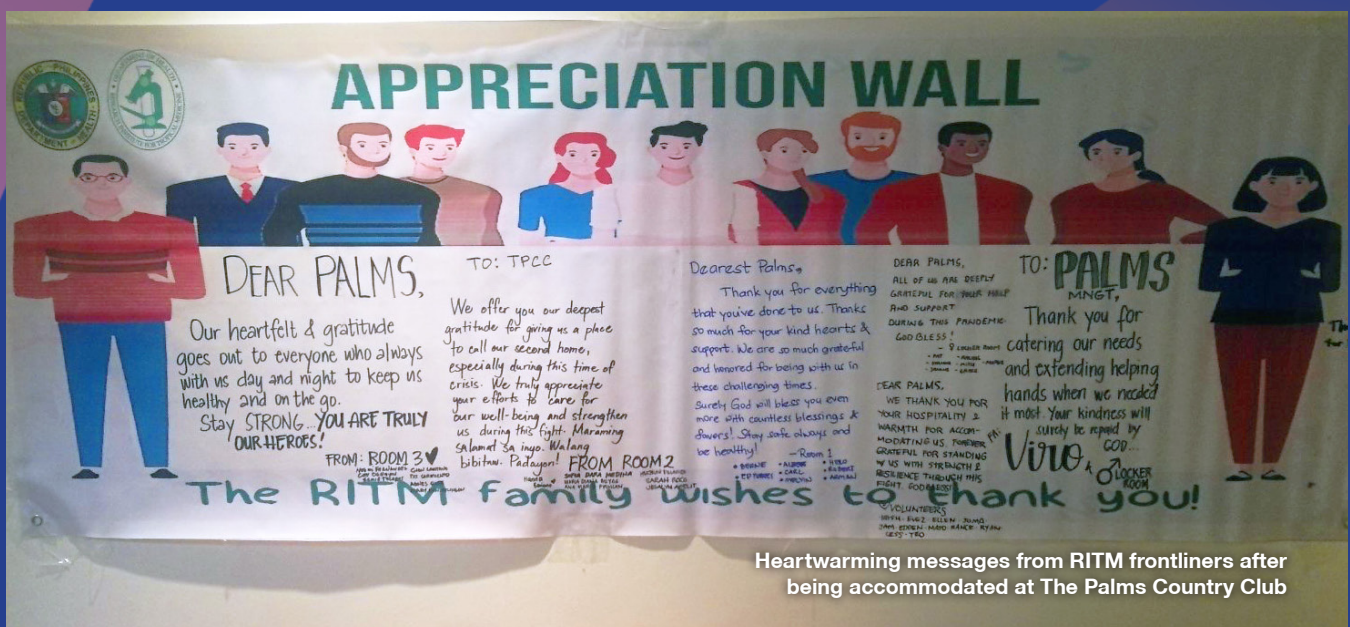
The Filinvest foundations also sponsored the fast-track development of a COVID-19 dashboard together with the Department of Health and Department of Science and Technology and Thinking Machines, a data science company. This dashboard now serves to track and provide the public and key government decision-makers visibility to cases, testing and hospital resources.

Appreciation for Support

To our home buyers and office and retail tenants, it has been our privilege to serve you. Thank you for your trust. Be assured that we will serve you in the best way possible.



I would also like to express my gratitude to our different stakeholders: our business partners, creditors and shareholders for your support in our efforts to provide the needs of our clients. Finally, to my management team and employees, thank you for your dedication, loyalty and hard work. Together we will continue to build the Filipino dream.



Heartwarming messages from RITM frontliners after being accommodated at The Palms Country Club



OPERATIONAL **HIGHLIGHTS**



Filinvest Innovation Park at New Clark City

LOGISTICS & INNOVATION PARK

In 2019, the 288-hectare Filinvest at New Clark City in Tarlac took steps towards its vision of creating a future-ready and environmentally sustainable mixed-use township. In addition to acquiring PEZA accreditation, it also marked the start of construction activities within the township. This will dovetail with the government's completion of the access road to the development from the SCTEX Highway.

With Filinvest Innovation Park at its heart, it is envisioned to bring together international locators and investors within a world-class business and industrial community supported by retail and residential developments.

In addition to the demand for bigger land parcels and ready-built factories, Filinvest Innovation Park is positioning itself to deliver high-specification structures that will match the requirements of the growing logistics and e-commerce industry. Delayed by the COVID-19 disruption, the 64-hectare first phase of the park will now be ready by the second half of 2020 to accept prospective locators and start construction of their buildings or warehouses.

Filinvest at New Clark City is a mixed-use development joint venture with the Bases Conversion Development Authority (BCDA) with Filinvest owning 55%. For 2020, Filinvest is also exploring other locations in its landbank for industrial use. In the pipeline are plans to establish another Filinvest Innovation Park in Laguna.

TOWNSHIPS & MIXED-USE DEVELOPMENTS

Filinvest Mimosa+ Leisure City

The 201-hectare Filinvest Mimosa+ in Pampanga is being developed by Filinvest Mimosa, Inc., a consortium of FLI and Filinvest Development Corporation (FDC). FLI handles projects along its core competencies - the retail, office and residential components while FDC undertakes the hospitality, leisure and gaming components.

The Filinvest Mimosa+ township has been replanned and rehabilitated. Since 2019, interactive installations can be enjoyed in Filinvest Mimosa+ which enhance the community's experience of open spaces. The township also inaugurated its new showroom for visitors to better appreciate the different establishments and developments in the township and to help prime locator growth.

In support of the township, FDC's hospitality group completed common area upgrades of the Quest Hotel. Work is now in progress to elevate the current 36-hole golf course to championship standards. The clubhouse renovation will start in 2020. All these set the overall standards of the township.



Golf Ridge at Mimosa+



FLI's Workplus Park is now in business with 1Workplus and 2Workplus buildings operational and fully leased out. Two other office buildings are under construction. The company plans to build a total of 10 buildings within the office complex. In 2020, Filinvest Mimosa+ is positioned for further growth with the first phase of the retail strip that will cater to the needs of the office workers within Filinvest Mimosa+ and visitors of the township. The Lodgeplus development will offer residential options to complement the Workplus office hub. The first building is expected to be completed within the year with more than 800 beds. FLI will start selling leasehold rights for its premier residential condominium Golf Ridge Private Estate overlooking the Mimosa Golf Course.

100 West

100 West, with a gross floor area (GFA) of almost 69,000 square meters, has residential, office and retail components. The fully topped-off building is currently undergoing architectural works which are expected to be completed in the coming months. The office and retail components have been completed, and the retail areas started partial operations in the latter part of 2019.

Studio 7

Studio 7, which has a gross floor area (GFA) of almost 58,000, includes an 18-storey BPO tower with three levels of retail spaces and a 17-storey residential tower with studio-type and one-bedroom units that range from 18 to 23 square meters. The residential tower was topped off in the first quarter of 2019 and the units are currently being readied for turnover to buyers.

Activa

Strategically located at the corner of EDSA and Aurora Boulevard in Cubao, the Activa mixed-use complex will have five buildings, with a total GLA of 71,000 square meters for leasing and almost 40,000 square meters for trading. It will have a residential and SOHO (small office/home office) condominium, a commercial development, two office towers and a hotel. Foundation works and construction of basement levels were completed in 2019. The podium levels are expected to rise in the coming months.

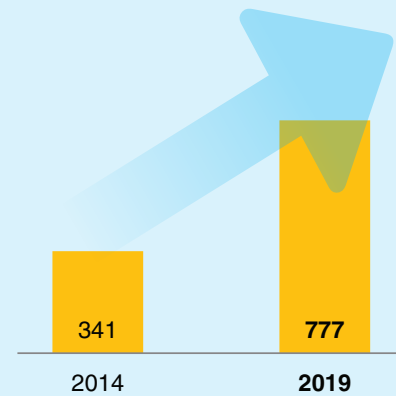


Activa Flats, Cubao



Filinvest Axis, Alabang

Doubling the Rental GLA in 5 years (in thousand square meters)



FLI's strong office portfolio continued to grow in 2019 as it provided a steady income stream for the company. At the end of 2019, total office GLA reached **524,000 sqm.**

OFFICE PORTFOLIO

Alabang

The 18.7-hectare Northgate Cyberzone in Filinvest City, Alabang is currently the market leader in providing premium office buildings catering primarily to Business Process Outsourcing (BPO) companies in Southern Metro Manila.

Over 20,000 square meters of new leases and more than 42,000 square meters of renewals were signed and closed in 2019. Northgate Cyberzone's total GLA of 327,554 square meters was 90% occupied by the end of the year.

Tower Two of Filinvest Axis was completed in 2019 with a GLA of 39,340 square meters. It is currently occupied by multinational BPO companies. The remaining two towers are scheduled for completion in the next two years and are also pursuing LEED Gold Certification.

Cebu

In 2019, two buildings were fully operational in Filinvest Cyberzone Cebu, a joint venture development with the Provincial Government of Cebu. Towers 3 and 4 are slated for completion in 4Q 2021 and 3Q 2022, with 13 BPO office floors each and a combined GLA of 38,718 square meters.

Makati

The mixed-use 100 West in Makati City offers four office levels with a total GLA of 14,333 square meters. Completed in the second quarter of 2019, it was able to attain 100% occupancy by the end of the year.

Aside from 100 West, construction is in progress for the nine-story 387 Building, also located along Gil Puyat Avenue. It is targeted for completion by 2021 and will add 10,010 square meters of GLA to FLI's portfolio. This has been pre-committed and leased to East West Bank.

Ortigas

Construction continued for One Filinvest, a premium office tower rising in the Ortigas CBD. Originally scheduled for 2020 but delayed by the ECQ, completion is slated by December 2020. It offers 27 office floors with a total GLA of 39,759 square meters.

Quezon City

Along the stretch of EDSA in Quezon City, FLI has office components in two mixed-use developments: Activa in Cubao and Studio 7 near Timog. These two buildings are expected to add a GLA of 53,572 square meters and 36,541 square meters, respectively within the next two years.

Pasay

Filinvest Cyberzone Bay City has four office buildings with a combined GLA of 66,589 square meters and have been fully occupied. The buildings feature seven office floors and one retail floor located the ground floor of each building.

Clark Freeport Zone

Located within Filinvest Mimosa+ in Pampanga, Workplus is a cluster of 10 office buildings surrounded by verdant

greens and retail components. With two operational buildings, two more are slated for completion within the next two years with a combined total GLA of 45,255.29 square meters for the four office buildings with retail components at the ground floor of each building.

RETAIL DEVELOPMENTS

Festival Mall

Located at the heart of Filinvest City in Alabang, Festival Mall is the premier, shopping, dining and recreational destination in southern Metro Manila. With over 340,000 square meters of floor area, it is one of the country's largest shopping malls with more than 1,500 shops.

As Festival Mall continued to gain traction with its expansion wing in 2019, it remained a preferred location for global brands entering the Philippine market and local brands establishing their names on a national level. Recently opened stores include Promod, Penguin, Perry Ellis, Perigon, Innisfree, Dr. Esthe, Kidzoon, VR Land and Gizmo Central. The line-up of these new concepts allows interactive expression and entertainment for the kids, yuppies, and family market.

Filinvest Lifemalls are an integral part of a township or a city, designed to bring life and transform the recreational lifestyle of its people. Following the success of its flagship **Festival Mall**, FLI aims to provide the same lifestyle and recreational vibe in other locations. FLI's retail GLA has reached **253,000 sqm** at the end of 2019.

Festival Mall, Alabang



Fora Mall

Fora Mall Tagaytay is poised to be a strong regional mall in the Cavite-Laguna triangle (Silang, Sta. Rosa, and Nasugbu), a location being eyed by tenants while waiting for the completion of the Fora township development.

This prime retail destination provides about 31,000 square meters of leasable space amidst nature, open spaces, and a beautifully-landscaped amphitheater, essentially serving the strengthening local market and burgeoning tourist influx from Metro Manila and neighboring towns. Beyond being a weekend destination, the mall's increasing weekday foot traffic has proven that it is indeed an everyday mall.

Fora Mall features four cinemas, the Super Metro 24-hour hypermarket, and other junior anchors such as Abenson, La Sedia, and Ace Hardware. To tap the huge market of M.I.C.E. (Meetings, Incentives, Conventions and Exhibitions), Fora Mall recently opened its 1,390-square meter Trade Hall which can be divided into three and can accommodate a capacity of 500 people. It also houses four meeting rooms with sizes ranging from 39 to 57 square meters.



Main Square

Main Square is located along Bacoor Boulevard, in a high-visibility spot along the main thoroughfare of Bacoor, Cavite. With a smaller format of over 18,000 square meters leasable space, it is positioned as a one-stop hub for the neighboring gated villages including FLI's Princeton Heights community. The latest additions to its roster of tenants include Coffee Bean and Tea Leaf, Starbucks and Samgyupsalamat.

Il Corso

Il Corso is a redefined lifestyle destination integrated in FLI's master-planned coastal township, City di Mare, in Cebu's South Road Properties. With a resort-style ambience, it has been an in-demand venue for prestigious events covering diverse interests.

Recently opened were Il Corso's four digital cinemas complemented by the dining concepts of Parilya, Chika-an, The Dessert Factory Restaurant and Bakery, and Fishes Seafood and Wine. The mall also welcomed the opening of EastWest Bank and 360 Pharmacy. With all these, Il Corso is steadily realizing its vision of creating the ideal venue to unwind by the sea where people from all walks of life can find their passions, interests and lifestyle essentials.



Alta Spatial, Valenzuela

In 2019, FLI launched
17 new projects
and expansion phases worth
Php13.1 billion

RESIDENTIAL OFFERINGS

In line with the company's mission of keeping affordable housing at its core, FLI has developed quality housing products that address the needs of families in key locations across the country, with the whole range of housing products from landed housing to mid-rise and high-rise units. FLI's Futura brand caters to the affordable market while Aspire serves the middle-income segment.

Under the Futura brand, FLI helps the hardworking Filipino attain his dream of owning a home. Futura offers value-for-money homes built with the *Buhos Tibay* quality seal. In 2019, three horizontal communities were launched: New Leaf in Cavite, Futura Mira in Laguna and Futura Plains in Rizal. In addition, five mid-rise buildings were also launched: Futura Centro in Manila, Alta Spatial in Valenzuela City, Futura East in Cainta, and 8 Spatial-7 and Centro Spatial-B in Davao.

On the other hand, the Aspire communities are developed to meet the demands of urban professionals and upwardly-mobile families through flexible living spaces. In 2019, three horizontal communities were launched: Mira Valley in Rizal, Montebello Phase 3 in Laguna and Hampton Orchards in Pampanga. Five mid-rise buildings were also launched: Belize in Muntinlupa, Panglao Oasis-Daloy in Taguig, Sanremo Oasis-8 and One Oasis-8 in Cebu, and Maldives Oasis-B in Davao.

FLI residential communities are geographically diverse, from Luzon including Metro Manila, to Visayas and Mindanao with landed housing and mid-rise buildings as the most suitable products for the core market. Mid-rise buildings, located primarily within or at the fringes of business districts are preferred by young families for convenience, accessibility and open spaces. The company has allocated key land properties for MRB development.

FLI's projects in Central Luzon continue to generate good market absorption, particularly in Pampanga and Bulacan. These were attributed to growth drivers such as the completion of various development projects primarily for the 2019 SEA Games, and the government's aggressive infrastructure programs in the region.

We believe that part of having happy and satisfied home buyers is enriching their lives through inspiring environs. In FLI residential communities, we allocate a huge percentage of the land for open spaces and amenities. We also have a dedicated team for property management that focuses on ensuring that homeowners' needs are addressed. The amenities and utilities within the communities are managed and regularly maintained to be made available all the time for the enjoyment of the homeowners.

FLI is now in
**19 provinces &
53 cities/towns**
nationwide



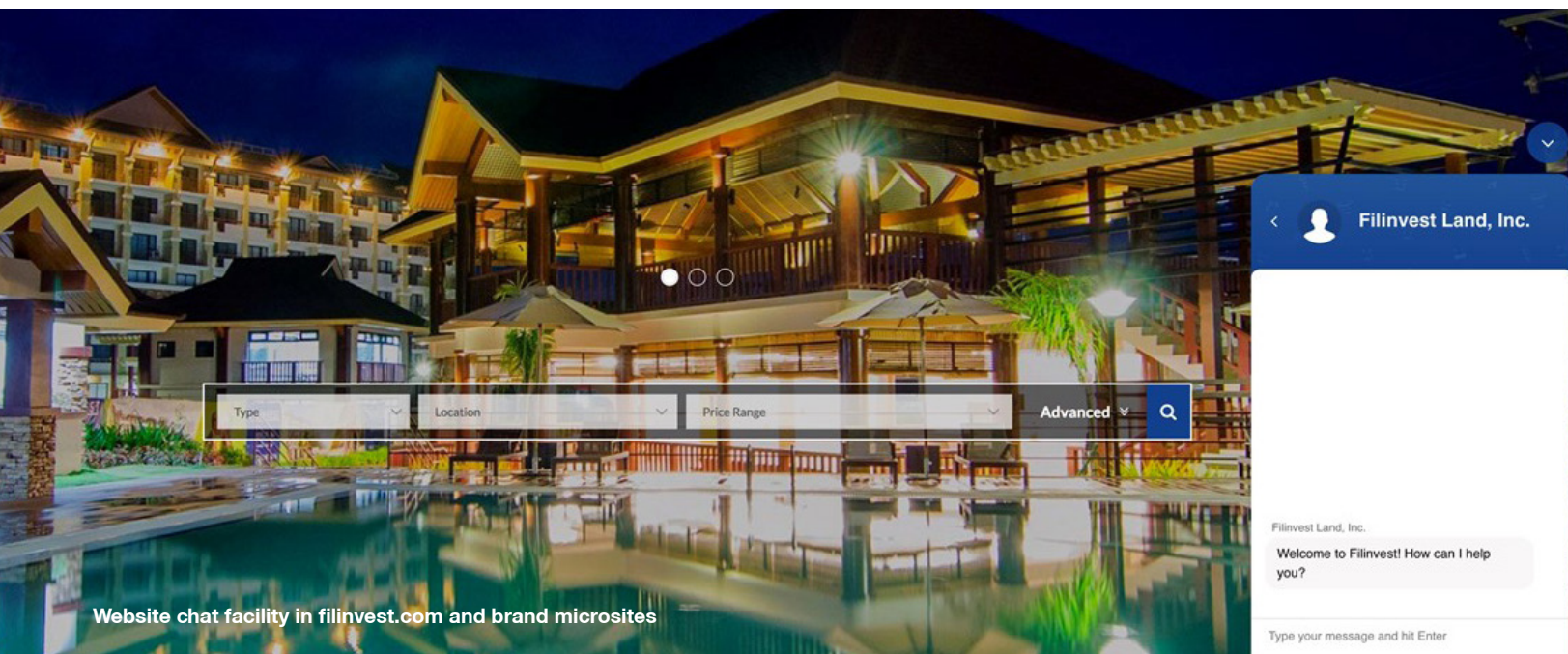
Sorrento Oasis, Pasig City

Construction, Completion and Turnover of Projects

- Land development, new amenities and house turnovers were completed in Tropics 3 and Aria, both located within Filinvest Homes East in Cainta.
- Land development is substantially complete for the 11-hectare Futura Homes Palm Estates in Talisay City.
- Maui Kahana building marked its topping off in 2019 and is substantially completed. Sorrento Oasis Building Q is ready for turnover.
- One Oasis Cebu Buildings 1-5 are ready for occupancy while Building 9 is ready for turnover. Perth Oasis Building A in City di Mare Cebu has already been turned over. Marina Spatial Dumaguete Building A is nearly completed.
- For the Prestige projects, Fortune Hill in San Juan City and The Signature in Quezon City started unit turnovers to their respective buyers in the latter part of 2019.



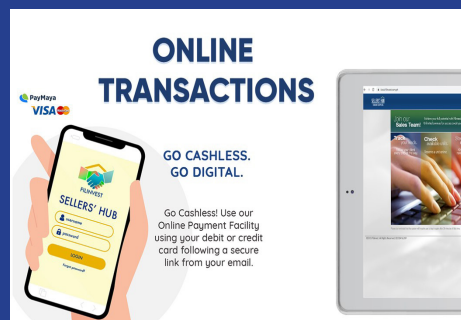
The Signature, Quezon City



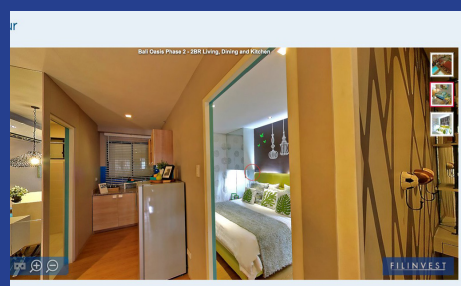
Website chat facility in filinvest.com and brand microsites

Optimizing Digital Marketing Technology

FLI has invested heavily in digital technology as it adapts to the younger generation who are mobile and heavy internet and technology users. The Company's digital assets are now highly optimized as virtual site tours are being conducted. Sales trainings are now also done through FLI's e-learning training program which was already in place along with webinars and online meetings. FLI has an existing advanced inventory management system which is accessible by the sales force digitally, and online reservations were being practiced even before the pandemic. FLI has an Online Service Desk which allowed FLI to do work-from-home servicing of its customers during the ECQ.



Online Availability and Online Payment Facility in Mobile App



Project virtual tours in website



Buyers' Kiosk: Customer account and project updates

The background features several broad, diagonal brushstrokes in shades of purple, orange, and yellow. In the lower-left corner, there are three overlapping circles: a yellow one at the top, a purple one at the bottom, and a light orange one in the middle. The text is centered in the upper half of the page.

CORPORATE SOCIAL RESPONSIBILITY

The company's current Corporate Social Responsibility (CSR) initiatives are focused on supporting the government in its fight against the ongoing COVID-19 pandemic and to help ensure the health and well-being of our countrymen.

Concerted COVID-19 Response

Through its foundations and subsidiaries, the Filinvest Group pledged to donate Php100-million worth of COVID-19 test kits and personal protective equipment (PPE) for frontliners and hospital workers. PPEs, rapid test kits and PCR testing machines have been delivered to various hospitals and LGUs across the country. Ventilators have also been donated to RITM, Lung Center and several LGUs to help in the treatment of patients. The company also converted the Filinvest Tent into a 108-bed quarantine facility for mild and asymptomatic COVID-19 cases.

In other efforts, Filinvest opened The Palms Country Club as a temporary shelter for RITM health workers and donated relief goods to families affected by the ECQ in Muntinlupa City. The company also approached the DOST and DOH to help fast-track the development of a COVID-19 dashboard and its underlying data warehouse with the goal of getting relevant and accurate data into the hands of the Inter-Agency Task Force for Emerging Infectious Diseases (IATF-EID) and the general public. Filinvest tapped Thinking Machines Data Science, Inc., the leading data science company in the Philippines, for this project. This was supplemented by apps and training videos for health officers produced by Filinvest's marketing, training and IT departments.





Filinvest for Taal relief caravan

Other Advocacies

Following the eruption of Taal Volcano, the Filinvest Group consolidated its resources to help displaced families in Batangas. Employee-volunteers across the conglomerate participated in two relief caravans organized in cooperation with Senator Ralph Recto and Batangas Representative Vilma Santos-Recto. Cleaning kits, drums, fresh water, grocery bags, food packs and other basic necessities were handed out to more than 3,000 beneficiaries in the towns of Laurel, Talisay, Balete, Mataas na Kahoy and Lipa City in Batangas.

In 2019, FLI continued its “Keep it Green” initiative with tree-planting activities in Rizal and Cebu with a total of 200 tree seedlings planted by FLI volunteers. FLI also participated in the International Coastal Cleanup Day at Freedom Island in the Las Piñas-Parañaque Critical Habitat and Ecotourism Area.

In Mindanao, FLI supported the Department of Education’s “Balik Eskwela” initiative by donating school supplies and backpacks to the students of Nueva Fuerza Elementary School.

FLI also mounted simple feeding and gift-giving programs to give back to the less fortunate. FLI employees went to three charities specifically aimed at caring for abandoned children and the elderly.



Balik Eskwela Program

EMPLOYEE WELFARE AND ENGAGEMENT

Ensuring Health and Safety

When ECQ was declared, FLI immediately enacted initiatives to ensure the safety of employees and their families while keeping the business running. This was done through a skeletal force supported by work-from-home teams. During this period, Human Resources continued to reach out to all employees to monitor their condition and boost morale. Continuous learning was encouraged through leadership trainings and other programs offered online by FLI's Dream Weaver Institute.

Workplace safety became the top priority when the company was allowed to reopen under modified ECQ. Sanitation, social distancing and commute support committees were created to help ease employees into the new guidelines. Safety protocols will continue to be implemented such as rapid testing, temperature checks, wearing of masks, shifting work schedules and more, to keep employees protected as they adjust to the new normal.

Employee Engagement

In March 2019, FLI launched the EnRiCh program to further enhance employees' individuality and growth through ensuring wellness, ripening relationships, and channeling their passions.

Under EnRiCh, FLI promoted holistic wellness, work-life balance, camaraderie, and fun work environments through various employee engagement activities held throughout the year.

Major activities for 2019 were the Sports Fest, fun programs for special occasions such as Valentine's Day and Halloween, and an MTV-themed Christmas party – celebrations which gave employees outlets to de-stress and socialize with co-workers.



Implementing safety protocols in FLI offices



2019 Christmas party



CORPORATE GOVERNANCE REPORT

Compliance with Best Practices on Corporate Governance

For the year 2019, FLI substantially complied with the Philippine Stock Exchange (PSE) and the Securities and Exchange Commission (SEC) regulatory requirements. It is also in compliance with its Revised Manual for Corporate Governance. In particular, your Company wishes to highlight the following: (a) the election of three (3) independent directors to the Board; (b) the appointment of members of the Executive Committee, the Audit and Risk Management Oversight Committee, the Nominations Committee, the Compensation Committee, the Technical Committee and the Related-Party Transaction and Corporate Governance Committee; (c) the conduct of regular quarterly board meetings and special meetings, the faithful attendance of the directors at these meetings and their proper discharge of duties and responsibilities as such directors; (d) the adoption of the Related Party Transaction Policy; (e) the submission to the SEC of reports and disclosures required under the Securities Regulation Code; (f) FLI's adherence to national and local laws pertaining to its operations; and (g) the observance of applicable accounting standards by FLI.

In order to keep abreast of best practices in Corporate Governance, the members of the Board and top management have attended seminars on corporate governance initiated by duly accredited institutions. FLI constantly reviews its Corporate Governance practices and welcomes proposals, especially from institutions and entities such as the SEC, PSE and the Institute of Corporate Directors.

Board of Directors

Leading the practice of good Corporate Governance is the Board of Directors. Your Board of Directors is firmly committed to the adoption of and compliance with the best practices in Corporate Governance as well as the observance of all relevant laws, regulations and ethical business practices.

Nominations and Voting for the Board of Directors

The members of the Board are elected during the annual stockholders' meeting. The stockholders of FLI may nominate individuals to be members of the Board of Directors.

The Nomination Committee receives nominations for independent directors as may be submitted by the stockholders. After the deadline for the submission thereof, the Nomination Committee meets to consider the qualifications as well as grounds for disqualification, if any, of the nominees based on the criteria set forth in FLI's Revised Manual on Corporate Governance and the Securities Regulation Code. All nominations shall be signed by the nominating stockholders together with the acceptance and conformity by the would-be nominees. The Nomination Committee shall then prepare a Final List of Candidates enumerating the nominees who passed the screening. The name of the person or group of persons who recommends nominees as independent directors shall be disclosed along with his or their relationship with such nominees.

Only nominees whose names appear on the Final List of Candidates shall be eligible for election as independent directors. No other nomination shall be entertained after the Final List of Candidates shall have been prepared. No further nomination shall be entertained or allowed on the floor during the annual meeting.

The conduct of the election of independent directors shall be in accordance with FLI's Manual on Corporate Governance. In 2008, FLI filed with the SEC its application for the amendment of the by-laws to include the procedure that will govern the nomination and election of independent directors. This procedure is consistent with FLI's Revised Manual on Corporate Governance and Rule 38 of the Securities Regulation Code. The approval by the Commission on said application was issued on April 8, 2009. The power of the Board to amend the By-Laws has been delegated by the stockholders representing two-thirds (2/3) of FLI's outstanding capital stock in an annual meeting of said stockholders on May 27, 1994.

It shall be the responsibility of the Chairman of the annual meeting to inform all stockholders in attendance of the mandatory requirement of electing independent directors. He shall ensure that independent directors are elected during the annual meeting. Specific slots for independent directors shall not be filled up by unqualified nominees. In case of failure of election for independent directors, the Chairman of the meeting shall call a separate election during the same meeting to fill up the vacancy.

A stockholder may vote such number of shares for as many persons as there are directors to be elected. He may cumulate said shares and give one candidate as many votes as the number of directors to be elected multiplied by the number of his shares, or he may distribute them on the same principle among as many candidates as he shall see fit; Provided, that the total number of votes cast by him shall not exceed the number of shares owned by him as shown in the books of FLI multiplied by the whole number of directors to be elected.

The directors of FLI are elected at the annual stockholders' meeting, to hold office until their respective successors have been duly appointed or elected and qualified. Vacancies in the Board occurring mid-term are filled as provided in the Corporation Code and FLI's Revised Manual on Corporate Governance. Officers and committee members are appointed or elected by the Board of Directors typically at its first meeting following the annual stockholders' meeting, each to hold office until his successor shall have been duly elected or appointed and qualified.

Independent Directors

Before the annual meeting, a stockholder of FLI may nominate individuals to be independent directors, taking into account the following guidelines:

A. "Independent director" means a person who, apart from his fees and shareholdings, is independent of management and free from any business or other relationship which could, or could reasonably be perceived to, materially interfere with his exercise of independent judgement in carrying out his responsibilities as director in any corporation that meets the requirements of Section 17.2 of the Securities Regulation Code and includes, among others, any person who:

- i. Is not a director or officer or substantial stockholder of FLI or of its related companies or any of its substantial shareholders (other than as an independent director of any of the fore-going);
- ii. Is not a relative of any director, officer or substantial stockholder of FLI, any of its related companies or any of its substantial shareholders. For this purpose, "relative" includes spouse, parent, child, brother, sister, and the spouse of such child, brother or sister;
- iii. Is not acting as a nominee or representative of a substantial shareholder of FLI, any of its related companies or any of its substantial shareholders;
- iv. Has not been employed in an executive capacity by FLI, any of its related companies or any of its substantial shareholders within the last two (2) years;
- v. Is not related as a professional adviser of FLI, any of its related companies or any of its substantial shareholders within the last two (2) years, either personally or through his firm;
- vi. Has not engaged and does not engage in any transaction with FLI or any of its related companies or any of its substantial shareholders, whether by himself or with other persons or through a firm of which he is a partner or a company of which he is a director or substantial shareholder, other than transactions which are conducted at arms-length and are immaterial or insignificant.

B. When used in relation to FLI, subject to the requirements above:

- i. "Related company" means another company which is: (a) its holding company, (b) its subsidiary, or (c) a subsidiary of its holding company; and
- ii. "Substantial shareholder" means any person who is directly or indirectly the beneficial owner of more than ten percent (10%) of any class of its equity security.

C. An independent director of FLI shall have the following qualifications:

- i. He shall have at least one (1) share of stock of FLI;
- ii. He shall be at least a college graduate or he shall have been engaged in or exposed to the business

of FLI for at least five (5) years;

iii. He shall possess integrity/probity; and

iv. He shall be assiduous.

D. No person enumerated under Part II, Item A, Par. 8 of the Revised Manual of Corporate Governance shall qualify as an independent director. He shall likewise be disqualified during his tenure under the following instances or causes:

i. He becomes an officer or employee of FLI, or becomes any of the persons enumerated under items (A) hereof:

ii. His beneficial security ownership exceeds 10% of the outstanding capital stock of FLI;

iii. He fails, without any justifiable cause, to attend at least 50% of the total number of board meetings during his incumbency unless such absences are due to grave illness or death of an immediate family member;

iv. If he becomes disqualified under any of the grounds stated in FLI's Revised Manual on Corporate Governance.

E. Pursuant to SEC Memorandum Circular No. 04, Series of 2017, which took effect on March 2017, the following additional guidelines, amending the rules on the term limit of independent directors, shall be observed in the qualification of individuals to serve as independent directors:

i. The independent director shall serve for a maximum cumulative term of nine (9) years;

ii. After which, the independent director shall be perpetually barred from re-election as such in the same company, but may continue to qualify as non-independent director;

iii. In the instance that a company wants to retain an independent director who has served for nine (9) years, the Board should provide meritorious justification/s and seek shareholders' approval during the annual shareholders' meeting; and

iv. The reckoning of the cumulative nine-year term is from 2012.

Members of the Board of Directors, Attendance and Committee Memberships

The following table lists down the members of the Board of Directors and their attendance in Board Meetings during 2019 which was reported during the Annual Stockholders' Meeting held on April 22, 2019.

Board	Name	Date of Election	No. of Meetings Held During the Year	No. of Meetings Attended	%
Chairman	Jonathan T. Gotianun	April 22, 2019	5	4	80%
Member	L. Josephine Gotianun-Yap	April 22, 2019	5	5	100%
Member	Andrew T. Gotianun, Jr.	April 22, 2019	5	4	80%
Member	Michael Edward T. Gotianun	April 22, 2019	5	4	80%
Member	Efren C. Gutierrez	April 22, 2019	5	5	100%
Member	Francis Nathaniel C. Gotianun	April 22, 2019	5	4	80%
Independent	Val Antonio B. Suarez	April 22, 2019	5	5	100%
Independent	Ernesto S. De Castro*	April 22, 2019	2	2	100%
Independent	Gemilo J. San Pedro**	July 17, 2019	2	2	100%

* Ernesto S. De Castro was elected as member of the Board of Directors on April 22, 2019

** Gemilo J. San Pedro was elected as member of the Board of Directors on July 17, 2019

Committee Membership

Name	Position
Mr. Jonathan T. Gotianun	Chairman of the Board Member – Executive Committee Member - Audit & Risk Management Oversight Committee Member – Compensation Committee
Mrs. L. Josephine Gotianun-Yap	President and Chief Executive Officer Chairman – Executive Committee Member – Nominations Committee Member – Compensation Committee
Mr. Michael Edward T. Gotianun	Member – Executive Committee Member – Technical Committee
Mr. Andrew T. Gotianun, Jr.	Member – Executive Committee
Francis Nathaniel C. Gotianun	Member – Executive Committee
Atty. Efren C. Gutierrez	Member – Audit & Risk Management Oversight Committee Chairman – Nominations Committee Member- Related-Party Transaction & Corporate Governance Committee
Atty. Val Antonio B. Suarez	Lead Independent Director Member – Audit & Risk Management Oversight Committee Member – Nominations Committee Chairman – Compensation Committee Chairman – Related-Party Transaction & Corporate Governance Committee
Engr. Ernesto S. De Castro	Independent Director Chairman – Technical Committee
Mr. Gemilo J. San Pedro	Independent Director Chairman – Audit & Risk Management Oversight Committee Member – Nominations Committee Member – Compensation Committee Member – Related-Party Transaction & Corporate Governance Committee

Executive Committee

Committee Members

Office	Name	Date of Appointment	No. of Meetings Held During the Year	No. of Meetings Attended	%	Length of Service in Committee
Chairman	L. Josephine Gotianun-Yap	April 22, 2019	6	6	100%	1 year
Member (ED)	Michael Edward T. Gotianun	April 22, 2019	6	5	83%	1 year
Member (ED)	Francis Nathaniel C. Gotia-nun	April 22, 2019	6	5	83%	1 year
Member (ED)	Jonathan T. Gotianun	April 22, 2019	6	6	100%	1 year
Member (ED)	Andrew T. Gotianun, Jr.	April 22, 2019	6	4	67%	1 year
Member (ID)	Not Applicable					

* Committee members are appointed annually.

The functions, duties and responsibilities of the Board of Directors may be delegated, to the fullest extent permitted by law, to an Executive Committee to be established by the Board of Directors. The Executive Committee shall consist of five (5) members, at least three (3) of whom shall be members of the Board of Directors. All members of the Executive Committee shall be appointed by and under the control of the Board of Directors.

The Executive Committee may act on such specific matters within the competence of the Board of Directors as may be delegated to it by a majority vote of the Board of Directors, except with respect to: (i) approval of any action for which shareholders' approval is also required; (ii) the filing of vacancies in the Board of Directors; (iii) the amendment or repeal of these By-Laws or the adoption of new by-laws; (iv) the amendment or repeal of any resolution of the Board of Directors which by its express terms is not so amendable or repealable; and (v) the distribution of cash dividends to shareholders.

The act of the Executive Committee on any matter within its competence shall be valid if (i) it is approved by the majority vote of all its members in attendance at a meeting duly called where a quorum is present and acting throughout, or (ii) it bears the written approval or conformity of all its incumbent members without necessity for a formal meeting.

The Executive Committee shall hold its regular meeting at least once a month or as often as it may determine, in the principal office of the Corporation or at such other place as may be designated in the notice. Any member of the Executive Committee may, likewise, call a meeting of the Executive Committee at any time. Notice of any meeting of the Executive Committee shall be given at least seven (7) business days prior to the meeting or such shorter notice period as may be mutually agreed. The notice shall be accompanied by (i) a proposed agenda or statement of purpose and (ii) where possible, copies of all documents, agreements and information to be considered at such meeting.

Audit & Risk Management Oversight Committee

Committee Members

Office	Name	Date of Appointment	No. of Meetings Held During the Year	No. of Meetings Attended	%	Length of Service in Committee
Chairman (ID)	Gemilo J. San Pedro**	October 16, 2019	1	1	100%	2 months
Member (ID)	Val Antonio B. Suarez	April 22, 2019	3	3	100%	8 months
Member (ED)	Jonathan T. Gotianun	April 22, 2019	3	2	67%	8 months
Member (NED)	Efren C. Gutierrez	April 22, 2019	3	3	100%	8 months

* Committee members are appointed annually.

** Gemilo J. San Pedro was appointed as Chairman of the Audit & Risk Management Oversight Committee on October 16, 2019

The Audit & Risk Management Oversight Committee is composed of at least three (3) Director-members, preferably with accounting and financial background, at least one of whom must be an independent director and another should have related audit experience.

The Chairman of this Committee should be an independent director. He is responsible for inculcating in the minds of the Board members the importance of management responsibilities in maintaining a sound system of internal control and the Board's oversight responsibility.

Duties and Responsibilities:

- Provide oversight of financial management functions, specifically in areas of managing credit, market, liquidity, operational, legal and other risks of the Corporation, and crisis management;
- Provide oversight of the Corporation's internal and external auditors;
- Review and approve audit scope and frequency, and the annual internal audit plan;
- Discuss with the external auditor before the audit commences the nature and scope of the audit, and ensure coordination where more than one (1) audit firm is involved;
- Set up an internal audit department and consider the appointment of an internal auditor as well as an independent external auditor, the audit fee and any question of resignation or dismissal;
- Monitor and evaluate the adequacy and effectiveness of the Corporation's internal control system;
- Receive and review reports of internal and external auditors and regulatory agencies, where applicable, and ensure that management is taking appropriate corrective actions, in a timely manner, in addressing control and compliance functions with regulatory agencies;
- Review the quarterly, half-year and annual financial statements before submission to the Board with particular focus on the following matters:
 - Any change/s in accounting policies and practices
 - Major judgmental areas
 - Significant adjustments resulting from the audit
 - Going concern assumptions
 - Compliance with accounting standards, and
 - Compliance with tax, legal and regulatory requirements
- Coordinate, monitor and facilitate compliance with existing laws, rules and regulations;
- Evaluate and determine non-audit work by external auditor and keep under review the non-audit fees paid to the external auditor both in relation to their significance to the auditor and in relation to the Corporation's total expenditure on consultancy. The non-audit work should be disclosed in the Annual Report.
- Establish and identify the reporting line of the chief audit executive so that the reporting level allows the internal audit activity to fulfill its responsibilities. The chief audit executive shall report directly to the Audit & Risk Management Oversight Committee functionally. The Audit & Risk Management Oversight Committee shall ensure that the internal auditors have free and full access to the Corporation's records, properties and personnel relevant to the internal audit activity, and that the internal audit activity is free from interference in determining the scope of internal auditing examinations, performing work, and communicating results, and shall provide a venue for the Audit & Risk Management Oversight Committee to review and approve the annual internal audit plan.

Compensation Committee

Committee Members

Office	Name	Date of Appointment	No. of Meetings Held During the Year	No. of Meetings Attended	%	Length of Service in Committee
Chairman (ID)	Val Antonio B. Suarez	April 22, 2019	1	1	100%	8 months
Member (ED)	L. Josephine Gotianun-Yap	April 22, 2019	1	1	100%	8 months
Member (ED)	Jonathan T. Gotianun	April 22, 2019	1	1	100%	8 months
Member (ID)	Gemilo J. San Pedro**	October 16, 2019				2 months

* Committee members are appointed annually.

** Gemilo J. San Pedro was appointed as Chairman of the Audit & Risk Management Oversight Committee on October 16, 2019

The Compensation Committee is composed of at least three (3) Director-members, two (2) of whom must be independent directors.

Duties and Responsibilities:

- Establish a formal and transparent procedure for developing a policy on executive remuneration and for fixing the remuneration packages of corporate officers and directors, and provide oversight over remuneration of senior management and other key personnel, ensuring that compensation is consistent with the Corporation's culture, strategy and control environment.
- Designate amount of remuneration, which shall be in a sufficient level to attract and retain directors and officers who are needed to run the Corporation successfully.
- Establish a formal and transparent procedure for developing a policy on executive remuneration and for fixing the remuneration packages of individual directors, if any, and officers.
- Develop a form on Full Business Interest Disclosure as part of the pre-employment requirements for all incoming officers, which, among others, compel all officers to declare under the penalty of perjury all their existing business interests or shareholdings that may directly or indirectly conflict in their performance of duties once hired.
- Disallow any director to decide his or her own remuneration.
- Provide in the Corporation's annual reports and information and proxy statements a clear, concise and understandable disclosure of the compensation of its executive officers for the previous fiscal year and ensuing year.
- Review the existing Human Resources Development or Personnel Handbook, to strengthen provisions on conflict of interest, salaries and benefits policies, promotion and career advancement directives and compliance of personnel concerned with all statutory requirements that must be periodically met in their respective posts.

Nomination Committee

Committee Members

Office	Name	Date of Appointment	No. of Meetings Held During the Year	No. of Meetings Attended	%	Length of Service in Committee
Chairman (NED)	Efren C. Gutierrez	April 22, 2019	2	2	100%	8 months
Member (ED)	L. Josephine Gotianun-Yap	April 22, 2019	2	2	100%	8 months
Member (ID)	Val Antonio B. Suarez	April 22, 2019	2	2	100%	8 months
Member (ID)	Gemilo J. San Pedro**	October 16, 2019	1	1	100%	2 months

* Committee members are appointed annually.

** Gemilo J. San Pedro was appointed as Chairman of the Audit & Risk Management Oversight Committee on October 16, 2019

The Nomination Committee consists of at least three (3) Director-members, two (2) of whom must be independent directors. The Head of the Human Resources Department is a non-voting ex-officio member.

The Nomination Committee may review and evaluate the qualifications of all persons nominated to the Board, as well as those nominated to other positions requiring appointment by the Board, and provide assessment on the Board's effectiveness in directing the process of renewing and replacing the Board's members.

The Nomination Committee may consider the following guidelines in the determination of the number of directorships for the Board members:

- The nature of the business of the Corporations in which he is a director;
- Age of the director;
- Number of directorships/active memberships and officerships in other corporations or organizations; and
- Possible conflict of interest.

The Chief Executive Officer and other executive directors shall submit themselves to a low indicative limit on membership in other corporate Boards. The same low limit shall apply to independent, non-executive directors who serve as full-time executives in other corporations. In any case, the capacity of directors to serve with diligence shall not be compromised.

The Nomination Committee may pre-screen and shortlist all candidates nominated to become a member of the Board of Directors, taking into account the qualifications and the grounds for disqualifications as set forth in FLI's Revised Manual of Corporate Governance and the Securities Regulation Code.

The Nomination Committee promulgates the guidelines or criteria to govern the conduct of the nomination for members of the Board of Directors. The same shall be properly disclosed in the Company's information or proxy statement or such other reports required to be submitted to the Securities and Exchange Commission (SEC).

The nomination of independent directors is to be conducted by the Committee before the stockholders' meeting. All recommendations should be signed by the nominating stockholders together with the acceptance and conformity by the would-be nominees.

The Committee pre-screens the qualifications and prepares a final list of all candidates and put in place screening policies and parameters to enable it to effectively review the qualifications of the nominees for independent directors as set forth in the Company's Revised Manual on Corporate Governance.

After the nomination, the Committee prepares a Final List of Candidates which contains all the information about all the nominees for independent directors, and is made available to the SEC and all stockholders through the filing and distribution of the Information Statement, or in such reports the Company is required to submit to the SEC. The name of the person or group of persons who recommended the nomination of the independent director shall be identified in such report, including any relationship with the nominee.

Related Party Transaction and Corporate Governance Committee

Committee Members

Office	Name	Date of Appointment	No. of Meetings Held During the Year	No. of Meetings Attended	%	Length of Service in Committee
Chairman (ID)	Val Antonio B. Suarez	April 22, 2019	No meeting held			8 months
Member (NED)	Efren C. Gutierrez	April 22, 2019	No meeting held			8 months
Member (ID)	Gemilo J. San Pedro**	October 16, 2019	No meeting held			2 months

* Committee members are appointed annually.

** Gemilo J. San Pedro was appointed as Chairman of the Audit & Risk Management Oversight Committee on October 16, 2019

The Related Party Transaction and Corporate Governance Committee is composed of at least three (3) non-executive directors, two (2) of whom must be independent, including the Chairman of the Committee.

The Related Party Transaction Committee has the following duties and responsibilities:

- Conduct continuous evaluation and monitoring of existing relations among counterparties to ensure that all related parties are identified, related party transactions (“RPTs”) are monitored, and subsequent changes in relationships with counterparties (from non-related to related and vice versa) are captured. Related parties, RPTs and changes in relationships should be reflected in the relevant reports to the Board and the SEC;
- Evaluate all material RPTs to ensure that these are transacted on an arm’s length basis and that no corporate or business resources of the company are misappropriated or misapplied, and to determine any potential reputational risk issues that may arise as a result of or in connection with the transactions.

In evaluating RPTs, the Committee may take into account the following:

- o The related party’s relationship to the Corporation and interest in the transaction;
- o The material facts of the proposed RPT, including the proposed aggregate value of such transaction;
- o The benefits to the Corporation of the proposed RPT;
- o The availability of other sources of comparable products or services; and
- o An assessment of whether the proposed RPT is on terms and conditions that are comparable to the terms generally available to an unrelated party under similar circumstances. The company should have an effective price discovery system in place and exercise due diligence in determining a fair price for RPTs.
- Ensure that appropriate disclosure is made to the regulating and supervising authorities relating to the Corporation’s RPT exposures and policies on conflicts of interest or potential conflicts of interest;
- Report to the Board, on a regular basis, the status and aggregate exposures to each related party, as well as the total amount of exposures to all related parties;
- Ensure that transactions with related parties, including write-off of exposures, are subject to a periodic independent review or audit process; and
- Oversee the implementation of the system for identifying, monitoring, measuring, controlling, and reporting RPTs, including a periodic review of RPT policies and procedures.

Technical Committee

Committee Members

Office	Name	Date of Appointment	No. of Meetings Held During the Year	No. of Meetings Attended	%	Length of Service in Committee
Chairman (ID)	Ernesto S. De Castro	April 22, 2019	No meeting held			8 months
Member (ED)	Michael Edward T. Gotianun	April 22, 2019	No meeting held			8 months
Member (ID)	Val Antonio B. Suarez	April 22, 2019	No meeting held			8 months

* Committee members are appointed annually.

Shareholders' Rights

The Corporation recognizes that the most cogent proof of good corporate governance is that which is visible to the eyes of its investors. Therefore the following provisions are issued for the guidance of all internal and external parties concerned, as a governance covenant between the Corporation and all its investors:

The Board shall be committed to respect the following rights of the stockholders:

A. Voting Right

1. Shareholders shall have the right to elect, remove and replace directors and vote on certain corporate acts in accordance with the Corporation Code.
2. Cumulative voting is mandatory in the election of directors.
3. A director shall not be removed without cause if it will deny minority shareholders representation in the Board.

B. Power of Inspection

All shareholders shall be allowed to inspect corporate books and records including minutes of Board meetings and stock registries in accordance with the Corporation Code, during business hours and upon prior written notice to the Corporation and for good reason.

All shareholders shall be furnished with annual reports, including financial statements, without cost or restrictions.

C. Right to Information

1. The shareholders shall be provided, upon request, with periodic reports which disclose personal and professional information about the directors and officers and certain other matters such as their holdings of the Corporation's shares, dealings with the Corporation, relationships among directors and key officers, and the aggregate compensation of directors and officers.
2. The minority shareholders shall be granted the right to propose the holding of a meeting, and the right to propose items in the agenda of the meeting, provided the items are for legitimate business purposes.
3. The minority shareholders shall have access to any and all information relating to matters for which the management is accountable for and to those relating to matters for which the management shall include such information and, if not included, then the minority shareholders shall be allowed to propose to include such matters in the agenda of stockholders' meeting, being within the definition of "legitimate purposes".

D. Right to Dividends

1. Shareholders shall have the right to receive dividends, subject to the discretion of the Board.
2. The Commission may direct the Corporation to declare dividends when its retained earnings shall be in excess of 100% of its paid-in capital stock, except: i) when justified by definite corporate expansion projects or programs approved by the Board; or ii) when the Corporation is prohibited under any loan agreement with any financial institution or creditor, whether local or foreign, from declaring dividends without its consent, and such consent has not been secured; or iii) when it can be clearly shown that such retention is necessary under special circumstances obtaining in the Corporation, such as when there is a need for special reserve for probable contingencies.

E. Appraisal Right

The Shareholders shall have appraisal right or the right to dissent and demand payment of the fair value of their shares in the manner provided for under the Corporation Code of the Philippines, under any of the following circumstances:

- In case any amendment to the articles of incorporation has the effect of changing or restricting the rights of any stockholders or class of shares, or of authorizing preferences in any respect superior to those of outstanding shares of any class, or of extending or shortening the term of corporate existence;
- In case of sale, lease, exchange, transfer, mortgage, pledge or other disposition of all or substantially all of the corporate property and assets as provided in the Corporation Code; and
- In case of investment of corporate funds for any purpose other than the primary purpose of the Corporation; and
- In case of merger or consolidation.

F. The Board should be transparent and fair in the conduct of the annual and special shareholders' meetings of the corporation.

The shareholders should be encouraged to personally attend such meetings. If they cannot attend, they should be apprised ahead of time of their right to appoint a proxy. Subject to the requirements of the By-Laws, the exercise of that right shall not be unduly restricted and any doubt about the validity of a proxy should be resolved in the shareholder's favor.

G. It shall be the duty of the directors to promote shareholder rights, remove impediments to the exercise of shareholders' rights and allow possibilities to seek redress for violation of their rights. They shall encourage the exercise of shareholders' voting rights and the solution of collective action problems through appropriate mechanisms. They shall be instrumental in removing excessive costs and other administrative or practical impediments to shareholders participating in meetings and/or voting in person. The directors shall pave the way for the electronic filing and distribution of shareholder information necessary to make informed decisions, subject to legal constraints.

Annual Stockholders' Meeting and Procedures

Notice of Annual Stockholders' Meeting

On January 16, 2019, FLI disclosed to the Philippine Stock Exchange that its Board of Directors had fixed the date of the Annual Stockholders' Meeting on April 22, 2019 with the record date set on March 20, 2019.

Stockholders were informed that the Annual Stockholders' Meeting for 2019 would be held at 10:30 a.m. at Ballroom 1 and 2, Crimson Hotel Filinvest City, Manila, Entrata Urban Complex, 2609 Civic Drive, Filinvest City, Alabang, Muntinlupa City.

Procedures During the Annual Stockholders' Meeting

The following was the agenda of the Annual Stockholders' Meeting last April 22, 2019:

1. Call to Order
2. Proof of Notice of Meeting
3. Certification of Quorum
4. Approval of the Minutes of the Annual Stockholders' Meeting held on 20 April 2018
5. Presentation of the President's Report
6. Ratification of the Audited Financial Statements for the year ending 31 December 2018
7. Ratification of the Acts and Resolutions of the Board of Directors, Board Committees and Management from the Date of the Last Annual Stockholders' Meeting up to 22 April 2019
8. Election of the Members of the Board of Directors, including three (3) Independent Directors, to serve for 2019-2020
9. Appointment of the External Auditor
10. Other Matters
11. Adjournment

On the same day, right after the annual stockholders' meeting, FLI disclosed to the Philippine Stock Exchange the results of the meeting which included the following:

- a. Approval of the Minutes of the Annual Stockholders' Meeting held on April 20, 2018;
- b. Ratification of the Audited Financial Statements for the year ended December 31, 2018;
- c. Ratification of all the acts, resolutions and proceedings of the Board of Directors, Executive Committee and Management from the date of the last annual stockholders' meeting up to April 22, 2019; and
- d. Approval to delegate to the Board of Directors the authority to select, designate and appoint the independent external auditor of FLI for the year 2019.

FLI also disclosed that the following were elected as directors, to serve for the period 2019-2020 and until their successors shall have been duly elected and qualified:

1. ANDREW T. GOTIANUN, JR.
2. JONATHAN T. GOTIANUN
3. L. JOSEPHINE GOTIANUN-YAP
4. MICHAEL EDWARD T. GOTIANUN
5. EFREN C. GUTIERREZ
6. FRANCIS NATHANIEL C. GOTIANUN
7. ATTY. VAL ANTONIO B. SUAREZ (as independent director)
8. LUISY. BENITEZ, JR. (as independent director)
9. ERNESTO S. DE CASTRO (as independent director)

FLI made another disclosure to the Philippine Stock Exchange regarding the declaration of the Board of Directors of a cash dividend for all stockholders on record as of May 22, 2019 in the amount of P0.0619 per share. The payment date was set on June 17, 2019.

Statutory Compliance

FLI fully complied with the Philippine Stock Exchange (PSE) and Securities and Exchange Commission (SEC) regulatory requirements. Below is the Company's Reportorial Compliance Report:

Type of Report	Number of Filings
Type of Report	
Financials	
Annual Report (17-A)	1
Quarterly Report (17-Q)	3
Audited Financial Statements	1
Ownership	
Annual List of Stockholders – for Annual Stockholders' Meeting	1
Foreign Ownership Monitoring Report	14
Public Ownership Report	4
Report on Number of Shareholders and Board Lot	12
Statement of Changes in Beneficial Ownership of Securities (23-B)	32
Top 100 Stockholders' List	4
Notices – Stockholders' Meetings/Briefings/Dividends	
Notice of Annual/Special Stockholders' Meeting	1
Dividend Notice (part of disclosure on Results of Stockholders' Meeting)	1
Notice of Analysts' Briefing	4
Other Disclosures	
Certification – Qualifications of Independent Directors	1
Clarifications of News Articles	2
Definitive Information Statement (20-IS)	1
General Information Sheet	1
Preliminary Information Statement (20-IS)	1
SEC Form 17-C (Current Report)	
Which includes the following:	
a) Results of Annual Stockholders' Meeting/Board Meetings (7)	
b) Press Releases (7)	

Common Shares Dividend Policy and Dividends Paid

On January 8, 2007, the Board of Directors approved an annual cash dividend payment ratio for the Company's issued shares of twenty percent (20%) of its consolidated net income from the preceding fiscal year, subject to the applicable laws and regulations and the absence of circumstances which may restrict the payment of such dividends. Circumstances which could restrict the payment of cash dividends, include, but are not limited to, when the Company undertakes major projects and developments requiring substantial cash expenditures or when it is restricted from paying cash dividends by its loan covenants. The Company's Board may, at any time, modify such dividend pay-out ratio depending upon the results of operations and future projects and plans of the Company.

On June 30, 2008, FLI paid cash dividends of Php0.02 per share or a total of Php485.72 million to all shareholders on record as of June 15, 2008. This equivalent to 28.5% of the Php1.704 billion in net income generated in 2007.

On June 9, 2009, FLI paid a cash dividend of Php0.033 per share or a total of Php800.24 million to all shareholders on record as of May 14, 2009. This is equivalent to 42.9% of the Php1.867 billion net income reported in 2008.

On June 9, 2010, FLI paid a regular cash dividend of Php0.017 and special cash dividend of Php0.016 per share or a total of Php800.24 million to all shareholders on record as of May 18, 2010. This is equivalent to 39.7% of 2009's Php2.018 billion net income.

On June 7 2011, FLI paid a regular cash dividend of Php0.0196 and a special cash dividend of Php0.0196 per share or a total of Php950.59 million to all shareholders on record as of May 13, 2011. This is equivalent to 39.2% of 2010's Php2.446 billion core net income.

On June 21 2012, FLI paid a regular cash dividend of Php0.0237 and a special cash dividend of Php0.0237 per share, or a total of Php0.0475 per share. This was equivalent to Php1,151.86 million, and paid to all shareholders on record as of May 25, 2012. This is equivalent to 39.2% of 2011's Php2.940 billion net income.

On July 3, 2013, FLI paid a regular cash dividend of Php0.0280 and a special cash dividend of Php0.020 per share, or a total of Php0.0480 per share. This was equivalent to Php1,163.99 million, and paid to all shareholders on record as of June 7, 2013. This is equivalent to 33.9% of 2012's Php3.431 billion net income.

On July 2, 2014, FLI paid regular cash dividends of Php0.032 and a special cash dividend of Php0.018 per share, or a total of Php0.050. This was equivalent to Php1,212.48 million and paid to all shareholders on record as of June 6, 2014. This is equivalent to 30.9% of 2013's net income.

In 2015, FLI declared cash dividends to all stockholders of record as of June 5, 2015 (ex-date June 2, 2015), in the amount of Php0.0560 per share, broken down as follows:

- a. Regular Cash Dividend of Php0.0373 per share
- b. Special Cash Dividend of Php0.0187 per share

Payment date was set on July 1, 2015.

In 2016, FLI declared cash dividends to all stockholders of record as of May 22, 2016, in the amount of Php0.061 per share, broken down as follows:

- a. Regular Cash Dividend of Php0.041 per share
- b. Special Cash Dividend of Php0.020 per share

Payment date was set on June 15, 2016.

In 2017, FLI declared cash dividends to all stockholders of record as of May 21, 2017, in the amount of P0.0613 per share, broken down as follows:

- a. Regular Cash Dividend of Php0.0430 per share
- b. Special Cash Dividend of Php0.0183 per share

Payment date was set on June 14, 2017.

In 2018, FLI declared cash dividends to all stockholders of record as of May 20, 2018, in the amount of Php0.0618 per share, broken down as follows:

- a. Regular Cash Dividend of Php0.0469 per share
- b. Special Cash Dividend of Php0.0149 per share

Payment date was set on June 14, 2018.

In 2019, FLI declared cash dividends to all stockholders of record as of May 22, 2019, in the amount of Php0.0619 per share, broken down as follows:

- a. Regular Cash Dividend of Php0.0486 per share
- b. Special Cash Dividend of Php0.0132 per share

Payment date was set on June 17, 2019.

Investor Relations

FLI's website, www.filinvestland.com, makes available to the public, current information on the Company, including details of its operations.

The Investor Relations section of the website provides information on financial statements, press releases, declaration of dividends, ownership structure and any changes in the ownership of major shareholders and officers, notice of analysts' briefings, other reportorial requirements by the Philippine Stock Exchange. The contact details of the Investor Relations Office are available in the website.

To meet the requirements of FLI's investors, the Company conducted four (4) Analysts' Briefings in 2019:

1. March 22, 2019 at the Filinvest Building in No. 79 EDSA, Mandaluyong City, Metro Manila for Full Year 2018 results
2. On May 20, 2019 at the Filinvest Building in No. 79 EDSA, Mandaluyong City, Metro Manila for First Quarter 2019 results;
3. On August 16, 2019 at the Filinvest Building in No. 79 EDSA, Mandaluyong City, Metro Manila for First Half 2019 results; and
4. On November 15, 2019 at the Filinvest Building in No. 79 EDSA, Mandaluyong City, Metro Manila for First Nine Months of 2019 results

On May 21, 2020, FLI conducted an analysts' briefing through an online video conference facility for the Full Year 2019 results.

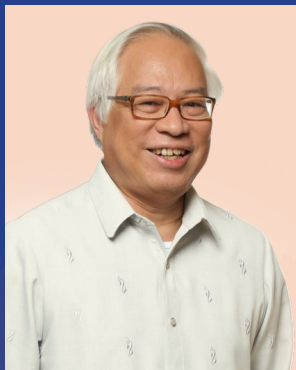
The company welcomed analysts and investors in its offices for one-on-one meetings and also hosted project site tours for them.

In 2019, FLI participated in six (6) conferences organized by different stock brokerages in Thailand, Singapore and the Philippines.

BOARD OF DIRECTORS



MERCEDES T. GOTIANUN
CHAIRPERSON EMERITA



JONATHAN T. GOTIANUN
CHAIRMAN



ANDREW T. GOTIANUN
VICE CHAIRMAN



JOSEPHINE GOTIANUN YAP
DIRECTOR - PRESIDENT
& CEO



MICHAEL EDWARD T. GOTIANUN
DIRECTOR



FRANCIS C. GOTIANUN
DIRECTOR



EFREN C. GUTIERREZ
DIRECTOR



ERNESTO S. DE CASTRO
INDEPENDENT DIRECTOR



GEMILO J. SAN PEDRO
INDEPENDENT DIRECTOR



VAL ANTONIO B. SUAREZ
INDEPENDENT DIRECTOR

SENIOR MANAGEMENT



ARNULFO N. DELOS REYES
PRESIDENT - DREAMBUILDERS
PRO, INC.



MARICEL B. LIRIO
EVP - CYBERZONE
PROPERTIES, INC.



TRISTANEIL D. LAS MARIAS
EVP - CHIEF STRATEGY
OFFICER



ANA VENUS A. MEJIA
FSVP - CHIEF FINANCE
OFFICER



VINCENT LAWRENCE L. ABEJO
FSVP - CHIEF SALES
AND MARKETING OFFICER



FRANCIS V. CEBALLOS
SVP - BUSINESS GROUP
HEAD



WINNIFRED H. LIM
SVP - CHIEF TECHNICAL
PLANNING OFFICER



ROMEO T. BAUTISTA
SVP - BIDS AND AWARDS



JOSELITO F. SANTOS
SVP - BUSINESS GROUP
HEAD



LUIS L. FERNANDEZ
FVP - HOA & WATER
SYSTEMS



**CESARINE JANETTE
B. CORDERO**
FVP - FILINVEST
CYBERPARKS, INC.



REYNALDO JUANITO S. NIEVA
FVP - OPERATIONS

SENIOR MANAGEMENT



ALEXIS AVALONE C. OJEDA
FVP - SALES CHANNEL
DEVELOPMENT



**MICHAEL EDWARD
T. GOTIANUN**
VP - SUPPLY CHAIN
MANAGEMENT



RIZAL ANGELA L. REYES
VP - HRAD
& CUSTOMER CARE



JIMMY S. ROQUE
VP - ARCHITECTURAL
DESIGN & PLANNING



BERNADETTE M. RAMOS
VP - GROUP REAL ESTATE
MARKETING



ROMEO L. MAGTANONG
VP - LITIGATION



HARRIET C. DUCEPEC
VP - CHIEF OF STAFF



ALAN J. BARQUILLA
VP - AREA GROUP HEAD,
VISMIN



LEONARDO A. GONZALES
VP - SECURITY & SAFETY



SEAN PHILIP R. IMPERIAL
VP - BUSINESS PLANNING



MA. AVEROSE V. VALDERRAMA
VP - BUSINESS GROUP HEAD



FINANCIAL STATEMENTS

FILINVEST LAND, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

(Amounts in Thousands of Pesos)

	December 31	
	2019	2018
ASSETS		
Current Assets		
Cash and cash equivalents (Notes 7, 20 and 30)	₱4,773,621	₱6,419,560
Contracts receivables (Notes 6, 8 and 30)	1,446,192	800,850
Contract assets (Notes 6 and 30)	5,998,421	3,798,831
Other receivables (Notes 9 and 30)	3,175,045	2,348,361
Real estate inventories (Note 10)	63,018,436	67,853,028
Other current assets (Notes 6 and 11)	4,388,484	3,874,332
Total Current Assets	82,800,199	85,094,962
Noncurrent Assets		
Contract assets - net of current portion (Notes 6 and 30)	7,117,321	6,243,274
Investments in associates (Notes 2 and 12)	4,170,682	4,056,019
Investment properties (Notes 3 and 13)	61,321,185	50,018,371
Property and equipment (Note 14)	3,288,718	3,833,120
Right-of-use assets (Notes 2 and 15)	5,247,802	–
Deferred income tax assets (Note 28)	52,435	85,979
Goodwill (Note 4)	4,567,242	4,567,242
Other noncurrent assets (Note 16)	5,130,847	4,961,516
Total Noncurrent Assets	90,896,232	73,765,521
TOTAL ASSETS	₱173,696,431	₱158,860,483

LIABILITIES AND EQUITY

Current Liabilities

Accounts payable and accrued expenses (Notes 17 and 30)	₱13,164,864	₱12,446,821
Contract liabilities (Note 6)	972,758	2,156,955
Lease liabilities - current portion (Notes 2 and 15)	318,119	–
Due to related parties (Notes 20 and 30)	100,779	181,271
Income tax payable	142,736	109,002
Current portion of loans payable (Notes 18, 26 and 30)	6,887,481	1,969,936
Current portion of bonds payable (Notes 19, 26 and 30)	4,294,644	6,993,574
Total Current Liabilities	25,881,381	23,857,559

FILINVEST LAND, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

(Amounts in Thousands of Pesos)

Noncurrent Liabilities

Loans payable - net of current portion (Notes 18, 26 and 30)	₱28,640,752	₱22,978,537
Bonds payable - net of current portion (Notes 19, 26 and 30)	23,590,043	27,840,692
Contract liabilities - net of current portion (Note 6)	779,648	1,053,221
Lease liabilities - net of current portion (Notes 2 and 15)	5,551,945	—
Net retirement liabilities (Notes 3 and 25)	512,442	598,403
Deferred income tax liabilities - net (Note 28)	6,512,613	6,011,674
Accounts payable and accrued expenses - net of current portion (Notes 17 and 30)	10,063,314	9,248,775
Total Noncurrent Liabilities	75,650,757	67,731,302
Total Liabilities	101,532,138	91,588,861

Equity

Common stock (Note 26)	24,470,708	24,470,708
Preferred stock (Note 26)	80,000	80,000
Additional paid-in capital	5,612,321	5,612,321
Treasury stock (Note 26)	(221,041)	(221,041)
Retained earnings (Notes 2 and 26)	41,661,647	36,882,343
Revaluation reserve on financial assets at fair value through other comprehensive income	(2,619)	(2,619)
Remeasurement losses on retirement plan - net of tax (Note 25)	(24,285)	(148,581)
Share in other components of equity of associates (Note 12)	361,794	361,794
Equity attributable to equity holders of the parent	71,938,525	67,034,925
Noncontrolling interests (Note 2)	225,768	236,697
Total Equity	72,164,293	67,271,622

TOTAL LIABILITIES AND EQUITY

₱173,696,431 ₱158,860,483

FILINVEST LAND, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF INCOME

(Amounts in Thousands of Pesos, Except Earnings Per Share Figures)

	Years Ended December 31		
	2019	2018	2017
REVENUE			
Real estate sales (Note 6)	₱17,013,120	₱14,404,201	₱13,748,423
Rental and related services (Notes 6, 13 and 15)	7,008,742	5,608,258	4,414,665
Total revenue	24,021,862	20,012,459	18,163,088
EQUITY IN NET EARNINGS OF ASSOCIATES (Note 12)	401,525	537,017	350,213
OTHER INCOME			
Interest income (Notes 7, 8, 20 and 23)	571,701	977,290	935,302
Others - net (Notes 20 and 24)	678,222	678,419	821,048
	25,673,310	22,205,185	20,269,651
COSTS			
Real estate sales (Note 10)	9,853,871	8,339,208	8,051,904
Rental and related services (Notes 13 and 16)	1,128,410	1,130,507	999,057
OPERATING EXPENSES			
General and administrative expenses (Note 21)	2,474,723	2,322,060	1,879,135
Selling and marketing expenses (Note 22)	1,448,573	1,442,587	981,693
INTEREST AND OTHER FINANCE CHARGES (Notes 18, 19 and 23)	2,492,965	1,192,441	1,062,705
	17,398,542	14,426,803	12,974,494
INCOME BEFORE INCOME TAX	8,274,768	7,778,382	7,295,157
PROVISION FOR INCOME TAX (Note 28)	1,754,968	1,702,509	1,460,976
NET INCOME	₱6,519,800	₱6,075,873	₱5,834,181
Net income attributable to:			
Equity holders of the parent	₱6,283,634	₱5,894,408	₱5,685,394
Noncontrolling interest	236,166	181,465	148,787
	₱6,519,800	₱6,075,873	₱5,834,181
Basic/Diluted Earnings Per Share (Note 27)	₱0.26	₱0.24	₱0.23

FILINVEST LAND, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

(Amounts in Thousands of Pesos)

	Years Ended December 31		
	2019	2018	2017
NET INCOME	₱6,519,800	₱6,075,873	₱5,834,181
OTHER COMPREHENSIVE INCOME			
Other comprehensive income not to be reclassified to profit or loss			
Remeasurement gains on retirement plan, net of tax (Notes 25 and 28)	124,296	6,755	3,637
TOTAL COMPREHENSIVE INCOME	₱6,644,096	₱6,082,628	₱5,837,818
Total comprehensive income attributable to:			
Equity holders of the parent	₱6,407,930	₱5,901,163	₱5,689,031
Noncontrolling interest	236,166	181,465	148,787
	₱6,644,096	₱6,082,628	₱5,837,818

FILINVEST LAND, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

(Amounts in Thousands of Pesos)

	Common Stock (Note 26)	Preferred Stock (Note 26)	Additional Paid-in Capital	Treasury Stock (Note 26)	Retained Earnings (Note 26)	Revaluation Reserve on Financial Assets at FVOCI (Note 16)	Remeasurement Losses on Retirement Plan (Note 25)	Share in Other Components of Equity of an Associate (Note 12)	Total	Noncontrolling Interest	Total Equity
For the Year Ended December 31, 2019											
Balances as at January 1, 2019	P24,470,708	P80,000	P5,612,321	(P221,041)	P36,882,343	(P2,619)	(P148,581)	P361,794	P67,034,925	P236,697	P67,271,622
Effect of adoption of new accounting standard (Note 2)	—	—	—	—	11,502	—	—	—	11,502	445	11,947
Balances as at January 1, 2019, as restated	24,470,708	80,000	5,612,321	(221,041)	36,893,845	(2,619)	(148,581)	361,794	67,046,427	237,142	67,283,569
Net income	—	—	—	—	6,283,634	—	—	—	6,283,634	236,166	6,519,800
Other comprehensive income	—	—	—	—	—	—	124,296	—	124,296	—	124,296
Total comprehensive income	—	—	—	—	6,283,634	—	124,296	—	6,407,930	236,166	6,644,096
Dividends declared (Note 26)	—	—	—	—	(1,501,060)	—	—	—	(1,501,060)	—	(1,501,060)
Dividend distribution to noncontrolling interest	—	—	—	—	—	—	—	—	—	(218,000)	(218,000)
Deconsolidation from loss of control in a subsidiary (Note 2)	—	—	—	—	(14,772)	—	—	—	(14,772)	(29,540)	(44,312)
Balances as at December 31, 2019	P24,470,708	P80,000	P5,612,321	(P221,041)	P41,661,647	(P2,619)	(P24,285)	P361,794	P71,938,525	P225,768	P72,164,293
For the Year Ended December 31, 2018											
Balances as at January 1, 2018	P24,470,708	P80,000	P5,612,321	(P221,041)	P33,099,891	(P2,619)	(P155,336)	P361,794	P63,245,718	P255,325	P63,501,043
Effect of adoption of new accounting standard	—	—	—	—	(613,321)	—	—	—	(613,321)	—	(613,321)
Balance as at January 1, 2018, as restated	24,470,708	80,000	5,612,321	(221,041)	32,486,570	(2,619)	(155,336)	361,794	62,632,397	255,325	62,887,722
Net income	—	—	—	—	5,894,408	—	—	—	5,894,408	181,465	6,075,873
Other comprehensive income	—	—	—	—	—	—	6,755	—	6,755	—	6,755
Total comprehensive income	—	—	—	—	5,894,408	—	6,755	—	5,901,163	181,465	6,082,628
Dividends declared (Note 26)	—	—	—	—	(1,498,635)	—	—	—	(1,498,635)	—	(1,498,635)
Dividend distribution to noncontrolling interest	—	—	—	—	—	—	—	—	—	(184,000)	(184,000)
Acquisition of noncontrolling interest (Note 2)	—	—	—	—	—	—	—	—	—	(16,093)	(16,093)
Balances as at December 31, 2018	P24,470,708	P80,000	P5,612,321	(P221,041)	P36,882,343	(P2,619)	(P148,581)	P361,794	P67,034,925	P236,697	P67,271,622
Attributable to Equity Holders of the Parent											
	Common Stock (Note 26)	Preferred Stock (Note 26)	Additional Paid-in Capital	Treasury Stock (Note 26)	Retained Earnings (Note 26)	Revaluation Reserve on Financial Assets at FVOCI (Note 16)	Remeasurement Losses on Retirement Plan (Note 25)	Share in Other Components of Equity of an Associate (Note 12)	Total	Noncontrolling Interest	Total Equity
For the Year Ended December 31, 2017											
Balances as of January 1, 2017	P24,470,708	P80,000	P5,612,321	(P221,041)	P29,015,356	(P2,619)	(P158,973)	P361,794	P59,157,546	P255,091	P59,412,637
Net income	—	—	—	—	5,685,394	—	—	—	5,685,394	148,787	5,834,181
Other comprehensive income	—	—	—	—	—	—	3,637	—	3,637	—	3,637
Total comprehensive income	—	—	—	—	5,685,394	—	3,637	—	5,689,031	148,787	5,837,818
Dividends declared (Note 26)	—	—	—	—	(1,486,510)	—	—	—	(1,486,510)	—	(1,486,510)
Dividend distribution to noncontrolling interest	—	—	—	—	—	—	—	—	—	(146,000)	(146,000)
Investment from noncontrolling interest	—	—	—	—	—	—	—	—	—	21,951	21,951
Acquisition of noncontrolling interest (Note 2)	—	—	—	—	(114,349)	—	—	—	(114,349)	(24,504)	(138,853)
Balances as of December 31, 2017	P24,470,708	P80,000	P5,612,321	(P221,041)	P33,099,891	(P2,619)	(P155,336)	P361,794	P63,245,718	P255,325	P63,501,043

FILINVEST LAND, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS

(Amounts in Thousands of Pesos)

Years Ended December 31			
	2019	2018	2017 (As restated, see Note 2)
CASH FLOWS FROM OPERATING ACTIVITIES			
Income before income tax	₱8,274,768	₱7,778,382	₱7,295,157
Adjustments for:			
Interest income (Note 23)	(571,701)	(977,290)	(935,302)
Interest expense and amortization of transaction costs (Note 23)	2,442,483	1,155,761	1,038,511
Depreciation and amortization (Notes 5, 13, 14 and 15)	1,320,598	810,629	769,461
Equity in net earnings of associates (Note 12)	(401,525)	(537,017)	(350,213)
Net pension expense, net of contribution and benefits paid (Note 25)	91,605	90,124	78,600
Operating income before changes in operating assets and liabilities	11,156,228	8,320,589	7,896,214
Changes in operating assets and liabilities			
Decrease (increase) in:			
Contracts receivable	(645,342)	16,425,142	4,559,588
Contract assets	(3,073,636)	(10,042,105)	—
Other receivables	(422,684)	(465,945)	(630,904)
Real estate inventories	6,736,824	(10,699,331)	(7,719,291)
Other assets	(785,778)	304,788	(669,372)
Increase (decrease) in:			
Accounts payable and accrued expense	(1,767,272)	82,051	5,665,098
Contract liabilities	(1,457,770)	3,210,176	—
Cash generated from operations	9,740,570	7,135,365	9,101,333
Income taxes paid, including creditable withholding taxes	(1,387,147)	(1,198,192)	(878,726)
Interest received	571,701	977,290	935,302
Net cash provided by operating activities	8,925,124	6,914,463	9,157,909
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisitions of:			
Investment properties and property and equipment (Notes 13 and 14)	(8,792,995)	(5,558,464)	(6,854,429)
Noncontrolling interest	—	—	(138,853)
Payment of lease liability	(295,937)	—	—
Dividends received (Note 12)	—	678,000	200,000
Redemption of financial asset at FVOCI (Note 16)	—	48	—
Net cash used in investing activities	(9,088,932)	(4,880,416)	(6,793,282)

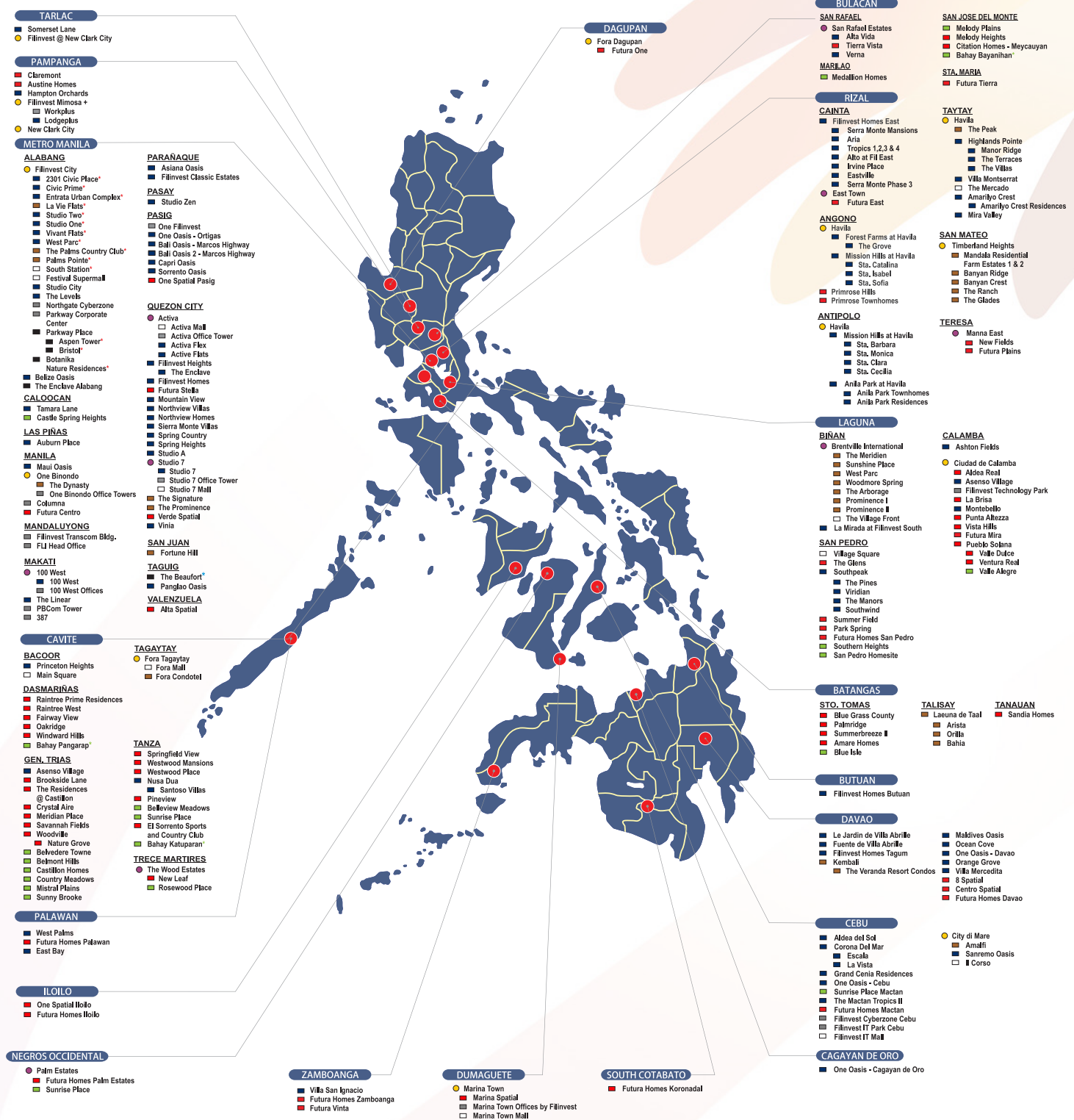
FILINVEST LAND, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS

(Amounts in Thousands of Pesos)

	Years Ended December 31		
	2019	2018	2017 (As restated, see Note 2)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from availment of:			
Loans payable (Notes 18 and 30)	₱15,400,000	₱5,500,000	₱3,225,000
Bonds payable (Notes 19 and 30)	—	—	6,000,000
Payments of:			
Loans payable (Note 18)	(4,840,663)	(3,841,338)	(4,370,198)
Bonds payable (Note 19)	(7,000,000)	—	—
Cash dividend (Note 26)	(1,482,405)	(1,498,635)	(1,486,510)
Interest and transaction costs	(3,260,571)	(3,132,467)	(2,861,384)
Dividends paid to noncontrolling interest	(218,000)	(184,000)	(146,000)
Increase in amounts due to related parties	(80,492)	(18,044)	(44,421)
Investment from noncontrolling interest	—	—	21,951
Acquisition of noncontrolling interest (Note 2)	—	(16,093)	—
Net cash provided by (used in) financing activities	(1,482,131)	(3,190,577)	338,438
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(1,645,939)	(1,156,530)	2,703,065
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	6,419,560	7,576,090	4,873,025
CASH AND CASH EQUIVALENTS AT END OF YEAR (Note 7)	₱4,773,621	₱6,419,560	₱7,576,090

MAP OF PROJECTS





FILINVEST

LAND, INCORPORATED

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