

**From:** Philippine Stock Exchange <[no-reply@pse.com.ph](mailto:no-reply@pse.com.ph)>  
**Date:** July 28, 2022 at 12:14:52 GMT+8  
**Subject:** Quarterly Report

Dear Sir/Madam:

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

Company Name: Belle Corporation  
Reference Number: 0028065-2022  
Date and Time: Thursday, July 28, 2022 12:14 PM  
Template Name: Quarterly Report  
Report Number: CR05140-2022

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  
Jun 30, 2022
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) 8-662-8888
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>	Jun 30, 2022
<b>Currency (indicate units, if applicable)</b>	PHP (in thousands)

### Balance Sheet

	Period Ended	
	Jun 30, 2022	Fiscal Year Ended (Audited) Dec 31, 2021
<b>Current Assets</b>	12,035,211	12,336,229
<b>Total Assets</b>	50,494,368	51,027,577
<b>Current Liabilities</b>	2,788,822	4,164,997
<b>Total Liabilities</b>	16,441,130	18,018,144
<b>Retained Earnings/(Deficit)</b>	13,146,467	12,175,075

Stockholders' Equity	34,053,238	33,009,433
Stockholders' Equity - Parent	31,421,195	30,263,969
Book Value per Share	3.24	3.1

#### Income Statement

	Current Year (3 Months)	Previous Year (3 Months)	Current Year-To-Date	Previous Year-To-Date
Gross Revenue	1,513,062	848,895	2,818,408	1,754,165
Gross Expense	693,997	731,215	1,374,031	1,475,495
Non-Operating Income	12,071	11,322	24,948	23,863
Non-Operating Expense	133,111	167,812	263,970	326,058
Income/(Loss) Before Tax	698,045	-38,810	1,205,355	-23,526
Income Tax Expense	36,835	142,870	67,567	-289,002
Net Income/(Loss) After Tax	661,210	-181,680	1,137,788	265,476
Net Income Attributable to Parent Equity Holder	546,269	-221,337	960,446	172,473
Earnings/(Loss) Per Share (Basic)	0.27	-0.07	0.23	0.05
Earnings/(Loss) Per Share (Diluted)	0.27	-0.07	0.23	0.05

	Current Year (Trailing 12 months)	Previous Year (Trailing 12 months)
Earnings/(Loss) Per Share (Basic)	0.14	0.08
Earnings/(Loss) Per Share (Diluted)	0.14	0.08

#### Other Relevant Information

N/A

#### Filed on behalf by:

Name	Maria Neriza Banaria
Designation	Officer

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 2nd Quarter of 2022**  
(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 **June 30, 2022**
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
	₱5.8 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 six months ended June 30, 2022 and June 30, 2021;
- b.) Consolidated Statements of Financial Position as at June 30, 2022 (unaudited) and December 31, 2021 (audited);
- c.) Unaudited Consolidated Statements of Changes in Equity for the six months ended June 30, 2022 and June 30, 2021; and
- d.) Unaudited Consolidated Statements of Cash Flows for the six months ended June 30, 2022 and June 30, 2021.



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

### Results of Operations: Six Months ended June 30, 2022 vs Six Months ended June 30, 2021 (in thousands)

	For the period ended June		Horizontal Analysis	Vertical Analysis	
	2022	2021	Increase (Decrease)	2022	2021
<b>REVENUE</b>					
Lease income	P 1,040,009	P 403,961	636,049	157%	37%
Gaming revenue share	970,554	805,536	165,018	20%	34%
Sale of real estate	476,420	238,268	238,152	100%	17%
Equipment rental (POSC)	218,890	205,375	13,515	7%	8%
Revenue from property management	112,535	101,025	11,510	11%	4%
<b>TOTAL REVENUES</b>	<b>2,818,408</b>	<b>1,754,165</b>	<b>1,064,244</b>	<b>61%</b>	<b>100%</b>
<b>GENERAL AND ADMINISTRATIVE EXPENSES</b>	<b>(646,197)</b>	<b>(728,945)</b>	<b>82,747</b>	<b>-11%</b>	<b>-23%</b>
<b>COST OF LEASE INCOME</b>	<b>(289,789)</b>	<b>(291,868)</b>	<b>2,079</b>	<b>-1%</b>	<b>-10%</b>
<b>COST OF REAL ESTATE SOLD</b>	<b>(180,231)</b>	<b>(130,425)</b>	<b>(49,806)</b>	<b>38%</b>	<b>-6%</b>
<b>COST OF LOTTERY SERVICES</b>	<b>(124,467)</b>	<b>(197,358)</b>	<b>72,891</b>	<b>-37%</b>	<b>-4%</b>
<b>COST OF GAMING OPERATIONS</b>	<b>(68,173)</b>	<b>(66,420)</b>	<b>(1,753)</b>	<b>3%</b>	<b>-2%</b>
<b>COST OF PROPERTY MANAGEMENT SERVICES</b>	<b>(65,174)</b>	<b>(60,480)</b>	<b>(4,694)</b>	<b>8%</b>	<b>-2%</b>
<b>TOTAL COSTS AND EXPENSES</b>	<b>(1,374,031)</b>	<b>(1,475,495)</b>	<b>101,464</b>	<b>-7%</b>	<b>-49%</b>
<b>INCOME FROM OPERATIONS</b>	<b>1,444,377</b>	<b>278,669</b>	<b>962,780</b>	<b>345%</b>	<b>51%</b>
<b>UNREALIZED GAIN ON FINANCIAL ASSET</b>					
AT FAIR VALUE THROUGH PROFIT OR LOSS	(4,249)	(6,069)	1,820	-30%	0%
<b>INTEREST EXPENSE AND OTHER FINANCE CHARGES</b>	<b>(259,586)</b>	<b>(319,989)</b>	<b>60,403</b>	<b>-19%</b>	<b>-9%</b>
Gain on PFRS16 Amendment				#DIV/0!	
<b>INTEREST INCOME</b>	<b>7,386</b>	<b>11,921</b>	<b>(4,535)</b>	<b>-38%</b>	<b>0%</b>
<b>DIVIDEND INCOME</b>	<b>6,300</b>	<b>5,275</b>	<b>1,025</b>	<b>19%</b>	<b>0%</b>
<b>NET FOREIGN EXCHANGE LOSS</b>	<b>(135)</b>	<b>31</b>	<b>(166)</b>	<b>-535%</b>	<b>0%</b>
<b>OTHER INCOME (CHARGES)</b>	<b>11,262</b>	<b>6,636</b>	<b>4,626</b>	<b>70%</b>	<b>0%</b>
<b>INCOME BEFORE INCOME TAX</b>	<b>1,205,355</b>	<b>(23,526)</b>	<b>1,228,880</b>	<b>-5224%</b>	<b>43%</b>
<b>PROVISION FOR INCOME TAXES</b>					
Current	83,480	6,708	(76,772)	-1145%	3%
Deferred	(15,913)	(295,709)	(279,796)	95%	-1%
	67,567	(289,002)	(356,569)	123%	2%
<b>NET INCOME</b>	<b>P 1,137,788</b>	<b>P 265,476</b>	<b>872,312</b>	<b>329%</b>	<b>40%</b>

Belle Corporation (“Belle” or the “Company”) realized consolidated revenues of ₱2,818.4 million for the six months ended June 30, 2022, higher by 61% than consolidated revenues of ₱1,754.2 million for the six months ended June 30, 2021. All of the Company’s business units contributed to the growth in revenues, led primarily by higher lease income, better real estate sales and improved share in gaming revenues, achieved through more relaxed restrictions on commercial operations imposed by authorities as the market recovers from the impact of the pandemic.

Belle’s revenues from real estate operations increased by ₱885.7 million (119%), from ₱743.3 million in the second quarter of 2021 to ₱1,629.0 million in the second quarter of 2022. Of real estate revenues in 2022, ₱1,040.0 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 ₱636.0 million (157%) higher than its revenues in the prior period of ₱404.0 million. Belle’s real estate sales and property management activities at its Tagaytay Highlands complex contributed revenues of ₱589.0 million in the second quarter of 2022, which was ₱249.7 million (74%) higher than its revenues in the second quarter of 2021 of ₱339.3 million.

The share in gaming revenue at CODM of Belle's subsidiary, Premium Leisure Corporation ("PLC"), increased by ₱165.1 million (20%), from ₱805.5 million in the second quarter of 2021 to ₱970.6 million in the second quarter of 2022.

Pacific Online Systems Corporation ("Pacific Online"), which leases online betting equipment to the Philippine Charity Sweepstakes Office ("PCSO") for their lottery operations, also showed improvement 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 ₱13.5 million (7%), from ₱205.4 million in the 2021 period to ₱218.9 million in the current period.

### **Revenues**

Total consolidated revenues of ₱2,818.4 million for the six months ended June 30, 2022 were higher by ₱1,064.2 million (61%), compared to ₱1,754.2 million for the six months ended June 30, 2021. Revenues from the CODM lease increased by ₱636.0 million (157%) from ₱404.0 million for the 2021 period to ₱1,040.0 million for the current period. Revenues from real estate development and management activities increased by ₱249.7 million (74%), from ₱339.3 million in the 2021 period to ₱589.0 million in the current period. Revenue from the share of PLC in gaming earnings of CODM increased by ₱165.1 million (20%), from ₱805.5 million for the 2021 period to ₱970.6 million for the current period. Revenues of Pacific Online increased by ₱13.5 million (7%), from ₱205.4 million in the 2021 period to ₱218.9 million in the current period.

### **Cost of Lease Income**

Cost of lease income decreased by ₱2.1 million (1%), from ₱291.9 million for the 2021 period to ₱289.8 million for the current period.

### **Cost of Lottery Services**

Cost of lottery services at Pacific Online decreased by ₱72.9 million (37%), to ₱124.5 million in the current period from ₱197.4 million in the 2021 period, mainly due to cost efficiency measures of the Company.

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

Cost of real estate sold increased by ₱49.8 million (38%) to ₱180.2 million in the current period, from ₱130.4 million in the 2021 period, due to the higher number of units sold in 2022.

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

Cost of property management services increased by ₱4.7 million (8%), to ₱65.2 million for the current period, from ₱60.5 million for the 2021 period, due to increased consumption of power and water during 2022.

### **General and Administrative Expenses**

General and administrative expenses decreased by ₱82.7 million (11%), to ₱646.2 million for the current period from ₱728.9 million for the 2021 period, due to lower corporate depreciation expenses, representation and travel, documentary stamp taxes and other expenses.

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

Interest expense and other finance charges decreased by ₱60.4 million (19%) to ₱259.6 million for the 2022 period, from ₱320.0 million for the 2021 period. The lower interest expense was due to lower interest rates on the Company's outstanding borrowings and the repayment of debt during the period. Debt outstanding amounted to ₱5,785.0 million as of June 30, 2022, compared to ₱6,880.0 million as of December 31, 2022. Interest income decreased by ₱4.5 million (38%), to ₱7.4 million in the current period from ₱11.9 million in the 2021 period, mainly due to lower average yields on investments.

### **Provision for Income Taxes**

The Company's consolidated provision for income taxes increased by ₱356.6 million (123%) during the first six months of 2022, from a net credit of ₱289.0 million during the first six months of 2021 to a net expense of ₱67.6 million during the current period, mainly because of a nonrecurring deferred tax adjustment of 494.8 million in 2021. This resulted from the delayed implementation of the CREATE Bill, which lowered the marginal tax rate from 30% to 25% effective July 2020 (but was only passed in 2021).

**Net Income**

As a result of the foregoing, the Company realized consolidated net income of ₱1,137.8 million for the six months ended June 30, 2022, which was higher by ₱872.3 million (329%) compared to consolidated net income of ₱265.4 million for the six months ended June 30, 2021.

**Statements of Financial Position: June 30, 2022 (Unaudited) vs December 31, 2021 (Audited)**  
(in thousands)

	Unaudited		Audited		Horizontal Analysis		Vertical Analysis	
	June 2022	December 31 2021	June 2022	December 31 2021	Inc (Dec)	%	2022	2021
<b>ASSETS</b>								
<b>Current Assets</b>								
Cash and cash equivalents	P 1,321,888	P 2,082,301	(760,413)	-37%	3%	4%		
Financial assets at fair value through profit or loss	68,804	73,054	(4,250)	-6%	0%	0%		
Receivables	4,345,597	4,289,670	55,927	1%	9%	8%		
Real estate for sale	242,549	351,120	(108,571)	-31%	0%	1%		
Land held for future development	3,021,439	3,021,120	319	0%	6%	6%		
Other current assets	3,034,934	2,518,964	515,970	20%	6%	5%		
	<b>12,035,211</b>	<b>12,336,229</b>	<b>(301,018)</b>	<b>-2%</b>	<b>24%</b>	<b>24%</b>		
<b>Noncurrent Assets</b>								
Contract assets - net of noncurrent portion	1,029,946	941,115	88,831	9%	2%	2%		
Financial assets at fair value through other comprehensive income	7,445,617	7,270,420	175,197	2%	15%	14%		
Intangible asset	4,175,621	4,233,538	(57,917)	-1%	8%	8%		
Investment properties	23,822,861	24,371,435	(548,574)	-2%	47%	48%		
Goodwill	926,008	926,008	-	0%	2%	2%		
Property and equipment	68,580	86,082	(17,502)	-20%	0%	0%		
Investments in and advances to associates - net	124,354	119,688	4,666	4%	0%	0%		
Pension asset	-	17,384	(17,384)	-100%	0%	0%		
Deferred tax asset	4,161	21,399	(17,238)	-81%	0%	0%		
Right of Use	45,453	54,812	(9,359)	-17%	0%	0%		
Other noncurrent assets	816,556	649,467	167,089	26%	2%	1%		
	<b>38,459,157</b>	<b>38,691,348</b>	<b>(232,191)</b>	<b>-1%</b>	<b>76%</b>	<b>76%</b>		
<b>TOTAL ASSET</b>	<b>P 50,494,368</b>	<b>P 51,027,577</b>	<b>(533,209)</b>	<b>-1%</b>	<b>100%</b>	<b>100%</b>		
<b>LIABILITIES AND EQUITY</b>								
<b>Current Liabilities</b>								
Trade and other current liabilities	P 1,491,648	P 1,809,301	(317,653)	-18%	3%	4%		
Loans payable	900,017	1,995,017	(1,095,000)	-55%	2%	4%		
Current portion of:								
Long-term debt	15,000	15,000	-	0%	0%	0%		
Lease Liability - current	382,157	345,679	36,478	11%	1%	1%		
	<b>2,788,822</b>	<b>4,164,997</b>	<b>(1,376,175)</b>	<b>-33%</b>	<b>6%</b>	<b>8%</b>		
Noncurrent portion of:								
Long-term debt	4,870,000	4,870,000	-	0%	10%	10%		
Lease Liability - noncurrent	5,966,794	6,196,415	(229,621)	-4%	12%	12%		
Pension liability	22,048	30,894	(8,846)	-29%	0%	0%		
Deferred tax liabilities	2,344,172	2,377,323	(33,151)	-1%	5%	5%		
Other noncurrent liability	449,294	378,515	70,779	19%	1%	1%		
	<b>13,652,308</b>	<b>13,853,147</b>	<b>(200,839)</b>	<b>-1%</b>	<b>27%</b>	<b>27%</b>		
<b>TOTAL LIABILITIES</b>	<b>16,441,130</b>	<b>18,018,144</b>	<b>(1,577,014)</b>	<b>-9%</b>	<b>33%</b>	<b>35%</b>		
<b>Equity</b>								
Attributable to equity holders of parent:								
Common stock	10,561,000	10,561,000	-	0%	21%	21%		
Additional paid-in capital	5,503,731	5,503,731	-	0%	11%	11%		
Treasury stock	(2,573,103)	(2,476,697)	(96,406)	4%	-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 held by subsidiaries	(1,154,409)	(1,464,322)	309,913	-21%	-2%	-3%		
Other reserves	5,687,970	5,715,643	(27,673)	0%	11%	11%		
Excess of net asset value of an investment over cost	252,040	252,040	-	0%	0%	0%		
Retained Earnings	13,146,467	12,175,075	971,392	8%	26%	24%		
Total equity attributable to equity holders of the Parent	<b>31,421,195</b>	<b>30,263,969</b>	<b>1,157,226</b>	<b>4%</b>	<b>62%</b>	<b>59%</b>		
Non-controlling interests	2,632,043	2,745,464	(113,421)	-4%	5%	5%		
<b>TOTAL EQUITY</b>	<b>34,053,238</b>	<b>33,009,433</b>	<b>1,043,805</b>	<b>3%</b>	<b>67%</b>	<b>65%</b>		
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>P 50,494,368</b>	<b>P 51,027,577</b>	<b>(533,209)</b>	<b>-1%</b>	<b>100%</b>	<b>100%</b>		

## **ASSETS**

Total assets of the Company decreased by ₱533.2 million (1%) to ₱50,494.4 million as of June 30, 2022, from ₱51,027.6 million as of December 31, 2021.

### **Cash and Cash equivalents**

Cash and cash equivalents decreased by ₱760.4 million (37%), to ₱1,321.9 million as of June 30, 2022 from ₱2,082.3 million as of December 31, 2021, due mainly to the payment of short-term borrowings during the period.

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

The Company’s financial assets at FVTPL decreased by ₱4.3 million (6%), to ₱68.8 million as of June 30, 2022, from ₱73.1 million as of December 31, 2021, due to the decline in market value of listed shares held by Pacific Online.

### **Receivables and Contract Assets**

Receivables and Contract Assets increased by ₱144.7 million (3%), to ₱5,375.5 million as of June 30, 2022 from ₱5,230.8 million as of December 31, 2021, mainly due to the increased revenue and receivables from real estate sales.

### **Real Estate for Sale**

Real estate for sale decreased by ₱108.6 million (31%) to ₱242.5 million as of June 30, 2022 from ₱351.1 million as of December 31, 2021 due to the increase in the number of real estate units sold during the period.

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

The Company’s FVOCI increased by ₱175.2 million (2%), to ₱7,445.6 million as of June 30, 2022 from ₱7,270.4 million as of December 31, 2021, due to the mark to market increase in value of its investments. As at June 30, 2022, 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 six months ended June 30, 2022 amounted to ₱57.9 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 ₱548.6 million (2%) decrease during the first six months of 2022 is due to depreciation expense on the CODM building.

### **Goodwill**

The Company’s goodwill amounted to ₱926.0 million as of both June 30, 2022 and December 31, 2021, 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 ₱9.4 million (17%) decrease during the first six months of 2022 is due to the amortization of ROU Assets for this period.

### **Other Assets**

Other assets increased by ₱683.1 million (22%), to ₱3,851.5 million as of June 30, 2022 from ₱3,168.4 million as of December 31, 2021, due to increase in prepaid expenses.

## LIABILITIES

Total liabilities decreased by ₱1,577.0 million (9%), to ₱16,441.1 million as of June 30, 2022, from ₱18,018.1 million as of December 31, 2021, due to payments of the Company's trade liabilities and short-term borrowings.

### Trade and Other Current Liabilities

Trade and other current liabilities decreased by ₱317.7 million (18%) to ₱1,491.6 million as of June 30, 2022 from ₱1,809.3 million as of December 31, 2021.

### Loans Payable and Long-Term Debt

Total consolidated debt, amounting to ₱5,785.0 million as of June 30, 2022, consists of Peso-denominated borrowings of Belle from various local financial institutions, with an average interest rate of approximately 3.78% per annum during the six months ended June 30, 2022. The outstanding amount of total debt decreased by ₱1,095.0 million (16%), from ₱6,880.0 million as of December 31, 2021, due to payments of short-term borrowings during the period.

## EQUITY

The Company's shareholders' equity as of June 30, 2022 of ₱34,053.2 million was higher by ₱1,043.8 million (3%), compared to its shareholders' equity of ₱33,009.4 million as of December 31, 2021, because of the net income earned for the first six months ended June 30, 2022, the decrease in the cost of parent company shares held by subsidiaries and the increase in market value of the financial assets at FVOCI of the Company. These were offset by a ₱96.4 million (4%) increase in the Company's treasury stock, from ₱2,476.7 million as of December 31, 2021 to ₱2,573.1 million as of June 30, 2022.

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 June2022 (unaudited)</b>	30 June2021 (unaudited)	31 December 2021 (audited)
Asset to equity ratio	Total assets over equity	<b>1.48 : 1.00</b>	1.58 : 1.00	1.55: 1.00
Current or Liquidity ratio	Current assets over current liabilities	<b>4.36 : 1.00</b>	3.45 : 1.00	2.96: 1.00
Debt-to-equity ratio	Interest-bearing debt over equity	<b>0.17 : 1.00</b>	0.21 : 1.00	0.21: 1.00
Net debt-to-equity ratio	Interest-bearing debt less cash and cash equivalents over equity	<b>0.13 : 1.00</b>	0.14 : 1.00	0.15: 1.00
Interest rate coverage ratio	EBIT over interest expense	<b>5.61 : 1.00</b>	0.89 :1.00	1.32:1.00
Return on assets	Annualized net income over average total assets during the period	<b>4.5%</b>	1.1%	1.5%
Return on equity	Annualized net income over average equity during the period	<b>6.8%</b>	1.7%	2.3%

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 June 30, 2022, consolidated total debt of the Company of ₱5,785.0 million was comprised of borrowings from renewable short-term bank lines of ₱900.0 million and amortizing term loans from banks of ₱4,885.0 million. 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 June 30, 2022, 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>June 30, 2022</b>		<b>December 31, 2021</b>	
	<b>(Unaudited)</b>		<b>(Audited)</b>	
<i>Financial assets measured at fair value</i>				
Through profit or loss	68,804	68,804	73,054	73,054
Through other comprehensive income	7,445,617	7,445,617	7,270,420	7,270,420
<i>Financial assets for which fair value is disclosed</i>	23,822,861	40,841,985	24,371,435	41,782,462
<i>Financial liabilities for which fair value is disclosed</i>				
Refundable deposit	110,931	57,569	387,459	223,431
Long term debt	4,885,000	4,854,583	4,885,000	4,987,980
Lease liability	5,696,427	5,696,427	6,542,094	6,474,460

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.

*Lease Liabilities.* The fair value is based on the discounted value of expected future cash flows using the applicable interest rate for similar types of instruments.

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, 2021.

The Company continues to assess the impact of the new, amended and improved accounting standards effective subsequent to December 31, 2021 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 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 June 30, 2022 up to the date of this report that needs disclosure herein.


F.) There were no changes in contingent liabilities or contingent assets since June 30, 2022.

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

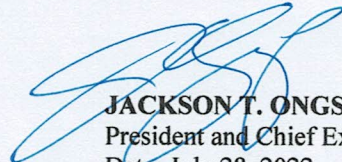
## SIGNATURES

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.

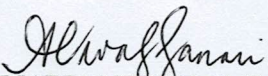
Issuer: **Belle Corporation**



**WILLY N. OCIER**  
Chairman  
Date: July 28, 2022



**JACKSON T. ONGSIP**  
President and Chief Executive Officer  
Date: July 28, 2022



**MARIA NERIZA C. BANARIA**  
Chief Financial Officer and Treasurer  
Date: July 28, 2022



# BELLE CORPORATION AND SUBSIDIARIES

## UNAUDITED INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

(Amounts in Thousands)

		Unaudited June 2022		Audited December 31
		2022		2021
<b>ASSETS</b>				
<b>Current Assets</b>				
Cash and cash equivalents	P	1,321,888	P	2,082,301
Financial assets at fair value through profit or loss		68,804		73,054
Receivables		4,345,597		4,289,670
Real estate for sale		242,549		351,120
Land held for future development		3,021,439		3,021,120
Other current assets		3,034,934		2,518,964
		<b>12,035,211</b>		<b>12,336,229</b>
<b>Noncurrent Assets</b>				
Contract assets - net of noncurrent portion		1,029,946		941,115
Financial assets at fair value through other comprehensive income		7,445,617		7,270,420
Intangible asset		4,175,621		4,233,538
Investment properties		23,822,861		24,371,435
Goodwill		926,008		926,008
Property and equipment		68,580		86,082
Investments in and advances to associates - net		124,354		119,688
Pension asset		-		17,384
Deferred tax asset		4,161		21,399
Right of Use		45,453		54,812
Other noncurrent assets		816,556		649,467
		<b>38,459,157</b>		<b>38,691,348</b>
<b>TOTAL ASSET</b>	<b>P</b>	<b>50,494,368</b>	<b>P</b>	<b>51,027,577</b>
<b>LIABILITIES AND EQUITY</b>				
<b>Current Liabilities</b>				
Trade and other current liabilities	P	1,491,648	P	1,809,301
Loans payable		900,017		1,995,017
Current portion of:				
Long-term debt		15,000		15,000
Lease Liability - current		382,157		345,679
		<b>2,788,822</b>		<b>4,164,997</b>
Noncurrent portion of:				
Long-term debt		4,870,000		4,870,000
Lease Liability - noncurrent		5,966,794		6,196,415
Pension liability		22,048		30,894
Deferred tax liabilities		2,344,172		2,377,323
Other noncurrent liability		449,294		378,515
		<b>13,652,308</b>		<b>13,853,147</b>
<b>TOTAL LIABILITIES</b>		<b>16,441,130</b>		<b>18,018,144</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		(2,573,103)		(2,476,697)
Equity share in cost of Parent Company shares held by associates		(2,501)		(2,501)
Cost of Parent Company common and preferred shares held by subsidiaries		(1,154,409)		(1,464,322)
Other reserves		5,687,970		5,715,643
Excess of net asset value of an investment over cost		252,040		252,040
Retained Earnings		13,146,467		12,175,075
Total equity attributable to equity holders of the Parent		<b>31,421,195</b>		<b>30,263,969</b>
Non-controlling interests		2,632,043		2,745,464
<b>TOTAL EQUITY</b>		<b>34,053,238</b>		<b>33,009,433</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>P</b>	<b>50,494,368</b>	<b>P</b>	<b>51,027,577</b>

## BELLE CORPORATION AND SUBSIDIARIES

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

	For the period ended June		This Quarter	
	2022	2021	2022	2021
<b>REVENUE</b>				
Lease income - Building	P 1,040,009	P 403,961	475,595	201,980
Gaming revenue share	970,554	805,536	626,281	374,485
Sale of real estate	476,420	238,268	272,904	163,672
Equipment rental and instant scratch ticket sales (POSC)	218,890	205,375	114,783	82,559
Revenue from property management	112,535	101,025	53,903	55,311
<b>TOTAL REVENUES</b>	<b>2,818,408</b>	<b>1,754,165</b>	<b>1,513,062</b>	<b>848,895</b>
<b>GENERAL AND ADMINISTRATIVE EXPENSES</b>	<b>(646,197)</b>	<b>(728,945)</b>	<b>(339,936)</b>	<b>(358,783)</b>
<b>COST OF LEASE INCOME</b>	<b>(289,789)</b>	<b>(291,868)</b>	<b>(147,463)</b>	<b>(148,603)</b>
<b>COST OF REAL ESTATE SOLD</b>	<b>(180,231)</b>	<b>(130,425)</b>	<b>(88,909)</b>	<b>(75,889)</b>
<b>COST OF LOTTERY SERVICES</b>	<b>(124,467)</b>	<b>(197,358)</b>	<b>(51,544)</b>	<b>(89,733)</b>
<b>COST OF GAMING OPERATIONS</b>	<b>(68,173)</b>	<b>(66,420)</b>	<b>(34,761)</b>	<b>(33,230)</b>
<b>COST OF PROPERTY MANAGEMENT SERVICES</b>	<b>(65,174)</b>	<b>(60,480)</b>	<b>(31,364)</b>	<b>(24,977)</b>
<b>TOTAL COSTS AND EXPENSES</b>	<b>(1,374,031)</b>	<b>(1,475,495)</b>	<b>(693,977)</b>	<b>(731,215)</b>
<b>INCOME FROM OPERATIONS</b>	<b>1,444,377</b>	<b>278,669</b>	<b>819,085</b>	<b>117,681</b>
<b>UNREALIZED GAIN ON FINANCIAL ASSET AT FAIR VALUE THROUGH PROFIT OR LOSS</b>	<b>(4,249)</b>	<b>(6,069)</b>	<b>(4,343)</b>	<b>(2,487)</b>
<b>INTEREST EXPENSE AND OTHER FINANCE CHARGES</b>	<b>(259,586)</b>	<b>(319,989)</b>	<b>(128,631)</b>	<b>(165,325)</b>
<b>INTEREST INCOME</b>	<b>7,386</b>	<b>11,921</b>	<b>2,717</b>	<b>5,472</b>
<b>DIVIDEND INCOME</b>	<b>6,300</b>	<b>5,275</b>	<b>6,300</b>	<b>5,275</b>
<b>NET FOREIGN EXCHANGE LOSS</b>	<b>(135)</b>	<b>31</b>	<b>(137)</b>	<b>31</b>
<b>OTHER INCOME (CHARGES)</b>	<b>11,262</b>	<b>6,636</b>	<b>3,054</b>	<b>544</b>
<b>INCOME BEFORE INCOME TAX</b>	<b>1,205,355</b>	<b>(23,526)</b>	<b>698,045</b>	<b>(38,810)</b>
<b>PROVISION FOR INCOME TAXES</b>				
Current	83,480	6,708	49,229	(336)
Deferred	(15,913)	(295,709)	(12,394)	143,207
	67,567	(289,002)	36,835	142,870
<b>NET INCOME</b>	<b>P 1,137,788</b>	<b>P 265,476</b>	<b>661,210</b>	<b>(181,680)</b>
<b>OTHER COMPREHENSIVE INCOME</b>				
Unrealized gain on available for sale financial assets - net	212,392	(134,064)	(51,488)	(367,098)
Pension	(1,333)	-	-	10,537
	211,059	(134,064)	(51,488)	(356,561)
<b>TOTAL COMPREHENSIVE INCOME</b>	<b>P 1,348,846</b>	<b>P 131,412</b>	<b>609,722</b>	<b>(538,241)</b>
Net profit attributable to:				
Equity holders of the parent	P 960,446	P 172,473	546,269	(221,337)
Non-Controlling Interests	177,342	93,003	114,941	39,657
	P 1,137,788	P 265,476	661,210	(181,680)
Total comprehensive income attributable to:				
Equity holders of the parent	P 1,164,085	P 38,167	488,834	(577,999)
Non-Controlling Interests	184,761	93,245	120,888	39,758
	P 1,348,846	P 131,412	609,722	(538,241)
<b>Basic Earnings Per Share</b>	<b>P 0.23</b>	<b>P 0.05</b>	<b>0.27</b>	<b>(0.07)</b>

**BELLE CORPORATION AND SUBSIDIARIES**  
**UNAUDITED INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY**

	30-Jun	
	2022	2021
<b>Paid up capital</b>		
Common Stock	<i>(Amounts in Thousands)</i>	
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	(2,573,103)	(2,476,697)
	13,491,628	13,588,034
<b>Retained Earnings</b>		
Unappropriated		
Balance at beginning of year	12,175,075	11,580,786
Net income	958,346	951,731
Changes in value of AFS	13,047	5,895
Dividends declared	-	-
Balance at end of period	13,146,468	12,538,412
<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)	(1,464,322)
<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	2,628,802	616,228
Adjustments	(14,444)	(127,941)
Balance at end of period	2,614,358	488,287
<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	15,424	1,519
<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	2,745,464	2,804,147
Net income	177,327	93,005
Acquisition of shares	-	-
Other comprehensive income	7,419	242
Dividends declared	(298,169)	(241,847)
Balance at end of period	2,632,041	2,655,547
	<b>9 P 34,053,238</b>	<b>P 31,115,205</b>

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

	For the Six-Month Period Ended June 30	
	2022	2021
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Income before income tax	₱1,203,255	(₱24,902)
Adjustments for:		
Depreciation and amortization	454,635	497,864
Interest expense	259,586	319,989
Amortization of discount on trade receivables	(50,335)	(33,884)
Interest income	(7,386)	(11,921)
Pension cost	6,634	2,529
Dividend income	(6,300)	(5,275)
Unrealized mark-to-market gain on financial asset at FVTPL	4,249	6,069
Unrealized forex loss	135	(31)
Working capital adjustments:		
Decrease (increase) in:		
Receivables	(94,423)	(425,529)
Real estate for sale	108,252	30,885
Other assets	(770,633)	(161,986)
Increase (decrease) in trade and other current liabilities	(261,300)	(183,860)
Net cash generated from operations	846,369	9,948
Interest received	7,386	11,921
Net cash provided by (used in) operating activities	853,755	21,869
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Acquisitions of property and equipment	-	(42,516)
Proceeds from sale of financial asset at FVTPL	-	-
Dividends received	6,300	5,275
Proceeds from disposal of financial asset at FVOCI	(181,085)	13,839
Net cash used in investing activities	(174,785)	(23,402)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Payments (proceeds) of:		
Long-term debt and loans payable	(1,095,000)	(596,667)
Interest	(259,586)	(179,274)
Dividends paid	(298,169)	(241,847)
Disposal of Parent Company shares held by a subsidiary	309,913	-
Assignment of treasury shares	-	3
Acquisition of treasury shares	(96,406)	-
Net cash used in financing activities	(1,439,248)	(1,017,785)
<b>EFFECT OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENT</b>		
	(135)	31
<b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b>	(760,413)	(1,019,287)
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR</b>	2,082,301	2,592,070
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>	₱1,321,888	₱1,572,783

**Belle Corporation and Subsidiaries**  
**Aging of receivables**  
**June 30, 2022**

Project	Gross Current (a)	Gross Noncurrent (b)	Grand Total
Real Estate:			
Alta Mira	(329,957)	6,126,506	5,796,550
The Country Club at Tagaytay Highland	-	511,333	511,333
Cotswold	(1,818,344)	12,454,796	10,636,453
Fairfield	658,990	32,247,235	32,906,225
Katsura	(2,109,206)	47,124,612	45,015,406
Kew Gardens	115,029	442,852	557,881
Nob hill	(9,136,155)	172,830,309	163,694,154
The Parks	(6,901,404)	40,105,348	33,203,944
Pinecrest	-	22,575,715	22,575,715
Plantation Hills	(411,842,119)	1,089,579,886	677,737,767
Sycamore	(3,031,876)	474,592,343	471,560,467
Terrazzas De Alava	(1,830,044)	18,366,210	16,536,166
THIGCI	-	23,850,654	23,850,654
Tivoli Place	(45,097)	3,173,437	3,128,341
Tagaytay Midlands Golf Club, Inc.	-	7,082,106	7,082,106
The Verandas	(124,179)	9,416,958	9,292,779
The Woodlands	-	1,000,000	1,000,000
Yume	(16,912,154)	29,226,821	12,314,667
Lease (straight-line accounting)	3,304,830,123	-	3,304,830,123
Equipment rental and scratch ticket sales	67,733,881	-	67,733,881
Gaming income share	248,816,467	-	248,816,467
Other nontrade receivable	216,761,661	-	216,761,661
<b>Grand Total</b>	<b>3,384,835,615</b>	<b>1,990,707,123</b>	<b>5,375,542,738</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:

	<b>June 30, 2022 (Unaudited)</b>				
	<b>Real Estate Development and Property Management</b>	<b>Gaming and Gaming Related Activities</b>	<b>Others</b>	<b>Eliminations/ Adjustments</b>	<b>Consolidated</b>
	<i>(In Thousands)</i>				
<b>Earnings Information</b>					
Revenue	₱1,655,964	₱1,236,774	₱–	(₱74,330)	₱ 2,818,408
Costs and expenses	(1,073,302)	(391,287)	(86)	88,544	(1,376,131)
Interest expense	(306,754)	(162)	–	47,330	(259,586)
Interest income	348	7,038	–	–	7,386
Other income (loss)	1,259,486	4,914	–	(1,251,222)	13,178
Provision for income tax	47,198	20,369	–	–	67,567
Net profit for the year	1,488,544	836,908	(86)	(1,189,678)	1,135,688
Net profit attributable to equity holders of the parent	1,488,544	812,277	(86)	(1,342,389)	958,346
	<b>June 30, 2021 (Unaudited)</b>				
	<i>(In Thousands)</i>				
<b>Earnings Information</b>					
Revenue	₱770,254	₱1,067,782	₱–	(₱83,871)	₱1,754,165
Costs and expenses	(1,061,067)	(501,220)	(3,129)	88,544	(1,476,872)
Interest expense	(376,440)	(420)	–	56,871	(319,989)
Interest income	1,068	10,852	1	–	11,921
Other income (loss)	1,021,558	(810)	–	(1,014,875)	5,873
Provision for income tax	(294,941)	5,939	–	–	(289,002)
Net profit for the year	650,314	570,245	(3,128)	(953,331)	264,100
Net profit attributable to equity holders of the parent	650,314	591,841	(3,128)	(1,067,930)	171,097

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

	<b>June 30, 2022</b> <b>(Unaudited)</b>	June 30, 2021 (Unaudited)
	<i>(in thousands)</i>	
<b>Revenues</b>		
Total revenue for reportable segments	<b>₱2,892,738</b>	₱1,838,036
Elimination for intercompany revenue	<b>(74,330)</b>	(83,871)
Total consolidated revenues	<b>₱2,818,408</b>	₱1,754,165
<b>Net Profit for the Year</b>		
Total profit for reportable segments	<b>₱2,325,366</b>	₱1,217,431
Elimination for intercompany profits	<b>(1,189,678)</b>	(953,331)
Consolidated net profit	<b>₱1,135,688</b>	₱264,100

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.