

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-Q

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

1. For the quarterly period ended **September 30, 2021**

2. Commission identification number **183835**

3. BIR Tax Identification No **001-746-612-000**

ALPHALAND CORPATION

4. Exact name of issuer as specified in its charter

Philippines

5. Province, country or other jurisdiction of incorporation or organization

6. Industry Classification Code (SEC Use Only)

**Alphaland Makati Place, 7232 Ayala Avenue
corner Malugay St. Makati City**

7. Address of issuer's principal office

1232
Postal Code

(632) 337-2031

8. Issuer's telephone number, including area code

NA

9. Former name, former address and former fiscal year, if changed since last report

10. Securities registered pursuant to Sections 8 and 12 of the Code, or Sections 4 and 8 of the RSA

Title of each Class	Number of shares of common stock outstanding and amount of debt outstanding
Common	26,914,687,441 (exclusive of 98,545,279 in treasury)
Liabilities	<u>P-</u>

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

Yes [] No [✓]

If yes, state the name of such Stock Exchange and the class/es of securities listed therein:

12. Indicate by check mark whether the registrant:

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

Yes [✓] No []

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

Yes [✓] No []

PART I--FINANCIAL INFORMATION

Item 1. Financial Statements

Attached herein, as Exhibit 1, are the unaudited consolidated interim financial statements of Alphaland Corporation (“ALPHA” or the “Parent Company”) and its subsidiaries (collectively referred to as the “Group”) as at, and for the quarterly period ended September 30, 2021 with comparative figures as at December 31, 2020 and for the quarterly period ended September 30, 2020 and selected Notes to the Consolidated Interim Financial Statements.

The interim consolidated financial statements of the Group and Notes thereto, which form part of this report should be read in conjunction with the audited financial statements of the Group as at and for the year ended December 31, 2020. Such financial statements and notes thereto have been prepared in compliance with accounting principles generally accepted in the Philippines (“GAAP”) as set forth in Philippine Financial Reporting Standards (“PFRS”). The Group’s financial statements are presented in the functional currency of Philippine pesos, except when otherwise indicated.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

Description of Business

Alphaland Corporation (ALPHA or Parent Company) is a holding company incorporated and registered with the Philippine Securities and Exchange Commission (SEC) on November 19, 1990. The principal business of ALPHA and its subsidiaries (collectively referred to as the “Group”) is real property development.

The registered office address of ALPHA is Alphaland Makati Place, 7232 Ayala Ave. ext. cor. Malugay Street, Makati City.

Business Development

On November, 19, 1990, the Company was incorporated as Agro Plastics, Inc under Securities and Exchange Commission No. 18385 with Pioneer Ventures, Inc. as the controlling shareholder. Until 1994, the Company’s sole business was to supply the requirements of the Lapanday Group’s banana plantations.

Sometime in March 1995, the Company was sold to Macondray & Co., Inc. (“MCI”) and was subsequently renamed Macondray Plastics, Inc. (MPI). In 1997, the Company embarked on a program to reduce its total dependence on the banana industry by further expanding its customer base to commercial/industrial accounts. In November 2000, the Company braved the sluggish stock market and became the first Davao-based, Davao-oriented company to list in the Philippine Stock Exchange (“PSE” or the “Exchange”). The proceeds of the initial public offering were used to expand the Company’s production capacity and capabilities. In September 2009, the Company decided to spin off the operations and maintenance of its plastics manufacturing interest to a separate juridical entity. Thus, Macondray Plastics Products, Inc. (MPPI) was then incorporated and registered with the SEC on September 25, 2009 and became a wholly owned subsidiary of the Company. Immediately thereafter, a deed of conveyance was executed on October 13, 2009 where the Company shall transfer all of its assets and liabilities relating to the plastics manufacturing interest to MPPI with effect upon the approval by the SEC of MPPI’s application for increase in authorized capital stock (the “Assignment”). Accordingly, MPPI assumed the management of the Company’s plastic products manufacturing operations and absorbed all the employees of the Company who were all connected to the plastics manufacturing business at that time.

On October 1, 2009, a Share Purchase Agreement (the “SPA”) was executed between RVO Capital Ventures Corporation (“RVO Capital”) and MCI. The transaction involves the acquisition by RVO Capital of MCI’s 99,444,000 shares in the Company which represents MCI’s entire interest in the Company. Since MCI’s interest represents approximately 66% of the Company’s outstanding capital stock, the acquisition thereof triggered the application of the mandatory tender offer rule of the Securities Regulation Code (“SRC”). After the conduct of the tender offer, RVO Capital acquired a total of 142,656,748 shares representing 95% of the Company’s then issued and outstanding capital stock.

On November 18, 2009, the Company and all the stockholders of Alphaland Development, Inc. (ADI) entered into a Share Swap Agreement (SSA) for a share-for-share swap of all of ADI's issued and outstanding shares (as well as existing shareholders' advances/deposits for future stock subscriptions) in exchange for new shares to be issued by ALPHA. Each ADI share was exchanged for approximately 5.08 ALPHA shares, or a total of 1,269,734,041 shares of ALPHA. After the share-for-share swap, ADI became a wholly owned subsidiary of ALPHA thereby allowing the diversification into the property development sector. In view of the foregoing, the Company applied for the amendment of its Articles of Incorporation involving the (a) change in corporate name from "Macondray Plastics, Inc." to "Alphaland Corporation", (b) change in primary purpose from plastics manufacturing to that of a holding company, (c) change in principal place of business from Davao City to Makati City, and (d) increase in its authorized capital stock from P400.0 million to P5.0 billion, among others. These amendments were approved by the SEC on April 7, 2010.

On December 23, 2010, ALPHA signed a Memorandum of Understanding ("MOU") with Macondray Philippines Co., Inc. ("MPCI"), where the latter is offering to buy ALPHA's entire interest in MPPI upon completion of the Assignment and which ALPHA accepted for a reasonable consideration to be determined nearer to the Assignment.

On April 29, 2011, the SEC approved the increase in authorized capital stock of MPPI that completed the Assignment and total spinoff of MPPI. It paved the way for the Company's eventual sale of MPPI to MPCI. A Deed of Absolute Sale was executed on October 28, 2011 for a consideration of P254.0 million.

For the past three years, the Company does not have any bankruptcy, receivership or similar proceedings.

The Company has likewise not undergone any material reclassification, merger, consolidation, or purchase or sale of a significant amount of assets not in the ordinary course of business for the past three years.

Business of the Company

ALPHA's Significant Legal Subsidiaries as at September 30, 2021:

- a) *Alphaland Balesin Island Resort Corporation (ABIRC)*, 100%-owned by ALPHA, was incorporated in the Philippines and registered with the Philippine SEC on May 26, 2010. ABIRC's primary purpose is to invest in, purchase, or otherwise acquire and own, hold, use, sell, assign, transfer, mortgage, pledge, and exchange or otherwise dispose, as may be permitted by law, of real and personal property of every kind and description.

ABIRC has investment in preferred shares of Alphaland Balesin Island Club, Inc. (ABICI).

- b) *Alphaland Southgate Tower, Inc. (ASTI)*, 100%-owned by ALPHA, was incorporated in the Philippines and registered with the Philippine SEC on May 29, 2007. On October 15, 2015, the Philippine SEC approved the change in corporate name from "Alphaland Development, Inc." to "Alphaland Southgate Tower, Inc." ASTI's primary purpose is to engage in real property acquisition and development. ASTI's main property is a 20-storey office tower building with a six-storey podium shopping mall known as Alphaland Southgate Tower. In March 2019, ASTI sold the Alphaland Southgate Tower property for nearly four times of its cost.

- c) *Alphaland Makati Place, Inc. (AMPI)*, 100%-owned by ADI, was incorporated in the Philippines and registered with the Philippine SEC on March 6, 1991 as Silvertown Property Development Corporation. On February 26, 2010, the Philippine SEC approved the change in corporate name from "Silvertown Property Development Corporation" to "Alphaland Makati Place, Inc."

AMPI's primary purpose is to acquire by exchange of shares, purchase, lease that specific property described as three storey building with basement of strong materials together with the warehouse,

other land improvements and machinery and equipment as well as the leasehold rights on the land, which is situated at Ayala Avenue corner Malugay Street, Makati, Metro Manila.

AMPI entered into a joint venture with Boy Scouts of the Philippines (BSP) to develop the Malugay Property into a first class commercial development now known as Alphaland Makati Place. It is a mixed-use property development consisting of three (3) high end residential towers atop an upscale six-storey podium with a shopping center and a City Club, including a Boy Scout Convention Center. In 2017, the Group changed its intention to lease Tower 3 to third parties instead of selling it as a condominium unit.

AMPI has investment in preferred shares of The City Club at Alphaland Makati Place, Inc. (TCCAMPI).

- d) *Alphaland Baguio Mountain Log Homes, Inc. (ABMLHI)*, 100%-owned by ALPHA, was incorporated in the Philippines and registered with the Philippine SEC on January 17, 2013 as Alphaland Holdings Company, Inc. On September 7, 2016, the Philippine SEC approved the change in corporate name from "Alphaland Holdings Company, Inc." to "Alphaland Baguio Mountain Log Homes, Inc.".

ABMLHI's primary purpose is to deal and engage in the real estate business in all its aspects; to hold, develop, manage, administer, sell, convey, encumber, purchase, acquire, rent, or otherwise deal in and dispose of, for itself or for others, all kinds of real estate projects, involving commercial, industrial, urban, residential or other kinds of real property, improved or unimproved, with or to such persons and entities and under such terms and conditions as may be permitted by law.

- e) *Alphaland Balesin International Gateway, Inc. (ABIGI)*, 100%-owned by ALPHA, was incorporated in the Philippines and registered with the SEC on May 19, 2010, and primarily engaged to invest in, purchase or otherwise acquire and own, hold use, sell, assign, transfer, mortgage, pledge, exchange or otherwise dispose, as may be permitted by law, of real and personal property of every kind and description.
- f) *Alphaland Aviation, Inc. (AAI)*, 100%-owned by ALPHA, was incorporated in the Philippines and registered with the Philippine SEC on July 31, 2012 and is primarily engaged in the aviation industry and its related businesses, including but not limited to, the provision of hangarage and moorage, parking and landing operations, aircraft maintenance, supply of parts, oils, and lubricants and other related businesses.
- g) *Alphaland Baguio Mountain Log Homes, Inc. (ABMLHI)*, 100%-owned by ALPHA, was incorporated in the Philippines and registered with the Philippine SEC on January 17, 2013 and its primary purpose is to purchase, own and hold the stock of other corporations, and to do every act and thing covered generally by the denomination of "holding corporation," especially to direct the operations of other corporations through the ownership of stock therein.
- h) *The Alpha Suites, Inc. (TAS)*, 100%-owned by AMPI, was incorporated in the Philippines and registered with the Philippine SEC on June 11, 2018 primarily to deal and engage in the real estate business in all its aspects; to hold, develop, manage, administer, sell, convey, encumber, purchase, acquire, rent, lease or otherwise deal in and disclose of, for itself or for others all kinds of real estate projects. In 2018, the Company started its commercial operations catering the serviced residences activity of AMPI using a number of its condominium units.
- i) *Alphaland Balesin International Gateway, Inc. (ABIGI)*, 100%-owned by ALPHA, was incorporated in the Philippines and registered with the SEC on May 19, 2010 as Aklan Boracay Properties Inc. On October 17, 2016, the Philippine SEC approved the change in the Company's corporate name from "Aklan Boracay Properties, Inc." to "Alphaland Balesin Gateway, Inc." On April 10, 2018 the Philippine SEC approved the further change in the Company's corporate name from "Alphaland Balesin Gateway, Inc." to "Alphaland Balesin International Gateway, Inc." ABIGI's primary purpose is to invest in, purchase or otherwise acquire and own, hold use, sell, assign, transfer, mortgage, pledge, exchange or otherwise dispose, as may be permitted by law, of real and personal property of every kind and description.

- j) *Alphaland Aviation, Inc. (AAI)*, 100%-owned by ALPHA, was incorporated in the Philippines and registered with the Philippine SEC on July 31, 2012 and is primarily engaged in the aviation industry and its related businesses, including but not limited to, the provision of hangarage and moorage, parking and landing operations, aircraft maintenance, supply of parts, oils, and lubricants and other related businesses.
- k) *Alphaland Aviation-Pampanga, Inc.*, 100%-owned by AAI, was incorporated and registered with the Philippine SEC on December 5, 2016 primarily to engage in aviation industry and its related businesses, including but not limited to, the provision of hangarage and moorage, parking and landing operations, aircraft maintenance, supply of parts, oils, and lubricants and other related businesses.
- l) *Aegle Wellness Center, Inc. (AWCI)*, 100%-owned by ALPHA, incorporated and registered with the Philippine SEC on September 28, 2015 primarily to provide diagnostic, therapeutic and naturopathic services using formulated herbal supplements and natural health products and sale of such herbal supplements.
- m) *Aegle Drugstore, Inc.*, 100%-owned by AMPI, was incorporated and registered with the Philippine SEC on December 22, 2017 primarily to engage in the business of retailing or wholesaling of pharmaceutical products, medicines, foodstuffs and groceries.
- n) *Alphaland Reclamation Corporation (ARC)*, 100%-owned by ALPHA, was incorporated in the Philippines and registered with the Philippine SEC on April 5, 2011, and primarily engaged in the construction of reclamation projects and to contract for and perform reclamation works.
- o) *2258 Blue Holdings, Inc. (Blue Holdings)*, 100%-owned by ASTI, was incorporated in the Philippines and registered with the Philippine SEC on November 17, 2012 and its primary purpose is to purchase, own and hold the stock of other corporations, and to do every act and thing covered generally by the denomination of "holding corporation," especially to direct the operations of other corporations through the ownership of stock therein.
- p) *Alphaland Southgate Restaurants, Inc. (ASRI)*, 100%-owned by ASTI, was incorporated in the Philippines and registered with the Philippine SEC on March 28, 2011 as Alphaland Ukiyo, Inc. It was renamed as ASRI on June 27, 2013. Its primary purpose is to establish, maintain and operate restaurants, coffee shops, refreshment parlors and cocktail lounge. ADI initially subscribed to 4,999,998 common shares of ASRI representing 50% of its outstanding shares in March 2011, which was then accounted for as an associate. In September 2013, ADI purchased the other 50% from existing shareholders for P3.3 million. Consequently, ASRI became a 100%-owned subsidiary effective September 2013.
- q) *Alphaland International, Inc. (AII)*, 100%-owned by ADI, was incorporated in the Philippines and registered with the Philippine SEC on January 29, 2014 and its primary purpose is to sell assets, including club shares and condominium units of the Group outside the Philippine market.
- r) *Choice Insurance Brokerage, Inc. (CIBI)*, 70%-owned by Blue Holdings, was incorporated in the Philippines and registered with the SEC on November 6, 2012, and is primarily engaged to, conduct, carry on and maintain insurance business, to act as a broker, and to do other related activities. In 2012, Blue Holdings subscribed to 70% of CIBI's shares of stock for a cash consideration of P14.0 million. In 2013, CIBI issued additional 2,500,000 shares of stock to its shareholders at par value to maintain the required capitalization needed for its application as an insurance broker.
- s) *Alphaforce Security Agency, Inc. (ASAI)*, 80%-owned by ALPHA, was incorporated and registered with the Philippine SEC on March 18, 2011 primarily to engage in the business of providing security and investigation services to private institutions and government organizations.

ALPHA initially subscribed to 79,999 common shares of ASAI representing 40% of its outstanding shares in March 2011, which was then accounted for as an associate. In October 2017, ALPHA

purchased additional 79,999 common shares from an existing shareholder for P11.2 million increasing its ownership of ASAI to 80%.

Plan of Operation

The Group generates funds primarily from sale of Baguio Mountain Lodges and Balesin Private Villas; from leasing operations of Alphaland Makati Place Corporate Tower and Mall; and from operation of serviced residences of The Alpha Suites that commenced during the first half of the year 2018. The leasing operations and The Alpha Suites provide recurring cash flows for the Group.

The Group also generates funds through secondary sale of membership shares of the completed Club projects, namely, Alphaland Balesin Island Club and The City Club at Alphaland Makati Place.

ALPHALAND BAGUIO MOUNTAIN LODGES

The Alphaland Baguio Mountain Lodges is a master-planned development of 300 lodge style log homes, situated on an 82-hectare property. The development is just 9 kilometers north of Baguio City on Ambuklao Road, which is now fully paved and is only a 15-minute drive from Baguio City proper. The development also offers two helipads

The site enjoys lush Benguet pine forest and totally pollution-free mountain air. In addition to about 10,000 Benguet pine trees on the property (some over a hundred years old), we maintain a nursery for another 50,000 pine trees, all of which will be eventually planted all over the property, making it one of the most lush pine forests in all of Benguet.

There are 7 designs and floor plans to choose from, and the homes are sited to maximize the views of the surrounding pine-forested mountains. The free-standing, individual log homes range in size from 4 to 6 bedrooms, while quadruplexes house the 2- and 3-bedroom homes; all are fully furnished. Each home is constructed from western cedar or pine logs imported from Scandinavia. The entire property is secured by an 8-foot concrete perimeter fence, with 12 security outposts.

The master plan was completed by EcoPlan of Florida in the U.S., the same master planner for Balesin Island. The lodges are sold individually as horizontal condominiums, where the land is proportionately owned by all 300 homeowners. This allows for the optimization of the locations and views of all of the home sites.

Each quadruplex or cluster of 5 to 8 individual homes has its own water cistern that collects rainwater from the roof of each building. Landscaping is provided and maintained by Alphaland, to the usual superior Alphaland standard.

On the main Ambuklao Road part of the property, we will construct a commercial center consisting of several pine log units, which we will provide rent-free to the best restaurants and popular shops in Baguio, as well as a laundromat for the convenience of our homeowners.

We have also completed the mini sports center, which has been used for wedding receptions in addition to sports and recreation. In addition, we have a 2 km hiking trail. We also have a horseback riding trail with ponies from Wright Park.

ALPHALAND MAKATI PLACE

Recent years' economic growth has resulted in the expansion of Makati's vibrant Central Business District. Alphaland Makati Place, located on a premium one-hectare property along Ayala Avenue Extension, near office buildings, schools, shopping centers, hospitals, and community areas, leads the charge.

Alphaland Makati Place is a state-of-the-art office, residential, and leisure complex that offers an integrated lifestyle solution in one dynamic complex. Every detail is planned for efficiency, sustainability, and enjoyment.

It consists of 1 corporate and 2 residential/hotel towers atop the six-storey podium. The first three floors of the podium are home to an upscale public shopping center, high-end supermarket, world-class restaurants, and service hubs. The upper three floors of the podium house The City Club, an exclusive urban sport and leisure membership club and business haven. The City Club also houses Aegle Wellness Center, a center for longevity and holistic health. Atop the six-storey podium are the 256 units that compose The Alpha Suites luxury serviced residences, the 244 condominium units that make up The Residences at Alphaland Makati Place, and the 34-storey Alphaland Corporate Tower.

Alphaland Makati Place is the only complex in the Central Business District to present such a comprehensive living solution. It is designed by the well-established Hong Kong architectural and engineering practice, Wong & Ouyang, and the leading architectural firm in the Philippines, Casas + Architects. This complete community is designed to cut down on commuting to enable residents and guests to save time and energy, and minimize traffic, all in secure, private surroundings.

Alphaland Makati Place is designed from the ground up with state-of-the-art building management, automation, and security, as well as energy-efficient mechanical, electrical, and sanitary systems. The complex consumes far less water and energy than comparable buildings, minimizing carbon emissions and unnecessary costs, while still achieving a high level of comfort. Moreover, the complex offers five levels of underground parking, which reduces the urban "heat island effect". The project is registered under the United States Green Building Council (USGBC) rating system, which administers the Leadership in Energy and Environmental Design (LEED).

To keep Alphaland Makati Place 100% free from COVID-19, the following have been implemented:

- Continuous monitoring of the guidelines of Philippine and global public health authorities (including the World Health Organization) for health and safety protocols
- Screening all City Club members and guests, and Aegle Wellness Center clients, for COVID-19 risks by having them complete travel and health questionnaires prior to entering, and Alpha Suites guests prior to check-in
- Alpha Suites guests are also required to present a negative same-day antigen swab test result prior to check-in
- Mandatory temperature check, hand sanitization, and use of disinfecting footbath upon entry
- Compulsory wearing of face masks and face shields by all staff and guests within the building complex
- Provision of hand sanitizers at the Front Desk and at our restaurant takeout stations
- Enforcement of physical distancing in elevators and common areas of the hotel
- Heightened sanitation of all public areas and surfaces every 30 minutes

ALPHALAND CORPORATE TOWER

The Alphaland Corporate Tower is a 34-storey, Grade AAA office building located in the heart of Makati's Central Business District on prestigious Ayala Avenue. Part of the Alphaland Makati Place complex, it offers total leasable space of 26,582 sqm, a panoramic view from each floor, and a total of 27 floors, each with a floor plate of 950 sqm.

Completed in early 2018, the Corporate Tower was fully leased by mid-2018. Each tenant is entitled to ten City Club shares (worth Php 1.5 million each for a total of Php 15 million) at no cost. The tower offers four high-speed elevators, an all-granite and marble entrance lobby, 100% backup genset, and the exclusive Top of the Alpha events venue on the penthouse floor, with its own private elevator..

THE ALPHA SUITES LUXURY SERVICED RESIDENCES

In late 2017, Alphaland decided to convert its unsold inventory in The Residences at Alphaland Makati Place into luxury serviced apartments. The Alpha Suites serviced residences was launched in May 2018, and is wholly owned and operated by Alphaland Corporation. Composed of 256 suites, it offers several

different room types: 1-Bedroom, 2-Bedroom, 2-Bedroom Deluxe, 3-Bedroom, two Penthouses, and a two-level Presidential Suite.

Each suite offers bespoke furniture, top-of the-line appliances, and premium bathroom fixtures. Every unit has a fully equipped kitchen with dishwasher as well as automated lights, window shades, TV lift, and air conditioning; laundry washer and dryer; minibar; and a safe, with the larger units also including a wine chiller. Fixtures for the suites were handpicked from leading global brands, such as Philippe Starck and Electrolux.

Guests of The Alpha Suites have full access to the 50+ facilities and amenities of The City Club, located in the same building, including the nine world-class restaurants, expansive swimming pool, indoor tennis, badminton, basketball and squash courts, 500-square meter gym, business facilities, etc.

Despite its very recent entry into the hotel market as an independent, non-affiliated property, The Alpha Suites has been ranked the #1 hotel in Makati and Metro Manila on Tripadvisor, the world's leading travel platform, since July 2019.

As we navigate through the new normal of travel, The Alpha Suites remains committed to maintaining the highest standards of hospitality while reinventing the way we deliver guest experiences for a safe and worry-free stay at your five-star home in the city.

Here are the specific steps that we are implementing as part of our commitment to keeping The Alpha Suites 100% free of COVID-19:

- Continuous monitoring of the guidelines of Philippine and global public health authorities (including the World Health Organization) for health and safety protocols
- Screening all guests for COVID-19 risks by having them complete travel and health questionnaires prior to check-in
- COVID-19 antigen swab testing of guests according to the existing guidelines
- Mandatory temperature check, hand sanitization, and use of disinfecting footbath upon entry to hotel
- Compulsory wearing of face masks and face shields by all staff and guests within the building complex, and wearing of disposable gloves by our front-line staff
- Provision of hand sanitizers at the Front Desk and at our restaurant takeout stations
- Enforcement of physical distancing in elevators and common areas of the hotel
- Heightened sanitation of all public areas and surfaces every 30 minutes
- UV treatment of all suites prior to check in to ensure the elimination of harmful pathogens on room surfaces
- Increased frequency of disinfection of all high-touch areas in the suites
- Application of door seal to ensure that the suite has not been accessed by anyone after sanitation by Housekeeping

THE RESIDENCES AT ALPHALAND MAKATI PLACE

Dubbed “the home of the future”, The Residences at Alphaland Makati Place incorporates the limitless possibilities of future receptive technology into residents' daily lives through the incorporation of fiber optic infrastructure.

The Residences at Alphaland Makati Place, a meticulously designed complex that ensures a natural fusion of aesthetics and efficiency, offers fully fitted and fully furnished, state-of-the-art Ayala Avenue apartments. The strategic location of the complex makes it a perfect home for dynamic executives, young families, and upwardly mobile singles. The complex incorporates high-speed fiber optic infrastructure, ensuring that it will be technologically advanced for years to come.

Each unit in The Residences at Alphaland Makati Place comes with a resident membership in The City Club, whose top-of-the-line facilities are dedicated to fulfilling the most demanding lifestyle needs.

TOP OF THE ALPHA

The Top of the Alpha is Manila's premier destination for upscale bar & lounge entertainment and private events. The venue features a magnificent view from every part of the 34th floor penthouse of the Alphaland Corporate Tower in Makati.

Top of the Alpha has an L-shaped music lounge where well-known jazz bands have performed, a Tabacalera Cigar Divan featuring the country's finest hand-rolled cigars and single-malt Scotch and Cognac pairings, and an open-air wraparound terrace for dining and lounging with a spectacular view of the metropolis. It also has three beautifully designed private rooms featuring large TV monitors where you can view the live bands or your choice of music in a plush, private setting.

Top of the Alpha is also a premier private events venue serving refined continental cuisine and fine wines and spirits, with live acoustic music and the beautiful view of the metro as its backdrop

AEGLE WELLNESS CENTER

Aegle Wellness Center is a state-of-the-art integrative health and wellness center purposely set in two complementary sites—a five-star city center facility and an exclusive island resort setting—to nurture and sustain our unique and bespoke wellness programs.

Named after the Greek goddess of radiant good health, Aegle illustrates the marriage of science and health—Aegle being the daughter of Aesculapius, the god of medicine, and Epione, the goddess of soothing of pain. Aegle is the sister of Panacea, the goddess of medicines, and Hygeia, goddess of health.

Aegle is devoted to the maintenance of health through lifestyle modification based on cutting-edge technology from the basic sciences such as cell physiology, molecular biology, and human genomics. Protocols are hinged on the four foundations of wellness: natural detoxification, weight management, ageing medicine, and holistic health.

Complementing the limitations of Western medicine with the preventive health values of traditional healing, Aegle provides multi-faceted programs to address health concerns ranging from treatment of lifestyle diseases, to enhancing function and athletic performance, to providing support for prevention of terminal illness.

Leading Aegle's acclaimed medical team is Dr. Benedict Valdecañas, the country's leading authority in the field of Sports and Regenerative Medicine. The city-center facility of Aegle Wellness Center, which is located at The City Club, began operations in late 2015, while its second center, located adjacent to the Mykonos Beach Villas in Balesin Island Club, opened its doors in April 2016. The Aegle facility at Balesin offers Thalassotherapy as a centerpiece of its wellness programs.

SERVICES AND PROGRAMS

- Professional Assessment & Evaluation
- Professional Age Management Consults
- Exercise Instruction, Initiation, Integration and Physical Therapy
- Nutritional Consults, Weight Management and Support
- Life Coaching
- Mindfulness Coaching
- Thalassotherapy (Aegle - Balesin only)
- Laboratory Assessment
 - COVID-19 Reverse Transcription Polymerase Chain Reaction, Rapid Antigen, and Rapid Antibody Testing
 - Complete Blood Analysis and Serum Chemistry
 - Body Composition Analysis (BCA)
 - Metabolic Analysis Testing
 - Food Sensitivity Testing
 - Genomic Analysis
 - Hormonal Assay
 - Micronutrient Assay

- Cancer Markers
- Toxicology Scan
- Gut Microbiome Analysis
- Oxidative Stress
- Neurotransmitter Assay
- Amino Acid Assay
- Cardiovascular
- Chronic Fatigue Syndrome
- Ancillary Assessment
- Plethysmography
- Live Blood Analysis

TREATMENTS

- Hyperbaric Oxygen Therapy (HBOT)
- Colon Hydrotherapy
- Intravenous Detoxification
- Intravenous Supplementation

AESTHETIC TREATMENTS

- Skin Renewals
- Skin Regeneration & Remodeling
- Body Reshaping
- FaceFitness and FaceFitness Luxe

BALESIN INTERNATIONAL GATEWAY

Alphaland has acquired 732 hectares on Patnanungan Island, which is only 21 nautical miles north of Balesin. Between Balesin and Patnanungan it takes only ten minutes by helicopter, five minutes by our Cessnas, and half an hour by a fast ferry.

We plan to build a full international airport facility with a runway of 2,500 meters, which will accommodate even wide-body jets, although we are targeting only the Airbus 320s that fly around the region.

We have always envisioned making Balesin directly accessible to international flights. With the establishment of the Balesin Gateway International Airport, our international members and guests will be able to bypass the congestion of NAIA in Manila and fly directly to Balesin from Tokyo, Seoul, Taipei, Hong Kong, Bangkok, Singapore, and Jakarta, and even Sydney, all cities that will be the target of our aggressive international marketing of Balesin Island Club.

Because the island has fresh ground water, we also plan to build an 18-hole championship golf course and 5 luxury hotels, as well as 1,834 beachfront and golf course homes. So that we do not end up with a mish-mash of designs and are able to preserve the pristine character of the land, we will design and build each individual home. The homes can be directly owned by individuals and companies who would like to acquire their own beach houses. We have partnered with EcoPlan (the same master planner of Balesin Island) to finalize the master plan for the island, and continue to work on obtaining the necessary permits and regulatory approvals.

ALPHALAND AVIATION

Alphaland Aviation's fleet of aircraft includes two 68-seater ATR 72-500s, two 9-seater Cessna 208B Grand Caravans, and a 5-passenger Eurocopter EC-130B4 helicopter.

ALPHALAND CLARK HANGAR AND LOUNGE

Alphaland's private hangar and lounge at Clark International Airport in Pampanga has allowed us to offer additional and more convenient flights for Balesin members who live in the northern part of Metro Manila and in Central Luzon. In addition to our usual service from NAIA, we now schedule flights to and from Clark to avoid the air traffic and runway congestion at NAIA.

The Group is looking forward to a strong operating performance in the remaining months of 2021 despite of the adverse effects of the covid-19 pandemic in its operations as well as in worldwide economy. Alphaland Baguio Mountain Lodges, our master-planned development has been constantly selling loghomes. The Alpha Suites, in only two and a half years has been consistently rated as the no. 1 hotel in Metro Manila by TripAdvisor. Both operations are strongly contributing to the company's cash flows.

Financial Condition

ALPHALAND CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
(Amounts in Thousands, Except for Book Value per Share)

	September 30, 2021 (unaudited)	December 31, 2020 (audited)	Variance	
			Amount	%
ASSETS				
Current Assets				
Cash and cash equivalents	₱1,079,158	₱769,657	309,501	40%
Trade and other receivables	1,272,209	1,110,323	161,886	15%
Land and development costs and parking lots for sale	3,152,789	3,193,200	(40,411)	(1%)
Advances to related companies	4,116,728	4,111,702	5,026	0%
CRglub shares for sale	1,072,450	1,074,311	(1,861)	(0%)
Other current assets	1,229,481	1,204,504	24,977	2%
Total Current Assets	11,922,815	11,463,697	459,118	4%
Noncurrent Assets				
Investment in and advances to an associate	12,349	12,349	–	0%
Club shares for sale - net of current portion	30,304,750	30,437,589	(132,839)	(0%)
Investment properties	58,821,391	58,776,917	44,474	0%
Property and equipment	9,774,158	10,006,474	(232,316)	(2%)
Other noncurrent assets	155,882	155,496	386	0%
Total Noncurrent Assets	99,068,530	99,388,825	(320,295)	(0%)
	₱110,991,345	₱110,852,522	(462,144)	(0%)
LIABILITIES AND EQUITY				
Current Liabilities				
Trade and other payables	₱3,231,901	₱2,939,216	292,685	10%
Advances from related companies	2,165,110	2,342,111	(177,001)	(8%)
Current portion of customers' deposits	130,453	107,980	22,473	21%
Income tax payable	204,832	453,828	(248,996)	(55%)
Total Current Liabilities	5,732,296	5,843,135	(110,839)	(2%)
Noncurrent Liabilities				
Customers' deposits - net of current portion	₱77,396	120,519	(43,123)	(36%)
Retirement liability	73,258	73,258	0	0%
Net deferred tax liabilities	22,822,288	22,641,102	181,186	1%
Other noncurrent liabilities	355,491	183,221	172,270	94%
Total Noncurrent Liabilities	23,328,433	23,018,100	310,333	1%
Total Liabilities	28,923,779	28,861,235	62,544	0%
Equity Attributable to Equity Holders of the Parent Company				
Capital stock	2,839,273	2,702,323	136,950	5%
Additional paid-in capital	12,909,581	12,909,581	–	–
Retained earnings	56,719,397	56,828,021	(108,624)	(0%)
Other comprehensive income:				
Cumulative unrealized valuation gain on club shares for sale	23,394,027	23,482,648	(88,621)	(0%)
Revaluation surplus	3,428,674	3,428,674	–	0%
Accumulated rereasurement gain on retirement liability	44,555	46,325	(1,770)	(4%)
	99,335,507	99,397,572	(62,065)	(0%)
Less:				
Parent Company's shares held by a subsidiary	–	16,881,220	(16,881,220)	(100%)
Cost of treasury shares	17,405,503	524,283	16,881,220	3220%
	81,930,004	81,992,069	(62,065)	(0%)
Noncontrolling interests	612	(782)	1,394	(178%)
Total Equity	81,930,616	81,991,287	(60,671)	(0%)
	₱110,854,395	₱110,852,522	1,873	0%

SEPTEMBER 30, 2021 VERSUS DECEMBER 31, 2020

Total assets of the Group decreased by ₱138.8 million or 0.1% from ₱110,852.5 million as of December 31, 2020 to ₱110,991.3 million as of September 30, 2021.

40% increase in cash and cash equivalents

Cash and cash equivalents was significantly higher by 40% or ₱309.5 million due to higher cash inflows generated by the Group from its operations, particularly from real estate sales and hotel operations.

15% increase in trade and other receivables

Trade and other receivables were significantly higher by 15% or ₱161.9 million mainly due to increased real property sales on installment basis.

1% decrease in Land and Development costs and parking lots for sale

Land and Development costs were decreased by 1% or ₱40.4 million mainly due to sale of 14br Villa sold by ABIRC in Balesin.

0.6% decrease in club shares for sale

Club shares for sale decreased by 0.6% or ₱134.7 million due to sale of 91 Balesin Island club shares held by ABIRC.

2% increase in Other Current Assets

Other Current Assets increased by 2% or ₱25 million mainly due to the CWT generated arising from the sale of 14br Villa sold by ABIRC in Balesin and Log Homes sold by ABMLHI.

2% decrease in property and equipment

Property and equipment decreased by 2% or ₱232.3 million representing depreciation expense of the Group.

10% increase in trade and other payables

Trade and other payables increased by 10% or ₱292.7 million due to increase in construction-related payables for the nine months ended September 30, 2021.

8% decrease in advances from related companies

Advances from related companies decreased by 8% or ₱177 million due to settlement of various advances from affiliates.

94% increase in other noncurrent liabilities

Other noncurrent liabilities were significantly higher by 94% or ₱172.3 million due to recognition of deferred output tax related to sale of Baguio log homes for the nine months ended September 30, 2021.

1% decrease in retained earnings

This pertains to net income attributable to equity holders of the Parent Company and reclassification adjustments on disposal of club shares amounting to ₱264.4 million and ₱127 million, respectively, in the third quarter of 2021.

0.2% decrease cumulative unrealized valuation gains on club shares for sale

Cumulative unrealized valuation gains on club shares for sale decreased by 0.3% or ₱50.5 million due to sale of Balesin Island club shares held by ABIRC during the current period.

Results of Operation

ALPHALAND CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

(Amounts in Thousands, Except for Earnings per Share)

	Three Months Ended September 30				Nine Months Ended September 30			
	2021 (Unaudited)	2020 (Unaudited)	Changes	% Change	2021 (Unaudited)	2020 (Unaudited)	Changes	% Change
REVENUES								
Real estate sales	197,486	66,591	130,895	197%	898,934	167,377	731,556	437%
Rental income	79,783	174,500	(94,717)	(54%)	320,361	443,560	(123,198)	(28%)
Service income	101,448	102,372	(924)	(1%)	345,341	318,181	27,161	9%
Interest income	4,576	4,338	239	5%	14,457	14,164	293	2%
Others	49,757	19,249	30,508	158%	71,762	33,519	38,243	114%
	433,049	367,050	65,999	18%	1,650,855	976,800	674,054	69%
COSTS AND EXPENSES								
Cost of services	152,975	56,824	96,151	169%	453,861	286,410	167,451	58%
Cost of real estate sold	90,293	29,585	60,708	205%	395,580	63,122	332,458	527%
General and administrative	180,673	492,418	(311,745)	(63%)	577,382	910,991	(333,609)	(37%)
	423,941	578,827	(154,886)	(27%)	1,426,822	1,260,523	166,299	13%
OTHER INCOME (EXPENSES)								
Gain on fair value changes of investment properties	7,127	90,101	(82,974)	(92%)	7,127	90,101	(82,974)	(92%)
Net accounting loss on sale of Southgate	-	-	-	100%	-	-	-	100%
Finance costs	(73)	-	(73)	100%	(73)	(73)	-	100%
Other gains (losses) - net	98	51,927	(51,828)	(100%)	155	52,643	(52,488)	(100%)
	7,152	142,027	(134,876)	(95%)	7,209	142,743	(135,535)	(95%)
INCOME BEFORE INCOME TAX	16,260	(69,750)	86,009	(123%)	231,241	(140,979)	372,220	(264%)
PROVISION FOR INCOME TAX								
Current	47,814	(70,230)	118,044	(168%)	124,003	(61,731)	185,735	(301%)
Deferred	(141,843)	36,148	(177,990)	(492%)	(141,214)	36,148	(177,362)	(491%)
	(94,029)	(34,083)	(59,946)	176%	(17,211)	(25,584)	8,373	(33%)
NET INCOME	110,289	(35,667)	145,956	(409%)	248,452	(115,395)	363,848	(315%)
OTHER COMPREHENSIVE INCOME								
<i>Not to be reclassified to profit and loss in subsequent years:</i>								
Unrealized valuation gain (loss) on club shares for sale	(9,000)	8,088	(17,088)	(211%)	8,596	(5,412)	14,008	(259%)
Income tax effect	1,350	(1,213)	2,563	(211%)	(1,289)	812	(2,101)	(259%)
	(7,650)	6,875	(14,525)	(211%)	7,307	(4,600)	11,907	(259%)
Revaluation increase	-	87,630	(87,630)	(100%)	-	87,630	(87,630)	(100%)
Income tax effect	-	(26,289)	26,289	(100%)	-	(26,289)	26,289	(100%)
	-	61,341	(61,341)	(100%)	-	61,341	(61,341)	(100%)
Remeasurements gain (loss) on retirement liability	-	(543)	543	(100%)	(1,696)	(1,160)	(536)	46%
	(7,650)	67,672	(75,322)	(111%)	5,610	55,580	(49,970)	(90%)
TOTAL COMPREHENSIVE INCOME	102,639	32,005	70,634	221%	254,063	(59,815)	313,878	(525%)
Net income (loss) attributable to:								
Equity holders of the Parent Company	109,519	(34,183)	143,702	(420%)	247,057	(113,691)	360,748	(317%)
Noncontrolling interests	769	(1,484)	2,254	(152%)	1,395	(1,705)	3,100	(182%)
	110,289	(35,667)	145,956	(409%)	248,452	(115,395)	363,848	(315%)
Total comprehensive income attributable to:								
Equity holders of the Parent Company	101,869	33,489	68,380	204%	252,678	(58,111)	310,789	(535%)
Noncontrolling interests	769	(1,484)	2,254	(152%)	1,385	(1,705)	3,089	(181%)
	102,639	32,005	70,634	221%	254,063	(59,815)	313,878	(525%)
Total comprehensive income per share (a/b)								
(a) Total comprehensive income attributable to equity holders of the parent company	101,869	33,489	68,380	204%	252,678	(58,111)	68,380	204%
(b) Weighted average number of shares outstanding	13,102,261,729	13,174,717,890	(72,456,161)	(1%)	13,102,261,729	13,174,717,890	(72,456,161)	(1%)
	0.008	0.003	0.005	206%	0.019	(0.004)	0.005	206%

For the Three Months Ended September 30, 2021 vs. for the Three Months Ended September 30, 2020

18% increase in revenues and 27% decrease in costs and expenses

The consolidated revenues of the Group for the three months ended September 30, 2021 amounted to ₱433 million, 18% higher compared to the same period last year. The consolidated costs and expenses of the Group for the three months ended September 30, 2021 amounted to ₱423.9 million, 27% lower compared to the same period last year.

Real estate sales and cost of real estate sold

Real estate sales and cost of real estate sold were significantly higher by 197% or ₱130.9 million and 205% or ₱60.7 million, respectively, due to increased number of sold Baguio log homes and Balesin villas for the three months ended September 30, 2021 compared to the prior period.

Rental and service income and cost of services

Rental income was significantly lower by 54% or ₱94.7 million due to decrease in the number of tenants of AMPI owing to the pandemic. Service income and Cost of Services was lower by 1% or ₱0.9 million and 169% or ₱96.2 million due to decreased occupancy rate of the Alpha Suites.

General and administrative expenses

General and administrative expenses was significantly lower by 63% or ₱311.7 million due to the Taxes incurred by AMPI in prior years and the recognition of association dues, including those in prior years, of Alpha Suites and AMPI.

Other income (expenses)

92% decrease in gain on fair value changes of investment properties

This pertains to the loss on fair value changes of the TAS units. Appraisal of investment properties of the Group is normally conducted during the last quarter of year.

100% decrease in other gains (losses) – net

Decrease in other gains (losses) – net pertains to foreign exchange differences in translating the dollar-denominated transactions of the Group.

For the Nine Months Ended September 30, 2021 vs. for the Nine Months Ended September 30, 2020

69% increase in revenues and 13% increase in costs and expenses

The consolidated revenues of the Group for the nine months ended September 30, 2021 amounted to ₱1,650.9 million, 69% higher compared to the same period last year. The consolidated costs and expenses of the Group for the nine months ended September 30, 2021 amounted to ₱1,426.8 million, 13% higher compared to the same period last year.

Real estate sales and cost of real estate sold

Real estate sales and cost of real estate sold were significantly higher by 437% or ₱731.6 million and 527% or ₱332.5 million, respectively, due to increase in the number of sold Baguio log homes and Balesin villa for the nine months ended September 30, 2021.

Rental and service income and cost of services

Rental income was significantly lower by 28% or ₱123.2 million due to decrease in the number of tenants of AMPI on the Corporate Tower. Service income was higher by 9% or ₱27.2 million due to increased occupancy rate of the Alpha Suites since it became a quarantine facility for returning Filipinos.

Correspondingly, the cost of services also increased significantly by 58% or ₱167.5 million.

Others

Other income was significantly higher by 114% or ₱38.2 million mainly due to increase in other income generating activities of the Group such as leasing of ABMLHI's Clubhouse for events.

General and administrative expenses

General and administrative expenses was significantly lower by 37% or ₱333.6 million due to the reduction in the number of employees and other general and administrative expense as a result of the pandemic.

92% decrease in gain on fair value changes of investment properties

This pertains to the loss on fair value changes of the TAS units. Appraisal of investment properties of the Group is normally conducted during the last quarter of year.

100% decrease in other gains (losses) – net

Decrease in other gains (losses) – net pertains to foreign exchange differences in translating the dollar-denominated transactions of the Group.

33% increase in income tax expense (benefit)

Significant increase in income tax expense (benefit) is due to higher sales of Log Homes units and Balesin villas.

Comparative Key Performance Indicators

	September 30, 2021 (unaudited)	December 31,, 2020 (unaudited)
(a) Total comprehensive income attributable to equity holders of the Parent Company (in thousands)	₱252,678	₱1,578,187
(b) Weighted average number of shares outstanding after the effect of stock split	13,102,261,729	13,166,860,073
Basic/diluted earnings per share (a/b)	₱0.019	₱0.120
(a) Total equity (in thousands)	₱81,930,616	₱81,991,287
(b) Total number of shares outstanding at end of year before the effect of stock split	13,102,261,729	13,080,412,651
Book value per share (a/b)	₱6.253	₱6.268
(a) Total assets (in thousands)	₱110,991,345	₱110,852,523
(b) Total equity (in thousands)	81,930,616	81,991,287
Asset-to-equity ratio (a/b)	1.354	1.352
(a) Total long-term debt (in thousands)	₱–	₱–
(b) Total equity (in thousands)	81,930,616	81,991,287
Debt-to-equity ratio (a/b)	–	–
(a) Total comprehensive income attributable to equity holders of the Parent Company (in thousands)	₱252,678	₱1,578,187
(b) Average total equity (in thousands)	81,960,951	81,410,808
Return on equity (a/b)	₱0.003	₱0.019

No material off-balance sheet transactions, arrangements, obligations, and other relationships of the Group with unconsolidated entities were created during the year.

As of September 30, 2021, except for what has been noted in the preceding:

- There are no known trends, events, or uncertainties that would have a material impact on the Group's liquidity;
- There are no events that will trigger direct or contingent financial obligation that is material to the Group, including any default or acceleration of an obligation;

- There are no material off-balance sheet transactions, arrangements, obligations and other relationships of the Group with unconsolidated entities or other persons during the reporting period;
- The commitments for capital expenditures are those within the ordinary course of trade or business;
- There are no material changes or changes amounting to 5% of the relevant accounts or such lower amount which the Group deems material on the basis of other factors from period to period;
- There are no known trends, events or uncertainties that have had or that are reasonably expected to have a material favorable or unfavorable impact on net sales/revenues/income from continuing operations;
- There are no significant elements of income or loss that did not arise from the Group's results of operations;
- There are no material changes in the financial statements of the Group; and
- There are no seasonal aspects that had a material effect on the financial statements or financial condition or results of the operations of the Group.

Financial Risk Management Objectives and Policies

The Group's principal financial instruments comprise of cash and cash equivalents, trade and other receivables, advances to related parties, loans payable and long-term debt. The main purpose of these financial instruments is to provide funds for the Group's operations. The Group has various financial instruments such as trade and other receivables, trade and other payables, customers' deposits and advances to and from related parties, which arise directly from its operations.

The BOD has overall responsibility for the establishment and oversight of the Group's risk management framework. The Group's risk management policies are established to identify and manage the Group's exposure to financial risks, to set appropriate transaction limits and controls, and to monitor and assess risks and compliance to internal control policies. Risk management policies and structure are reviewed regularly to reflect changes in market conditions and the Group's activities.

The Group has exposure to credit risk, interest rate risk and liquidity risk from the use of its financial instruments. The Group's exposure to foreign currency risk is minimal as it does not normally enter into transactions in currencies other than its functional currency. The BOD reviews and approves the policies for managing each of these risks.

Credit Risk

The Group trades only with recognized and creditworthy third parties. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis with the result that the Group exposure to bad debts is not significant. For transactions that are not denominated in the functional currency of the Parent Company, the Group does not offer credit terms without the specific approval of the Chief Finance Officer.

With respect to credit risk arising from the other financial assets, the Group's exposure to credit risk arises from default of the counterparty, with a maximum exposure equal to the carrying amount of these instruments.

Since the Group trades with recognized third parties and related parties, there is no requirement for collateral. There are no other concentrations of credit risk within the Group.

Interest Rate Risk

Interest rate risk arises from the possibility that changes in interest rates will affect future cash flows or the fair values of financial instruments. The Group's exposure to interest rate risk relates primarily to its financial instruments with floating interest and/or fixed interest rates. Fixed rate financial instruments are subject to fair value interest rate risk while floating rate financial instruments are subject to cash flow interest rate risk. Re-pricing of floating rate financial instruments is done every three to six months. Interest on fixed rate financial instruments is fixed until maturity of the instrument.

The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's long-term debt subject to floating interest rates. The other financial instruments of the Group are noninterest-bearing and, therefore, not subject to interest rate risk.

Liquidity Risk

Liquidity risk is the risk that the Group will not be able to settle or meet its obligations on time or at a reasonable price. Management is responsible for liquidity, funding as well as settlement management. In addition, management oversees liquidity and funding risks, and related processes and policies. The Group manages its liquidity risk based on business needs, tax, capital or regulatory considerations, if applicable, through numerous sources of finance in order to maintain flexibility.

The Group also maintains a balance between continuity of funding and flexibility. The policy of the Group is to first exhaust lines available from affiliated companies before local bank lines are availed of. The Group seeks to manage its liquid funds through cash planning on a weekly basis. The Group uses historical figures and experiences and forecasts from its collections and disbursements. As part of its liquidity risk management, the Group regularly evaluates its projected and actual cash flows. It also continuously assesses conditions in the financial markets for opportunities to pursue fund raising activities. Also, the Group only places funds in the money market, which are exceeding the Group requirements. Placements are strictly made based on cash planning assumptions and covers only a short period of time.

PART II--OTHER INFORMATION

There are no disclosures not reported under SEC Form 17-C.

SIGNATURES

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

Issuer : **Alphaland Corporation**

President : **Dennis O. Valdes**

Signature and Title : President

Date : November 10, 2021

Principal Financial/Accounting Officer/Controller : **Cristina B. Zapanta**

Signature and Title : SVP - Finance

Date : November 10, 2021

Exhibit 1:
Unaudited Consolidated Interim Financial
Statements as at and for the Nine Months
Ended September 30, 2021

ALPHALAND CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
(Amounts in Thousands, Except for Book Value per Share)

	September 30, 2021 Unaudited	December 31, 2020 Audited
ASSETS		
Current Assets		
Cash and cash equivalents	₱1,079,158	₱769,657
Trade and other receivables	1,272,209	1,110,323
Land and development costs and parking lots for sale	3,152,789	3,193,200
Advances to related companies	4,116,728	4,111,702
Club shares for sale	1,072,450	1,074,311
Other current assets	1,229,481	1,204,504
Total Current Assets	11,922,815	11,463,697
Noncurrent Assets		
Investment in and advances to an associate	12,349	12,349
Club shares for sale - net of current portion	30,304,750	30,437,589
Investment properties	58,821,391	58,776,917
Property and equipment	9,774,158	10,006,474
Other noncurrent assets	155,882	155,496
Total Noncurrent Assets	99,068,530	99,388,825
	₱110,991,345	₱110,852,522
LIABILITIES AND EQUITY		
Current Liabilities		
Trade and other payables	3,231,901	₱2,939,216
Advances from related companies	2,165,110	2,342,111
Customers' deposits	130,453	107,980
Income tax payable	204,832	453,828
Total Current Liabilities	5,732,296	5,843,135
Noncurrent Liabilities		
Customers' deposits - net of current portion	77,396	120,519
Retirement liability	73,258	73,258
Net deferred tax liabilities	22,822,288	22,641,102
Other noncurrent liabilities	355,492	183,221
Total Noncurrent Liabilities	23,328,434	23,018,100
Total Liabilities	29,060,730	28,861,235

(Forward)

	September 30, 2021 Unaudited	December 31, 2020 Audited
Equity Attributable to Equity Holders of the Parent Company		
Capital stock	2,839,273	P2,702,323
Additional paid-in capital	12,909,581	12,909,581
Retained earnings	56,719,396	56,828,021
Other comprehensive income:		
Cumulative unrealized valuation gains on club shares for sale	23,394,027	23,482,648
Revaluation surplus	3,428,674	3,428,674
Accumulated remeasurement gain on retirement liability	44,555	46,325
	99,335,506	99,397,572
Less:		
Parent Company's shares held by a subsidiary	-	16,881,220
Cost of treasury shares	17,405,503	524,283
	81,930,003	81,992,069
Noncontrolling interests	612	(782)
Total Equity	81,930,615	81,991,287
	P110,991,345	P110,852,522
Book value per share	P6.253	P6.268

ALPHALAND CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(Amounts in Thousands, Except for Earnings per Share)

	Three Months Ended September 30		Nine Months Ended September 30	
	2021 (unaudited)	2020 (unaudited)	2021 (unaudited)	2020 (unaudited)
REVENUES				
Real estate sold	P197,486	P66,591	P898,934	P167,377
Rental income	79,783	174,500	320,361	443,560
Service income	101,448	102,372	345,341	318,181
Interest income	4,575	4,338	14,457	14,164
Others	49,756	19,249	71,762	33,519
	433,048	367,050	1,650,855	976,801
COSTS AND EXPENSES				
Cost of services	152,975	56,824	453,860	286,410
Cost of real estate sold	90,293	29,585	395,580	63,122
General and administrative	180,673	492,418	577,383	910,991
	423,941	578,827	1,426,823	1,260,523
OTHER INCOME (EXPENSES)				
Gain on fair value changes of investment properties	7,127	90,101	7,127	90,101
Net accounting loss on sale of Southgate	-	-	-	-
Finance costs	(73)	-	(73)	-
Other gains (losses) - net	98	51,926	155	52,642
	7,152	142,027	7,209	142,743
INCOME BEFORE INCOME TAX	16,259	(69,750)	231,241	(140,979)
INCOME TAX EXPENSE (BENEFIT)				
Current	47,814	(70,230)	124,003	(61,731)
Deferred	(141,843)	36,148	(141,214)	36,148
	(94,029)	(34,082)	(17,211)	(25,583)
NET INCOME (LOSS)	110,288	(35,668)	248,452	(115,396)
OTHER COMPREHENSIVE INCOME				
<i>Not to be reclassified to profit or loss in subsequent years:</i>				
Revaluation increase	-	87,630	-	87,630
Income tax effect	-	(26,289)	-	(26,289)
	-	61,341	-	61,341
Unrealized valuation gain on club shares for sale	(9,000)	8,088	8,596	(5,412)
Income tax effect	1,350	(1,213)	(1,289)	812
	(7,650)	6,875	7,307	(4,600)
Remeasurement gain(loss) on retirement liability	-	(543)	(1,696)	(1,160)
	(7,650)	67,672	5,611	55,581
TOTAL COMPREHENSIVE INCOME	102,638	P32,005	P254,063	(P59,815)
Net income attributable to:				
Equity holders of the Parent Company	P109,519	(P34,183)	P247,057	(P113,691)
Noncontrolling interests	769	(1,484)	1,395	(1,705)
	P110,288	(P35,667)	P248,452	(P115,396)
Total comprehensive income attributable to:				
Equity holders of the Parent Company	P101,870	P33,489	P252,678	(P58,110)
Noncontrolling interests	769	(1,484)	1,385	(1,705)
	P102,638	P32,005	P254,063	(P59,815)

ALPHALAND CORPORATION AND SUBSIDIARIES
CONSOLIDATED INTERIM STATEMENTS OF CHANGES IN EQUITY
(Amounts in Thousands)

**For the Nine Months Ended
September 30**

	2021 (Unaudited)	2020 (Unaudited)
CAPITAL STOCK		
Balance at beginning and of period	₱2,839,273	₱2,842,174
ADDITIONAL PAID-IN CAPITAL		
Balance at beginning and end of period	12,909,581	12,769,730
RETAINED EARNINGS		
Balance at beginning of period	56,845,383	53,419,451
Net income (loss)	247,057	(113,691)
Reclassification adjustments on disposal of club shares for sale	126,956	6,428
Dividend Declaration	(500,000)	
Balance at end of period	56,719,396	53,312,188
OTHER COMPREHENSIVE INCOME		
Cumulative Unrealized Valuation Gain on Club Shares for Sale		
Balance at beginning of period	23,482,648	25,057,294
Reclassification adjustments on disposal of clubs hares for sale	(95,928)	(32,357)
Unrealized valuation gain	7,307	(4,600)
Balance at end of period	23,394,027	25,020,337
Revaluation Surplus		
Balance at beginning and end of period	3,428,674	3,638,769
Accumulated Remeasurement Gain on Retirement Liability		
Balance at beginning of period	46,325	40,957
Remeasurement loss	(1,770)	(1,160)
Balance at end of period	44,555	39,797
	26,867,256	28,698,903
PARENT COMPANY'S SHARES HELD BY A SUBSIDIARY		
Balance at beginning and end of period	-	(16,881,220)
TREASURY SHARES		
Balance at beginning and end of period	(17,405,503)	(1,214)
NONCONTROLLING INTERESTS		
Balance at beginning of period	(783)	5,727
Share in net income	1,395	(1,705)
Balance at end of period	612	4,022
	₱81,930,615	₱80,744,583

ALPHALAND CORPORATION AND SUBSIDIARIES
CONSOLIDATED INTERIM STATEMENTS OF CASH FLOWS
(Amounts in Thousands)

For the Nine Months Ended September 30

	2021	2020
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss before income tax	P231,241	(P140,979)
Adjustments for:		
Gain on fair value changes of investment properties	(14,457)	(90,101)
Net accounting loss from sale of Southgate	–	–
Depreciation and amortization	187,523	232,606
Finance costs	73	–
Interest income	(14,457)	(14,164)
Unrealized foreign exchange losses (gains)	(155)	7,439
Operating income before working capital changes	397,099	(5,199)
Decrease (increase) in:		
Trade and other receivables	(24,935)	267,267
Land and development costs and parking lots for sale	40,411	(109,899)
Other current assets	(24,977)	(2,966)
Increase in:		
Trade and other payables	292,684	241,471
Customers' deposits	(1,696)	7,553
Retirement liability	(20,649)	(72)
Net cash generated from (used for) operations	657,937	398,155
Income taxes paid	(373,000)	(97,493)
Interest received	14,457	14,164
Net cash provided by (used in) operating activities	299,394	314,826
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from:		
Sale of club shares for sale	143,296	79,302
Disposal of property and equipment	–	20,741
Decrease (increase) in:		
Advances to related companies	(5,026)	(286,658)
Other noncurrent assets	(387)	4,244
Property and Equipment	44,793	–
Investment properties	(19,985)	(116,794)
Deferred Tax Liabilities	350,882	–
Net cash provided by (used in) investing activities	513,573	(299,165)
CASH FLOWS FROM FINANCING ACTIVITIES		
Payments of:		
Finance costs	(73)	–
Increase (decrease) in:		
Advances from related companies	(177,001)	(165,086)
Other noncurrent liabilities	172,269	79,353
Dividend Paid	(500,000)	–
Net cash provided by (used in) financing activities	(504,805)	(85,733)
EFFECT OF FOREIGN EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS		
	155	(7,439)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	308,318	(77,511)
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD		
Cash and cash equivalents	769,657	494,184
Restricted cash	10,142	1,175
	779,799	495,359
CASH AND CASH EQUIVALENTS AT END OF PERIOD		
Cash and cash equivalents	1,079,158	417,848
Restricted cash	8,959	–
	P1,088,117	P417,848

