

**From:** [Philippine Stock Exchange](#)  
**To:**  
**Subject:** Quarterly Report  
**Date:** Thursday, October 26, 2023 2:17:35 PM

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Dear Sir/Madam:

Your disclosure was approved as Company Report. Details are as follows:

Company Name: Belle Corporation  
Reference Number: 0036767-2023  
Date and Time: Thursday, October 26, 2023 14:17 PM  
Template Name: Quarterly Report  
Report Number: CR07370-2023

Best Regards,  
PSE EDGE

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The Philippine Stock Exchange, Inc., 6th to 10th Floors, PSE Tower, 5th Avenue corner 28th Street, Bonifacio Global City, Taguig City, Philippines 1634

# 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  
Sep 30, 2023
2. SEC Identification Number  
52412
3. BIR Tax Identification No.  
000-156-011
4. Exact name of issuer as specified in its charter  
BELLE CORPORATION
5. Province, country or other jurisdiction of incorporation or organization  
METRO MANILA, PHILIPPINES
6. Industry Classification Code(SEC Use Only)
7. Address of principal office  
5/F Tower A, Two Ecom Center, Palm Coast Avenue, MOA Complex, Pasay City  
Postal Code  
1300
8. Issuer's telephone number, including area code  
(632) 8662-8888
9. Former name or former address, and former fiscal year, if changed since last report  
N/A
10. Securities registered pursuant to Sections 8 and 12 of the SRC 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 Stock, Php 1.00 par value	9,696,464,297

11. Are any or all of registrant's securities listed on a Stock Exchange?  
 Yes       No  
 If yes, state the name of such stock exchange and the classes of securities listed therein:  
 Philippine Stock Exchange, Inc./ Common Shares
12. Indicate by check mark whether the registrant:

(a) has filed all reports required to be filed by Section 17 of the SRC 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 that the registrant was required to file such reports)

Yes       No

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

Yes       No

*The Exchange does not warrant and holds no responsibility for the veracity of the facts and representations contained in all corporate disclosures, including financial reports. All data contained herein are prepared and submitted by the disclosing party to the Exchange, and are disseminated solely for purposes of information. Any questions on the data contained herein should be addressed directly to the Corporate Information Officer of the disclosing party.*



## Belle Corporation BEL

**PSE Disclosure Form 17-2 - Quarterly Report**  
*References: SRC Rule 17 and  
Sections 17.2 and 17.8 of the Revised Disclosure Rules*

<b>For the period ended</b>	Sep 30, 2023
<b>Currency (indicate units, if applicable)</b>	PHP (in thousands)

### Balance Sheet

	Period Ended	Fiscal Year Ended (Audited)
	Sep 30, 2023	Dec 31, 2022
<b>Current Assets</b>	14,039,315	12,929,760
<b>Total Assets</b>	56,658,599	52,757,721
<b>Current Liabilities</b>	4,594,090	2,616,039
<b>Total Liabilities</b>	15,157,143	16,244,859
<b>Retained Earnings/(Deficit)</b>	14,453,675	13,501,329

Stockholders' Equity	41,501,456	36,512,862
Stockholders' Equity - Parent	38,738,041	33,858,904
Book Value per Share	3.77	3.49

#### Income Statement

	Current Year (3 Months)	Previous Year (3 Months)	Current Year-To-Date	Previous Year-To-Date
Gross Revenue	1,373,499	2,965,971	4,302,888	4,271,317
Gross Expense	665,265	1,522,118	2,012,950	2,202,173
Non-Operating Income	203,263	26,659	250,048	39,630
Non-Operating Expense	119,662	253,781	378,224	384,733
Income/(Loss) Before Tax	791,835	1,216,731	2,161,762	1,724,041
Income Tax Expense	136,263	56,722	196,568	87,454
Net Income/(Loss) After Tax	655,572	1,160,009	1,965,194	1,636,587
Net Income Attributable to Parent Equity Holder	498,974	947,143	1,534,320	1,361,320
Earnings/(Loss) Per Share (Basic)	0.27	0.22	0.27	0.22
Earnings/(Loss) Per Share (Diluted)	0.27	0.22	0.27	0.22

	Current Year (Trailing 12 months)	Previous Year (Trailing 12 months)
Earnings/(Loss) Per Share (Basic)	0.16	0.17
Earnings/(Loss) Per Share (Diluted)	0.16	0.17

#### Other Relevant Information

n/a

#### Filed on behalf by:

Name	Maria Neriza Banaria
Designation	Chief Financial Officer and Treasurer

SEC No. 52412  
File No.

**BELLE CORPORATION**  
(Company's Full Name)

**5/F, Tower A, Two E-Com Center Palm Coast Avenue,  
Mall of Asia Complex CBP-1A, Pasay City**  
(Company's Address)

**8-662-88-88**  
(Telephone Numbers)

**December 31**  
(Fiscal Year ending)  
(Month and Day)

**Form 17Q for the 3rd Quarter of 2023**  
(Form Type)

**N/A**  
Amendment Designation

**N/A**  
Period Ended Date

**N/A**  
(Secondary License Type and File Number)

**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, 2023
2. Commission Identification Number: 52412                      3. BIR Tax Identification No. 000-156-011
4. Exact name of registrant as specified in its charter: BELLE CORPORATION
5. Metro Manila, Philippines                                      6. (SEC use only)  
Province, Country or other jurisdiction of                      Industry Classification Code:  
incorporation or organization
7. 5/F, Tower A, Two E-Com Center, Palm Coast Avenue,  
Mall of Asia Complex CBP-1A, Pasay City                                      1300  
Address of registrant's principal office                                      Postal Code
8. (632) 8-662-8888  
Registrant's telephone number, including area code
9. Not applicable  
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 Stock Outstanding
<b>Common Stock, ₱1.00 par value</b>	9,696,464,297
	Amount of Debt Outstanding
	₱4.6 billion

11. Are any or all of these securities listed on a Stock Exchange?  
Yes [  ]                      No [  ]
- If yes, state name of such Stock Exchange and the class/es of securities listed therein:  
Philippine Stock Exchange (PSE)                                      Common Stock

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 Section 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 90 days.  
Yes [  ]                      No [  ]

## **PART 1 – FINANCIAL INFORMATION**

### **Item 1. Financial Statements**

The following financial statements are submitted as part of this report:

- a.) Unaudited Consolidated Statements of Comprehensive Income for the nine months ended September 30, 2023 and September 30, 2022;
- b.) Consolidated Statements of Financial Position as at September 30, 2023 (unaudited) and December 31, 2022 (audited);
- c.) Unaudited Consolidated Statements of Changes in Equity for the nine months ended September 30, 2023 and September 30, 2022; and
- d.) Unaudited Consolidated Statements of Cash Flows for the nine months ended September 30, 2023 and September 30, 2022.



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

### Results of Operations: Nine Months ended September 30, 2023 vs Nine Months ended September 30, 2022 (in thousands)

	For the period ended September		Horizontal Analysis		Vertical Analysis	
	2023	2022	Increase (Decrease)		2023	2022
<b>REVENUE</b>						
Gaming revenue share	P 1,797,676	P 1,446,679	350,997	24%	42%	34%
Lease income	1,502,730	1,560,013	(57,283)	-4%	35%	37%
Equipment rental (POSC)	502,432	358,110	144,322	40%	12%	8%
Sale of real estate	319,941	745,416	(425,475)	-57%	7%	17%
Revenue from property management	180,109	161,099	19,010	12%	4%	4%
<b>TOTAL REVENUES</b>	<b>4,302,888</b>	<b>4,271,317</b>	<b>31,571</b>	<b>1%</b>	<b>100%</b>	<b>100%</b>
<b>GENERAL AND ADMINISTRATIVE EXPENSES</b>						
<b>COST OF LEASE INCOME</b>	<b>(481,421)</b>	<b>(439,871)</b>	<b>(41,550)</b>	<b>9%</b>	<b>-11%</b>	<b>-10%</b>
<b>COST OF LOTTERY SERVICES</b>	<b>(190,790)</b>	<b>(178,836)</b>	<b>(11,954)</b>	<b>7%</b>	<b>-4%</b>	<b>-4%</b>
<b>COST OF PROPERTY MANAGEMENT SERVICES</b>	<b>(126,044)</b>	<b>(94,184)</b>	<b>(31,860)</b>	<b>34%</b>	<b>-3%</b>	<b>-2%</b>
<b>COST OF GAMING OPERATIONS</b>	<b>(101,421)</b>	<b>(101,374)</b>	<b>(47)</b>	<b>0%</b>	<b>-2%</b>	<b>-2%</b>
<b>COST OF REAL ESTATE SOLD</b>	<b>(52,885)</b>	<b>(300,439)</b>	<b>247,554</b>	<b>-82%</b>	<b>-1%</b>	<b>-7%</b>
<b>TOTAL COSTS AND EXPENSES</b>	<b>(2,012,950)</b>	<b>(2,202,173)</b>	<b>(58,331)</b>	<b>3%</b>	<b>-46%</b>	<b>-45%</b>
<b>INCOME FROM OPERATIONS</b>	<b>2,289,938</b>	<b>2,069,144</b>	<b>89,902</b>	<b>4%</b>	<b>54%</b>	<b>55%</b>
<b>UNREALIZED GAIN ON FINANCIAL ASSET</b>						
AT FAIR VALUE THROUGH PROFIT OR LOSS	45,766	5,731	40,035	699%	1%	0%
<b>INTEREST EXPENSE AND OTHER FINANCE CHARGES</b>	<b>(378,224)</b>	<b>(384,449)</b>	<b>6,225</b>	<b>-2%</b>	<b>-9%</b>	<b>-9%</b>
<b>INTEREST INCOME</b>	<b>39,907</b>	<b>12,180</b>	<b>27,727</b>	<b>228%</b>	<b>1%</b>	<b>0%</b>
<b>DIVIDEND INCOME</b>	<b>15,012</b>	<b>6,300</b>	<b>8,712</b>	<b>138%</b>	<b>0%</b>	<b>0%</b>
<b>NET FOREIGN EXCHANGE LOSS</b>	<b>36</b>	<b>(284)</b>	<b>320</b>	<b>-113%</b>	<b>0%</b>	<b>0%</b>
<b>OTHER INCOME (CHARGES)</b>	<b>149,327</b>	<b>15,419</b>	<b>133,908</b>	<b>868%</b>	<b>3%</b>	<b>0%</b>
<b>INCOME BEFORE INCOME TAX</b>	<b>2,161,762</b>	<b>1,724,041</b>	<b>437,721</b>	<b>25%</b>	<b>50%</b>	<b>40%</b>
<b>PROVISION FOR INCOME TAXES</b>						
Current	184,302	135,128	(49,174)	-36%	4%	3%
Deferred	12,266	(47,674)	(59,940)	126%	0%	-1%
	196,568	87,454	(109,114)	-125%	5%	2%
<b>NET INCOME</b>	<b>P 1,965,194</b>	<b>P 1,636,587</b>	<b>328,607</b>	<b>20%</b>	<b>46%</b>	<b>38%</b>

Belle Corporation (“Belle” or the “Company”) realized net income of ₱1,965.2 million for the nine months ended September 30, 2023, showing an increase of ₱328.6 million (20%) compared to the ₱1,636.6 million recorded net income in the same period for 2022. This increase in bottomline figures is mainly attributable to the improved operation of the Group’s gaming business units for the period. Belle recognized consolidated revenues of ₱4,302.9 million for the nine months ended September 30, 2023, higher by 1% from consolidated revenues of ₱4,271.3 million for the nine months ended September 30, 2022. The increase in revenues was mainly brought about by the improvements in the Group’s gaming business units due to a more open economy in 2023 and the lifting of quarantine and capacity restrictions as the Covid-19 situation in the country became more controlled and manageable.

The share in gaming revenue at CODM of Belle’s subsidiary, Premium Leisure Corporation (“PLC”), increased by ₱351.0 million (24%), from ₱1,446.7 million as of the third quarter of 2022 to ₱1,797.7 million as of the third quarter of 2023. Pacific Online Systems Corporation (“Pacific Online”), which leases online betting equipment to the Philippine Charity Sweepstakes Office (“PCSO”) for their lottery operations, also showed improvements during the period despite the nonrenewal of KENO operations effective April 1, 2022. Pacific Online, which is 50.1%-owned by PLC, posted an increase in revenue of ₱144.3 million (40%), from ₱358.1 million in the 2022 period to ₱502.4 million in the current period.

Belle’s revenues from real estate operations decreased by ₱463.7 million (19%), from ₱2,466.5 million as of the third quarter of 2022 to ₱2,002.8 million as of the third quarter of 2023. Of the 2023 real estate revenues, ₱1,502.7 million was derived from Belle’s lease of the land and buildings comprising City of Dreams Manila “CODM” to Melco Resorts and Entertainment (Philippines) Corporation (“MRP”), which was ₱57.3 million (4%) lower than its revenues in the prior period of ₱1,560.0 million. Belle’s real estate sales and property

management activities at its Tagaytay Highlands complex contributed revenues of ₱500.1 million as of the third quarter of 2023, which was ₱406.4 million (45%) lower than its revenues as of the third quarter of 2022 of ₱906.5 million.

### **Revenues**

Total consolidated revenues of ₱4,302.9 million for the nine months ended September 30, 2023 were higher by ₱31.6 million (1%), compared to ₱4,271.3 million for the nine months ended September 30, 2022. Revenue from the share of PLC in gaming earnings of CODM increased by ₱351.0 million (24%), from ₱1,446.7 million for the 2022 period to ₱1,797.7 million for the current period. Revenues from the CODM lease decreased by ₱57.3 million (4%) from ₱1,560.0 million for the 2022 period to ₱1,502.7 million for the current period. Revenues from real estate development and management activities decreased by ₱406.4 million (45%), from ₱906.5 million in the 2022 period to ₱500.1 million in the current period. Revenues of Pacific Online increased by ₱144.3 million (40%), from ₱358.1 million in the 2022 period to ₱502.4 million in the current period.

### **Cost of Lease Income**

Cost of lease income increased by ₱41.6 million (9%), from ₱439.9 million for the 2022 period to ₱481.4 million for the current period. This is mainly because of maintenance works done in the property.

### **Cost of Real Estate sold**

Cost of real estate sold decreased by ₱247.6 million (82%) to ₱52.9 million in the current period, from ₱300.4 million in the 2022 period, due to the lower number of units sold in 2023.

### **Cost of Lottery Services**

Cost of lottery services at Pacific Online increased by ₱12.0 million (7%), to ₱190.8 million in the current period from ₱178.8 million in the 2022 period, mainly due to increase in variable costs in relation to the increase in operating activities, offset by the effect of the cost efficiency measures of the Company.

### **Cost of Gaming Operations**

Cost of gaming operations of ₱101.4 million for the 2023 period was virtually the same as for the previous year.

### **Cost of Property Management Services**

Cost of property management services increased by ₱31.9 million (34%), to ₱126.0 million for the current period, from ₱94.2 million for the 2022 period, due to higher power rates and consumption during 2023.

### **General and Administrative Expenses**

General and administrative expenses decreased by ₱27.1 million (2%), to ₱1,060.4 million for the current period from ₱1,087.5 million for the 2022 period mainly due to lower depreciation expense.

### **Financial Income (Expense)**

Interest expense and other finance charges decreased by ₱6.2 million to ₱378.2 million for the 2023 period, from ₱384.4 million for the 2022 period. Decrease is mainly due to the Company's focus of repaying debt during the current year amidst the increasing interest rates in the market. Debt outstanding amounted to ₱4,570.0 million as of September 30, 2023, decreasing by ₱817.5 million (15%) compared to ₱5,387.5 million as of December 31, 2022.

Interest income increased by ₱27.7 million (228%), to ₱39.9 million in the current period from ₱12.2 million in the 2022 period, mainly due to higher average yields on investments.

### **Other Income**

Other income increased by ₱133.9 million, to ₱149.3 million in the current period from ₱15.4 million in the 2022 period mostly due to the realized and unrealized gains pertaining to the Company's marketable securities.

### **Provision for Income Taxes**

The Company's consolidated provision for income taxes increased by ₱109.1 million (125%) during the third quarter of 2023, to ₱196.6 million from ₱87.5 million in the third quarter of 2022.

**Net Income**

As a result of the foregoing, the Company realized consolidated net income of ₱1,965.2 million for the nine months ended September 30, 2023, which was higher by ₱328.6 million (20%) compared to consolidated net income of ₱1,636.6 million for the nine months ended September 30, 2022.

**Statements of Financial Position: September 30, 2023 (Unaudited) vs December 31, 2022 (Audited)  
(in thousands)**

	September 30		December 31		Horizontal Analysis		Vertical Analysis	
		2023		2022	Inc (Dec)	%	2023	2022
<b>ASSETS</b>								
<b>Current Assets</b>								
Cash and cash equivalents	P	3,166,975	P	1,873,922	1,293,053	69%	6%	4%
Financial assets at fair value through profit or loss		115,759		72,682	43,077	59%	0%	0%
Receivables		3,732,149		3,848,556	(116,407)	-3%	7%	7%
Real estate for sale		140,112		163,189	(23,077)	-14%	0%	0%
Land held for future development		3,034,153		3,025,976	8,177	0%	5%	6%
Other current assets		3,850,167		3,945,435	(95,268)	-2%	7%	7%
		<b>14,039,315</b>		<b>12,929,760</b>	<b>1,109,555</b>	<b>9%</b>	<b>25%</b>	<b>25%</b>
<b>Noncurrent Assets</b>								
Contract assets - net of noncurrent portion		1,113,051		1,197,151	(84,100)	-7%	2%	2%
Financial assets at fair value through other comprehensive income		12,542,758		9,321,093	3,221,665	35%	22%	18%
Intangible asset		4,030,828		4,117,704	(86,876)	-2%	7%	8%
Investment properties		22,383,567		23,239,249	(855,682)	-4%	40%	44%
Goodwill		926,008		926,008	-	0%	2%	2%
Property and equipment		83,980		73,864	10,116	14%	0%	0%
Investments in and advances to associates - net		121,099		119,272	1,827	2%	0%	0%
Pension asset		4,508		4,508	-	0%	0%	0%
Right of Use		66,676		77,226	(10,550)	-14%	0%	0%
Other noncurrent assets		1,345,090		751,886	593,204	79%	2%	1%
		<b>42,619,284</b>		<b>39,827,961</b>	<b>2,791,323</b>	<b>7%</b>	<b>75%</b>	<b>75%</b>
<b>TOTAL ASSET</b>	<b>P</b>	<b>56,658,599</b>	<b>P</b>	<b>52,757,721</b>	<b>3,900,878</b>	<b>7%</b>	<b>100%</b>	<b>100%</b>
<b>LIABILITIES AND EQUITY</b>								
<b>Current Liabilities</b>								
Trade and other current liabilities	P	1,737,764	P	1,733,781	3,983	0%	3%	3%
Loans payable		432,517		450,017	(17,500)	-4%	1%	1%
Current portion of:								
Long-term debt		2,029,000		29,000	2,000,000	6897%	4%	0%
Lease Liability - current		394,809		403,241	(8,432)	-2%	1%	1%
		<b>4,594,090</b>		<b>2,616,039</b>	<b>1,978,051</b>	<b>76%</b>	<b>8%</b>	<b>5%</b>
Noncurrent portion of:								
Long-term debt		2,108,500		4,908,500	(2,800,000)	-57%	4%	9%
Lease Liability - noncurrent		5,552,238		5,842,907	(290,669)	-5%	10%	11%
Pension liability		15,839		17,903	(2,064)	-12%	0%	0%
Deferred tax liabilities		2,500,453		2,483,336	17,117	1%	4%	5%
Other noncurrent liability		386,023		376,174	9,849	3%	1%	1%
		<b>10,563,053</b>		<b>13,628,820</b>	<b>(3,065,767)</b>	<b>-22%</b>	<b>19%</b>	<b>26%</b>
<b>TOTAL LIABILITIES</b>		<b>15,157,143</b>		<b>16,244,859</b>	<b>(1,087,716)</b>	<b>-7%</b>	<b>27%</b>	<b>31%</b>
<b>Equity</b>								
Attributable to equity holders of parent:								
Common stock		10,561,000		10,561,000	-	0%	19%	20%
Additional paid-in capital		5,503,731		5,503,731	-	0%	10%	10%
Treasury stock		(2,565,359)		(2,565,359)	-	0%	-5%	-5%
Equity share in cost of Parent Company shares held by associates		(2,501)		(2,501)	-	0%	0%	0%
Cost of Parent Company common and preferred shares shares held by subsidiaries		(1,154,409)		(1,154,409)	-	0%	-2%	-2%
Other reserves		11,689,864		7,763,073	3,926,791	51%	21%	15%
Excess of net asset value of an investment over cost		252,040		252,040	-	0%	0%	0%
Retained Earnings		14,453,675		13,501,329	952,346	7%	26%	26%
Total equity attributable to equity holders of the Parent		<b>38,738,041</b>		<b>33,858,904</b>	<b>4,879,137</b>	<b>14%</b>	<b>68%</b>	<b>64%</b>
Non-controlling interests		2,763,415		2,653,958	109,457	4%	5%	5%
<b>TOTAL EQUITY</b>		<b>41,501,456</b>		<b>36,512,862</b>	<b>4,988,594</b>	<b>14%</b>	<b>73%</b>	<b>69%</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>P</b>	<b>56,658,599</b>	<b>P</b>	<b>52,757,721</b>	<b>3,900,878</b>	<b>7%</b>	<b>100%</b>	<b>100%</b>

## **ASSETS**

Total assets of the Company increased by ₱3,900.9 million to ₱56,658.6 million as of September 30, 2023, from ₱52,757.7 million as of December 31, 2022.

### **Cash and Cash equivalents**

Cash and cash equivalents increased by ₱1,293.1 million (69%), to ₱3,167.0 million as of September 30, 2023 from ₱1,873.9 million as of December 31, 2022, due mainly to collection of proceeds from sale of investments held for trading and revenue collections, net of payments of expenses for the period.

### **Financials Assets at Fair Value through Profit or Loss (“FVTPL”)**

The Company's financial assets at FVTPL increased by ₱43.1 million (59%), to ₱115.8 million as of September 30, 2023, from ₱72.7 million as of December 31, 2022, due to the net increase in market prices of listed shares held by Pacific Online.

### **Receivables and Contract Assets**

Receivables and Contract Assets decreased by ₱200.5 million (4%), to ₱4,845.2 million as of September 30, 2023 from ₱5,045.7 million as of December 31, 2022, because of the Company's collection of receivables.

### **Real Estate for Sale**

Real estate for sale decreased by ₱23.1 million (14%) to ₱140.1 million as of September 30, 2023 from ₱163.2 million as of December 31, 2022 due to the real estate units sold during the period.

### **Financial Assets at Fair Value through Other Comprehensive Income (“FVOCI”)**

The Company's FVOCI increased by ₱3,221.7 million (35%), to ₱12,542.8 million as of September 30, 2023 from ₱9,321.1 million as of December 31, 2022, due to the mark to market increase in value of its investments, net of disposals for the period. As at September 30, 2023, the Company's FVOCI consists of investments in SM Prime Holdings, Inc., SM Investments Corporation, and club shares of Tagaytay Highlands International Golf Club, Inc., Tagaytay Midlands International Golf Club, Inc., The Country Club at Tagaytay Highlands, Inc. and The Spa and Lodge at Tagaytay Highlands, Inc.

### **Intangible Asset**

This pertains to the license from the Philippine Amusements and Gaming Corporation (“PAGCOR”) to operate integrated resorts which was granted to PremiumLeisure and Amusement Inc. (“PLAI”). Belle and MRP are Co-Licensees under PLAI's PAGCOR license. Amortization of the intangible asset started on December 14, 2014, which is the effectivity date of the Notice to Commence Casino Operations granted by PAGCOR. Amortization expense for the nine months ended September 30, 2023 amounted to ₱86.9 million.

### **Investment Properties**

This account consists mainly of the carrying value of the CODM land and buildings in PAGCOR Entertainment City in Paranaque City. The ₱85.7 million (4%) decrease during the nine months of 2023 is due to the depreciation of the CODM building.

### **Goodwill**

The Company's goodwill amounted to ₱926.0 million as of both September 30, 2023 and December 31, 2022, as a result of consolidating Pacific Online.

### **Right-of-Use Assets**

Right-of-use assets (or “ROU Assets”) represent a lessee's right to to operate, hold, or occupy leased property or equipment during the lease term. The ₱10.6 million (14%) decrease during the nine months of 2023 is due to the amortization of ROU Assets for this period.

### **Other Assets**

Other assets increased by ₱497.9 million (11%), to ₱5,195.3 million as of September 30, 2023 from ₱4,697.3 million as of December 31, 2022, due to increase in prepaid expenses.

## LIABILITIES

Total liabilities decreased by ₱1,087.7 million (7%), to ₱15,157.1 million as of September 30, 2023, from ₱16,244.9 million as of December 31, 2022, due to payments of the Company's trade liabilities and short-term and term borrowings.

### Trade and Other Current Liabilities

Trade and other current liabilities increased by ₱4.0 million to ₱1,737.8 million as of September 30, 2023 from ₱1,733.8 million as of December 31, 2022.

### Loans Payable and Long-Term Debt

Total consolidated debt, amounting to ₱4,570.0 million as of September 30, 2023, consists of Peso-denominated borrowings from various local financial institutions, of both Belle and PinoyLotto Technologies Corp., a joint venture company which is 50%-owned by Pacific Online. Belle's average interest rate is at approximately 4.68% per annum during the period ended September 30, 2023. The outstanding amount of total debt decreased by ₱817.5 million (15%), from ₱5,387.5 million as of December 31, 2022, due to payments of short-term and term borrowings during the period.

## EQUITY

The Company's shareholders' equity as of September 30, 2023 of ₱41,501.5 million was higher by ₱4,988.6 million (14%), compared to its shareholders' equity of ₱36,512.9 million as of December 31, 2022, because of the net income earned net of the dividends paid, for the nine months ended September 30, 2023 and the increase in market value of the financial assets at FVOCI of the Company.

Below are the comparative key performance indicators of the Company and its subsidiaries:

	Manner by which the Company calculates the key performance indicators	<b>30 September 2023 (unaudited)</b>	30 September 2022 (unaudited)	31 December 2022 (audited)
Asset to equity ratio	Total assets over equity	<b>1.37 : 1.00</b>	1.44 : 1.00	1.44: 1.00
Current or Liquidity ratio	Current assets over current liabilities	<b>3.06 : 1.00</b>	4.68 : 1.00	4.94: 1.00
Debt-to-equity ratio	Interest-bearing debt over equity	<b>0.11 : 1.00</b>	0.14 : 1.00	0.15: 1.00
Net debt-to-equity ratio	Interest-bearing debt less cash and cash equivalents over equity	<b>0.03 : 1.00</b>	0.10 : 1.00	0.10: 1.00
Interest rate coverage ratio	EBIT over interest expense	<b>6.61 : 1.00</b>	5.45 : 1.00	4.84: 1.00
Return on assets	Annualized net income over average total assets during the period	<b>4.8%</b>	4.2%	3.7%
Return on equity	Annualized net income over average equity during the period	<b>6.7%</b>	6.3%	5.5%

The above performance indicators are calculated as follows:

Current Ratio

$$\frac{\text{Current Assets}}{\text{Current Liabilities}}$$

Debt to Equity Ratio

$$\frac{\text{Interest-bearing debt}}{\text{Total Equity}}$$

Asset-to-equity Ratio	$\frac{\text{Total Assets}}{\text{Total Equity}}$
Return on Equity	$\frac{\text{Net Income}}{\text{Average equity during the period}}$
Return on Assets	$\frac{\text{Net Income}}{\text{Average assets during the period}}$
Interest Coverage Ratio	$\frac{\text{Income Before Interest \& Tax}}{\text{Interest Expense}}$
Net debt-to-equity ratio	$\frac{\text{Interest-bearing debt less cash and cash equivalents}}{\text{Total Equity}}$

The Company does not foresee any cash flow or liquidity problems over the next twelve months. As of September 30, 2023, consolidated total debt of the Company of ₪4,570.0 million was comprised of borrowings from amortizing term loans from banks. Belle has real estate projects, lease agreements and investments from which it expects to generate cash flow sufficient for its foreseeable requirements. Meanwhile, the Company continues to be in compliance with the terms of all of its debt obligations.

As of September 30, 2023, except for what has been noted in the preceding, there were no material events or uncertainties known to management that has a material impact on past performance, or that would have a material impact on the future operations, in respect of the following:

- Any Known Trends, Events or Uncertainties (Material Impact on Liquidity) Material commitments for capital expenditures that are reasonably expected to have a material impact on the Company's short-term or long-term liquidity;
- Events that will trigger direct or contingent financial obligation that is material to the company, including any default or acceleration of an obligation.
- All material off-balance sheet transactions, arrangements, obligations (including contingent obligations), and other relationships of the company with unconsolidated entities or other persons created during the reporting period.
- Description of any material commitments for capital expenditures, general purpose of such commitments, expected sources of funds for such expenditures:
- Any Known Trends, Events or Uncertainties (Material Impact on Sales)
- Any Significant Elements of Income or Loss (from continuing operations)

## PART II - OTHER INFORMATION

### Financial Risk Management Objectives and Policies

The Company's principal financial liabilities are composed of trade and other current liabilities. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal assets include cash and cash equivalents, receivables and installment receivables. The Company also holds financial assets at FVTPL, financial assets at FVOCI, deposits, refundable deposits and construction bonds, guarantee deposits, loan payable, long-term debt, lease liability, and obligations under finance lease.

The main risks arising from the Company's financial assets and financial liabilities are interest rate risk, foreign currency risk, equity price risk, credit risk and liquidity risk. The Company's BOD and management review and agree on the policies for managing each of these risks and these are summarized below.

*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 assets and financial liabilities. The Company's exposure to interest rate risk relates primarily to the Company's long-term debt which is subject to cash flow interest rate risk.

The Company's policy is to manage its interest cost by limiting its borrowings and entering only into borrowings at fixed and variable interest rates.

*Foreign Currency Risk.* Foreign currency risk is the risk that the fair value or future cash flows of financial asset or financial liability will fluctuate due to changes in foreign exchange rates.

It is the Company's policy to ensure that capabilities exist for active but conservative management of its foreign currency risk. The Company seeks to mitigate its transactional currency exposure by maintaining its costs at consistently low levels, regardless of any upward or downward movement in the foreign currency exchange rate.

*Equity Price Risk.* Equity price risk is the risk that the fair value of quoted investments held for trading and financial assets at FVOCI in listed equities decreases as a result of changes in the value of individual stock. The Company's exposure to equity price risk relates primarily to the Company's investments held for trading. The Company monitors the equity investments based on market expectations. Significant movements within the portfolio are managed on an individual basis and all buy and sell decisions are approved by the BOD.

*Credit Risk.* Credit risk is the risk that the Company will incur a loss because its customers or counterparties fail to discharge their contractual obligations. It is the Company'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 Company's exposure to bad debts is not significant. The Company does not offer credit terms without the specific approval of the management. There is no significant concentration of credit risk.

In the Company's real estate business, title to the property is transferred only upon full payment of the purchase price. There are also provisions in the sales contract which allow forfeiture of installments/deposits made by the customer in favor of the Company and retain ownership of the property. The Company has the right to sell, assign or transfer to third party and any interest under sales contract, including its related receivables from the customers. The Company's primary target customers are high-income individuals and top corporations in the Philippines and overseas. These measures minimize the credit risk exposure or any margin loss from possible default in the payments of installments.

Trade receivables from sale of real estate units are secured with pre-completed property units. The legal title and ownership of these units will only be transferred to the customers upon full payment of the contract price. Receivables from sale of club shares are secured by the shares held by the Company. For other receivables, since the Company trades only with recognized third parties, there is no requirement for collateral.



With respect to credit risk arising from the financial assets of the Company, which comprise of cash and cash equivalents, investments held for trading, receivables, finance lease receivables, advances to associates, financial assets at FVOCI, deposits, refundable deposits and construction bonds and guarantee bonds, the Company's exposure to credit risk arises from default of the counterparty, with a maximum exposure equal to the carrying value of these financial assets.

*Liquidity Risk.* Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. The Company seeks to manage its liquidity profile to be able to finance its capital expenditures and service its maturing debts. The Company's objective is to maintain a balance between continuity of funding and flexibility through valuation of projected and actual cash flow information. The Company considers obtaining borrowings as the need arises.

### **Fair Value of Financial Assets and Financial Liabilities**

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

- Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities;
- Level 2: other techniques for which all inputs which have significant effect on the recorded fair value are observable, either directly or indirectly; and,
- Level 3: techniques which use inputs which have a significant effect on the recorded fair value that are not based on observable market data.

Set out below is a comparison by category and by class of carrying values and fair values of all the Company's financial assets and liabilities:

	<b>September 30, 2023</b>		<i>taken from audited FS</i> <b>December 31, 2022</b>	
	<b>(Unaudited)</b>		<b>(Audited)</b>	
	Carrying Value	Fair Value	Carrying Value	Fair Value
<i>Financial assets measured at fair value</i>				
Through profit or loss	115,759	115,759	72,682	72,682
Through other comprehensive income	12,542,758	12,542,758	9,321,093	9,321,093
<i>Financial assets for which fair value is disclosed</i>	22,383,567	40,244,009	23,239,249	41,782,462
<i>Financial liabilities for which fair value is disclosed</i>				
Refundable deposit	114,064	65,978	225,583	212,873
Long term debt	4,137,500	4,023,303	4,908,500	4,695,311

Fair value is defined as the amount at which the financial assets and financial liabilities could be exchanged in a current transaction between knowledgeable willing parties in an arm's length transaction, other than in a forced liquidation or sale. Fair values are obtained from quoted market prices, discounted cash flow models and other valuation models, as appropriate.

The following methods and assumptions are used to estimate the fair value of each class of financial assets and financial liabilities:

*Cash and Cash Equivalents, Advances to Associates, Receivables, Loans Payable and Trade and Other Current Liabilities and Installment Payable.* The carrying values of these financial assets approximate their fair values due to the relatively short-term maturities of these financial assets and financial liabilities.

*Financial Assets at FVTPL and Financial Assets at FVOCI.* The fair values of Financials Assets at FVTPL and financial assets at FVOCI in quoted equity shares are based on quoted prices in the PSE or those share whose

prices are readily available from brokers or other regulatory agency as at reporting date. There are no quoted market prices for the unlisted shares, and there are no reliable sources of their fair values, therefore, these are carried at cost net of any impairment loss.

*Long-term Debt.* The fair value of long-term loans payable is determined by discounting the obligations' expected future cash flows using prevailing interest rates as at reporting dates.

#### Determination of Fair Value and Fair Value Hierarchy

The Company has Investments held at FVTPL and at FVOCI in quoted equity securities recorded at Level 1 fair value. These are the only financial assets and financial liabilities carried at fair value.

#### Other Required Disclosures

A.) The attached interim financial reports were prepared in compliance with Philippine Financial Reporting Standards (PFRS). The accounting policies and methods of computation followed in these interim financial statements are the same compared with the audited financial statements for the period ended December 31, 2022.

The Company continues to assess the impact of the new, amended and improved accounting standards effective subsequent to December 31, 2022 on its consolidated financial statements in the period of initial application. Additional disclosures required by these amendments will be included in the Company's consolidated financial statements when these amendments are adopted.

B.) Impact of Covid-19 to Belle's business and operations.

The Covid-19 continues to impact on the Company's business units, especially on the gaming-related businesses due to the limited capacity, stringent health protocols and temporary business suspensions imposed by the appropriate regulatory bodies in line with the country's efforts to contain the spread of the pandemic.

C.) There were no material changes in estimates of amounts reported in prior periods that have material effects in the current interim period.

D.) Except as disclosed in the MD&A, there were no other issuances, repurchases and repayments of debt and equity securities.

E.) There were no material events subsequent to September 30, 2023 up to the date of this report that needs disclosure herein.


F.) There were no changes in contingent liabilities or contingent assets since September 30, 2023.

G.) There exist no material contingencies affecting the current interim period.


## 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.

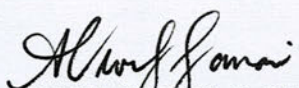
Issuer: **BELLE CORPORATION**



**WILLY N. OCIER**  
Chairman  
Date: October 26, 2023



**JACKSON T. ONGSIP**  
President and Chief Executive Officer  
Date: October 26, 2023



**MARIA NERIZA C. BANARIA**  
Chief Financial Officer and Treasurer  
Date: October 26, 2023

**BELLE CORPORATION AND SUBSIDIARIES**  
**UNAUDITED INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**  
**(Amounts in Thousands)**

	Unaudited September 30 2023	Audited December 31 2022
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash and cash equivalents	P 3,166,975	P 1,873,922
Financial assets at fair value through profit or loss	115,759	72,682
Receivables	3,732,149	3,848,556
Real estate for sale	140,112	163,189
Land held for future development	3,034,153	3,025,976
Other current assets	3,850,167	3,945,435
	<b>14,039,315</b>	<b>12,929,760</b>
<b>Noncurrent Assets</b>		
Contract assets - net of noncurrent portion	1,113,051	1,197,151
Financial assets at fair value through other comprehensive income	12,542,758	9,321,093
Intangible asset	4,030,828	4,117,704
Investment properties	22,383,567	23,239,249
Goodwill	926,008	926,008
Property and equipment	83,980	73,864
Investments in and advances to associates - net	121,099	119,272
Pension asset	4,508	4,508
Right of Use	66,676	77,226
Other noncurrent assets	1,345,090	751,886
	<b>42,619,284</b>	<b>39,827,961</b>
<b>TOTAL ASSET</b>	<b>P 56,658,599</b>	<b>P 52,757,721</b>
<b>LIABILITIES AND EQUITY</b>		
<b>Current Liabilities</b>		
Trade and other current liabilities	P 1,737,764	P 1,733,781
Loans payable	432,517	450,017
Current portion of:		
Long-term debt	2,029,000	29,000
Lease Liability - current	394,809	403,241
	<b>4,594,090</b>	<b>2,616,039</b>
Noncurrent portion of:		
Long-term debt	2,108,500	4,908,500
Lease Liability - noncurrent	5,552,238	5,842,907
Pension liability	15,839	17,903
Deferred tax liabilities	2,500,453	2,483,336
Other noncurrent liability	386,023	376,174
	<b>10,563,053</b>	<b>13,628,820</b>
<b>TOTAL LIABILITIES</b>	<b>15,157,143</b>	<b>16,244,859</b>
<b>Equity</b>		
Attributable to equity holders of parent:		
Common stock	10,561,000	10,561,000
Additional paid-in capital	5,503,731	5,503,731
Treasury stock	(2,565,359)	(2,565,359)
Equity share in cost of Parent Company shares held by associates	(2,501)	(2,501)
Cost of Parent Company common and preferred shares shares held by subsidiaries	(1,154,409)	(1,154,409)
Other reserves	11,689,864	7,763,073
Excess of net asset value of an investment over cost	252,040	252,040
Retained Earnings	14,453,675	13,501,329
Total equity attributable to equity holders of the Parent	<b>38,738,041</b>	<b>33,858,904</b>
Non-controlling interests	2,763,415	2,653,958
<b>TOTAL EQUITY</b>	<b>41,501,456</b>	<b>36,512,862</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>P 56,658,599</b>	<b>P 52,757,721</b>

# BELLE CORPORATION AND SUBSIDIARIES

## UNAUDITED INTERIM CONSOLIDATED STATEMENTS COMPREHENSIVE INCOME (Amounts in Thousands)

	For the period ended September		This Quarter	
	2023	2022	2023	2022
<b>REVENUE</b>				
Lease income	P 1,502,730	P 1,560,013	500,910	995,599
Gaming revenue share	1,797,676	1,446,679	558,155	1,102,406
Sale of real estate	319,941	745,416	103,681	511,496
Equipment rental and instant scratch ticket sales (POSC)	502,432	358,110	158,984	254,003
Revenue from property management	180,109	161,099	51,769	102,467
<b>TOTAL REVENUES</b>	<b>4,302,888</b>	<b>4,271,317</b>	<b>1,373,499</b>	<b>2,965,971</b>
<b>GENERAL AND ADMINISTRATIVE EXPENSES</b>	<b>(1,060,389)</b>	<b>(1,087,469)</b>	<b>(391,705)</b>	<b>(781,207)</b>
<b>COST OF LEASE INCOME</b>	<b>(481,421)</b>	<b>(439,871)</b>	<b>(157,609)</b>	<b>(297,544)</b>
<b>COST OF REAL ESTATE SOLD</b>	<b>(52,885)</b>	<b>(300,439)</b>	<b>19,049</b>	<b>(209,117)</b>
<b>COST OF LOTTERY SERVICES</b>	<b>(190,790)</b>	<b>(178,836)</b>	<b>(64,696)</b>	<b>(105,913)</b>
<b>COST OF GAMING OPERATIONS</b>	<b>(101,421)</b>	<b>(101,374)</b>	<b>(33,635)</b>	<b>(67,963)</b>
<b>COST OF PROPERTY MANAGEMENT SERVICES</b>	<b>(126,044)</b>	<b>(94,184)</b>	<b>(36,669)</b>	<b>(60,374)</b>
<b>TOTAL COSTS AND EXPENSES</b>	<b>(2,012,950)</b>	<b>(2,202,173)</b>	<b>(665,265)</b>	<b>(1,522,118)</b>
<b>INCOME FROM OPERATIONS</b>	<b>2,289,938</b>	<b>2,069,144</b>	<b>708,234</b>	<b>1,443,853</b>
<b>UNREALIZED GAIN ON FINANCIAL ASSET AT FAIR VALUE THROUGH PROFIT OR LOSS</b>				
	45,766	5,731	39,474	5,637
<b>INTEREST EXPENSE AND OTHER FINANCE CHARGES</b>	<b>(378,224)</b>	<b>(384,449)</b>	<b>(119,662)</b>	<b>(253,495)</b>
<b>INTEREST INCOME</b>	<b>39,907</b>	<b>12,180</b>	<b>17,108</b>	<b>7,511</b>
<b>DIVIDEND INCOME</b>	<b>15,012</b>	<b>6,300</b>	<b>-</b>	<b>6,300</b>
<b>NET FOREIGN EXCHANGE LOSS</b>	<b>36</b>	<b>(284)</b>	<b>-</b>	<b>(286)</b>
<b>OTHER INCOME (CHARGES)</b>	<b>149,327</b>	<b>15,419</b>	<b>146,681</b>	<b>7,211</b>
<b>INCOME BEFORE INCOME TAX</b>	<b>2,161,762</b>	<b>1,724,041</b>	<b>791,835</b>	<b>1,216,731</b>
<b>PROVISION FOR INCOME TAXES</b>				
Current	184,302	135,128	122,680	100,877
Deferred	12,266	(47,674)	13,583	(44,155)
	196,568	87,454	136,263	56,722
<b>NET INCOME</b>	<b>P 1,965,194</b>	<b>P 1,636,587</b>	<b>655,572</b>	<b>1,160,009</b>
<b>OTHER COMPREHENSIVE INCOME</b>				
Unrealized gain on available for sale financial assets - net	3,776,013	1,860,900	3,061,732	1,597,020
Pension	-	(1,333)	-	-
	3,776,013	1,859,567	3,061,732	1,597,020
<b>TOTAL COMPREHENSIVE INCOME</b>	<b>P 5,741,207</b>	<b>P 3,496,154</b>	<b>3,717,304</b>	<b>2,757,030</b>
		(0)		
Net profit attributable to:				
Equity holders of the parent	P 1,534,320	P 1,361,320	498,974	947,143
Non-Controlling Interests	430,874	275,267	156,598	212,866
	P 1,965,194	P 1,636,587	655,572	1,160,009
Total comprehensive income attributable to:				
Equity holders of the parent	P 5,309,323	P 3,204,854	3,562,897	2,529,603
Non-Controlling Interests	431,884	291,300	154,407	227,427
	P 5,741,207	P 3,496,154	3,717,304	2,757,030

# BELLE CORPORATION AND SUBSIDIARIES

## UNAUDITED INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

	30-Sep	
	2023	2022
<b>Paid up capital</b>		
<i>(Amounts in Thousands)</i>		
Common Stock		
Balance at beginning and end of period	P 10,561,000	P 10,561,000
Additional Paid In Capital		
Balance at beginning and end of period	5,503,731	5,503,731
Treasury shares		
Balance at end of period	(2,565,359)	(2,565,359)
	13,499,372	13,499,372
<b>Retained Earnings</b>		
Unappropriated		
Balance at beginning of year	13,501,329	12,175,075
Net income	1,534,318	1,361,318
Changes in value of AFS	(183)	16,995
Dividends declared	(581,788)	-
Balance at end of period	14,453,676	13,553,388
<b>Equity share in Cost of Parent Company Shares Held by Associates</b>		
Balance at beginning and end of period	(2,501)	(2,501)
<b>Cost of Parent Company Common Shares Held by Subsidiaries</b>		
Balance at beginning and end of period	(1,154,409)	(1,154,409)
<b>Excess of Acquisition Cost over Net Assets of Acquired Subsidiaries</b>		
Balance at beginning and end of period	252,040	252,040
<b>Other Reserves</b>		
<b><i>Unrealized Gain on Financial Assets at Fair Value Through OCI - net</i></b>		
Balance at beginning of year	4,683,342	2,628,802
Adjustments	3,926,790	1,621,502
Balance at end of period	8,610,132	4,250,304
<b><i>Share in Unrealized Gain on Financial Assets at Fair Value Through OCI of Associates</i></b>		
Balance at beginning and end of period	14,061	14,061
<b><i>Remeasurement of Pension Income (Expense)</i></b>		
Balance at beginning and end of period	21,543	15,424
<b><i>Transactions with Noncontrolling Interests</i></b>		
Balance at beginning and end of period	3,044,128	3,044,128
<b>Non-controlling Interests</b>		
Balance at beginning of year	2,653,958	2,745,464
Net income	430,874	275,252
Acquisition of shares	-	-
Other comprehensive income	1,010	16,033
Dividends declared	(322,427)	(297,939)
Balance at end of period	2,763,415	2,738,810
	P 41,501,456	P 36,210,617

**BELLE CORPORATION AND SUBSIDIARIES**  
**UNAUDITED INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS**  
**(Amounts in Thousands)**

	For the Nine-Month Period Ended September 30	
	2023	2022
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Income before income tax	₱2,161,762	₱1,724,041
Adjustments for:		
Depreciation and amortization	647,736	671,290
Interest expense	378,224	384,449
Amortization of discount on trade receivables	(72,998)	(76,455)
Unrealized mark-to-market gain on financial asset at FVTPL	(45,766)	(5,731)
Interest income	(39,907)	(12,180)
Dividend income	(15,012)	(6,300)
Pension cost	(2,064)	1,421
Unrealized forex loss	(36)	284
Working capital adjustments:		
Decrease (increase) in:		
Receivables	273,505	110
Real estate for sale	(30,089)	124,484
Other assets	(590,681)	(981,915)
Increase (decrease) in trade and other current liabilities	(35,280)	(169,461)
Net cash generated from operations	2,629,394	1,654,037
Interest received	39,907	12,180
Net cash provided by (used in) operating activities	2,669,301	1,666,217
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Acquisitions of property and equipment	-	-
Proceeds from sale of financial asset at FVTPL	2,690	-
Dividends received	15,012	6,300
Proceeds from disposal of financial asset at FVOCI	705,953	(183,996)
Net cash used in investing activities	723,655	(177,696)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Payments (proceeds) of:		
Long-term debt and loans payable	(817,500)	(1,745,000)
Interest	(378,224)	(384,449)
Dividends paid	(904,215)	(297,939)
Disposal of Parent Company shares held by a subsidiary	-	309,913
Acquisition of treasury shares	-	(88,662)
Net cash used in financing activities	(2,099,939)	(2,206,137)
<b>EFFECT OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENT</b>		
	36	(284)
<b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b>	<b>1,293,053</b>	<b>(717,900)</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR</b>	<b>1,873,922</b>	<b>2,082,301</b>
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>	<b>₱3,166,975</b>	<b>₱1,364,401</b>

**Belle Corporation and Subsidiaries**  
**Aging of receivables**  
**September 30, 2023**

Project	Gross Current (a)	Gross Noncurrent (b)	Grand Total
Real Estate:			
Alta Mira	282,517	2,855,191	3,137,708
Belleview	-	50,000	50,000
Cotswold	(9,639,834)	52,238,413	42,598,579
Fairfield	113,926	17,636,360	17,750,285
Katsura	(3,799,156)	41,189,968	37,390,812
Kew Gardens	(327,065)	6,327,465	6,000,401
Nob hill	24,153,187	82,460,875	106,614,062
The Parks	(3,791,730)	35,600,534	31,808,804
Pinecrest	-	18,486,512	18,486,512
Plantation Hills	(225,112,126)	1,148,962,249	923,850,123
Sycamore	158,793,367	168,772,119	327,565,486
Terrazzas De Alava	(910,857)	14,268,884	13,358,027
THIGCI	(23,800,000)	2,902,262	(20,897,738)
Tivoli Place	(1,110,774)	6,939,192	5,828,419
Tagaytay Midlands Golf Club, Inc.	-	3,454,615	3,454,615
The Verandas	(898,148)	11,543,652	10,645,505
The Woodlands	-	1,000,000	1,000,000
Yume	(3,423,681)	41,913,190	38,489,509
Lease (straight-line accounting)	2,931,153,861.78	-	2,931,153,862
Equipment rental and scratch ticket sales	70,040,818	-	70,040,818
Gaming income share	129,461,903	-	129,461,903
Other nontrade receivable	147,412,767.49	-	147,412,767
<b>Grand Total</b>	<b>3,188,598,978</b>	<b>1,656,601,481</b>	<b>4,845,200,459</b>

**(a) Collectible within 1 year**

**(b) Collectible for more than 1 year**



## Segment Information

The primary segment reporting format is presented based on business segments in which the Company's risks and rates of return are affected predominantly by differences in the products and services provided. Thus, the operating businesses are organized and managed separately according to the nature of the products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets.

The Company is primarily in the businesses of real estate development, property management and gaming and gaming-related activities. Others pertain to investment companies which are mostly dormant.

Segment assets include all operating assets used by a segment and consist principally of operating cash and cash equivalents, receivables, finance lease receivables, real estate for sale, land held for future development, investment properties, property and equipment and right of use assets net of accumulated depreciation and impairment. Segment liabilities include all operating liabilities and consist principally of accounts payable and other liabilities. Segment assets and liabilities do not include deferred income taxes, investments and advances and borrowings.

Segment revenue, segment expenses and segment performance include transfers among business segments. The transfers, if any, are accounted for at competitive market prices charged to unaffiliated customers for similar products. Such transfers are eliminated in consolidation.

The amounts of segment assets and liabilities and segment profit or loss are based on measurement principles that are similar to those used in measuring assets and liabilities and profit or loss in the unaudited interim condensed consolidated financial statements, which are in accordance with PFRSs.

Financial information about the Company's business segments are shown below:

	September 30, 2023 (Unaudited)				
	Real Estate Development and Property Management	Gaming and Gaming Related Activities	Others	Eliminations/ Adjustments	Consolidated
	<i>(In Thousands)</i>				
<b>Earnings Information</b>					
Revenue	P2,043,280	P2,470,982	P-	(P211,374)	P4,302,888
Costs and expenses	(1,447,036)	(698,287)	(334)	132,707	(2,012,950)
Interest expense	(549,074)	(25)	-	170,875	(378,224)
Interest income	9,187	30,718	2	-	39,907
Other income (loss)	1,268,411	198,951	9,373	(1,266,594)	210,141
Provision for income tax	21,119	175,449	-	-	196,568
Net profit for the year	1,303,649	1,826,890	9,041	(1,174,386)	1,965,194
Net profit attributable to equity holders of the parent	1,303,649	1,711,762	9,041	(1,490,132)	1,534,320
	September 30, 2022 (Unaudited)				
	<i>(In Thousands)</i>				
<b>Earnings Information</b>					
Revenue	P2,507,029	P1,885,939	P-	(P121,651)	P4,271,317
Costs and expenses	(1,661,407)	(673,386)	(86)	132,706	(2,202,173)
Interest expense	(465,365)	(235)	-	81,151	(384,449)
Interest income	564	11,615	1	-	12,180
Other income (loss)	1,260,445	17,943	230	(1,251,452)	27,166
Provision for income tax	65,423	22,031	-	-	87,454
Net profit for the year	1,575,843	1,219,845	145	(1,159,246)	1,636,587
Net profit attributable to equity holders of the parent	1,575,843	1,155,578	145	(1,370,246)	1,361,320

The following illustrate the reconciliations of reportable segment revenues and net profit to the Company's corresponding amounts:

	September 30, 2023 (Unaudited)	September 30, 2022 (Unaudited)
	<i>(in thousands)</i>	
<b>Revenues</b>		
Total revenue for reportable segments	<b>₱4,514,262</b>	₱4,392,968
Elimination for intercompany revenue	<b>(211,374)</b>	(121,651)
Total consolidated revenues	<b>₱4,302,888</b>	₱4,271,317
<b>Net Profit for the Year</b>		
Total profit for reportable segments	<b>₱3,139,580</b>	₱2,795,833
Elimination for intercompany profits	<b>(1,174,386)</b>	(1,159,246)
Consolidated net profit	<b>₱1,965,194</b>	₱1,636,587

The Parent Company's Board of Directors, the chief operating decision maker of the Company, monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss and is measured consistently with operating profit or loss in the unaudited interim condensed consolidated financial statements. However, financing (including interest expense and interest income) and income taxes are managed as a whole and are not allocated to operating segments. Transfer prices between operating segments are on an arm's length basis in a manner similar to transactions with third parties.

Disclosure of the geographical information regarding the Company's revenues from external customers and total assets have not been provided since all of the Company's consolidated revenues are derived from operations within the Philippines.