SEC Number: 152-747
File Number: ________

AYALA LAND, INC.

(Company's Full Name)

31F, Tower One, Ayala Triangle
Ayala Avenue, Makati City 1226

(Company Address)

(632) 7908-3111

(Telephone Number)

June 30, 2024

(Quarter Ending)

SEC Form 17-Q Quarterly Report

(Form Type)

(Amendments)

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, 2024**

2. Commission Identification Number **152747**

3. BIR Tax Identification No. **000-153-790-000**

4. Exact name of issuer as specified in its charter: **AYALA LAND, INC.**

5. Province, Country, or other jurisdiction of incorporation or organization:
   Makati City, Philippines

6. Industry Classification Code: _______ (SEC Use Only)

7. Address of issuer's principal office and postal code:
   31F, Tower One, Ayala Triangle, Ayala Avenue, Makati City 1226

8. Issuer's telephone number, including area code: **(632) 7908-3111**

9. Former name, former address, former fiscal year: **Not applicable**

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

    As of June 30, 2024

Title of each class	Number of shares issued and outstanding
Common shares	**14,785,140,390**
Preferred shares	**12,442,492,531**

Amount of Debt Outstanding
P115,250,000,000.00 (Registered)

11. Are any or all of the securities listed on a Stock Exchange?
    Yes [x] No [ ]

    Stock Exchange: **Philippine Stock Exchange**
    Securities listed: **Common shares**

12. Indicate by check mark whether the registrant:

    (a) has filed all reports required to be filed by Section 17 of the Code and SRC Rule 17 thereunder or Sections 11 of the RSA and RSA Rule 11(a)-1 thereunder, and Sections 26 and 141 of the Corporation Code of the Philippines, during the preceding 12 months (or for such shorter period that the registrant was required to file such reports):
    Yes [x] No [ ]

    (b) has been subject to such filing requirements for the past 90 days:
    Yes [x] No [ ]

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PART I – FINANCIAL INFORMATION
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Ayala Land, Inc. and Subsidiaries

Unaudited Consolidated Statement of Financial Position
As at June 30, 2024
(With comparative figures as at December 31, 2023)
(All amounts in thousands of Philippine Peso)

	Notes	2024	2023
Assets			
Current assets			
Cash and cash equivalents	3	**19,871,004**	17,066,330
Short-term investments	4	**112,289**	333,610
Financial assets at fair value through profit or loss (FVTPL)	5	**668,778**	419,802
Accounts and notes receivable, net	6	**112,227,835**	105,530,428
Inventories	7	**227,382,364**	209,316,511
Other current assets	8	**76,124,054**	80,290,824
Total current assets		**436,386,324**	412,957,505
Non-current assets			
Accounts and notes receivables, net of current portion	6	**67,743,913**	58,453,299
Financial assets at fair value through other comprehensive income (FVOCI)		**1,175,763**	1,121,969
Investments in associates and joint ventures	9	**31,896,631**	31,212,698
Right-of-use assets, net		**11,488,290**	11,808,541
Investment properties, net		**242,102,884**	241,061,619
Property and equipment, net		**41,493,854**	41,261,219
Deferred tax assets, net		**16,110,078**	15,345,133
Other non-current assets	10	**33,476,317**	33,410,499
Total non-current assets		**445,487,730**	433,674,977
Total assets		**881,874,054**	846,632,482

(forward)

Ayala Land, Inc. and Subsidiaries

Unaudited Consolidated Statement of Financial Position
As at June 30, 2024
(With comparative figures as at December 31, 2023)
(All amounts in thousands of Philippine Peso)

(continuation)

	Notes	2024	2023
Liabilities and Equity			
Current liabilities			
Short-term debt	12	**24,808,201**	16,905,106
Accounts and other payables	11	**169,427,304**	162,475,442
Income tax payable		**946,806**	586,605
Current portion of lease liabilities		**1,313,119**	1,108,553
Current portion of long-term debt	12	**29,716,732**	18,969,421
Deposits and other current liabilities	13	**34,670,636**	34,131,984
Total current liabilities		**260,882,798**	234,177,111
Non-current liabilities			
Long-term debt, net of current portion	12	**211,600,822**	222,379,734
Pension liabilities		**2,916,114**	2,769,457
Lease liabilities, net of current portion		**16,757,358**	17,414,070
Deferred tax liabilities, net		**8,771,677**	7,324,267
Deposits and other non-current liabilities	14	**45,544,883**	42,638,781
Total non-current liabilities		**285,590,854**	292,526,309
Total liabilities		**546,473,652**	526,703,420
Equity			
Equity attributable to equity holders of Ayala Land, Inc.			
Paid-in capital	15	**98,382,649**	98,115,042
Remeasurement (loss) gain on defined benefit plans		**(587,981)**	(481,670)
Fair value reserve of financial assets at FVOCI		**(605,878)**	(680,620)
Cumulative translation adjustments	15	**321,947**	(107,679)
Equity reserves	15	**3,296,190**	(2,589,586)
Treasury stock	15	**(27,625,916)**	(22,776,361)
Retained earnings	15	**212,254,424**	202,381,286
		285,435,435	273,860,412
Non-controlling interests		**49,964,967**	46,068,650
Total equity		**335,400,402**	319,929,062
Total liabilities and equity		**881,874,054**	846,632,482

For more information, please see accompanying notes to consolidated financial statements

Ayala Land, Inc. and Subsidiaries

Unaudited Consolidated Statement of Income
For the year ended June 30, 2024
(With comparative figures for the years ended June 30, 2023)
(All amounts in thousands of Philippine Peso, except earnings per share)

	2024		2023	
	Apr to Jun	**Jan to Jun**	Apr to Jun	Jan to Jun
REVENUE				
Real estate	**42,334,245**	**82,451,521**	33,129,012	62,296,240
Interest income from real estate sales	**-**	**-**	1,269,119	2,223,480
Equity in net earnings of associates and joint ventures	**531,044**	**944,769**	446,555	870,535
	42,865,289	**83,396,290**	34,844,686	65,390,255
Interest and Investment Income	**176,907**	**361,015**	128,127	217,230
Other income	**225,489**	**516,552**	127,192	399,820
	402,396	**877,567**	255,319	617,050
	43,267,685	**84,273,857**	35,100,005	66,007,305
COSTS AND EXPENSES				
Real estate	**26,282,287**	**51,899,057**	19,426,401	38,509,847
General and administrative expenses	**2,273,724**	**4,547,418**	2,182,494	4,138,709
Interest and other financing charges	**3,891,013**	**7,665,381**	3,407,299	6,718,392
Other charges	**448,755**	**564,637**	686,230	885,791
	32,895,779	**64,676,493**	25,702,424	50,252,739
INCOME BEFORE INCOME TAX	**10,371,906**	**19,597,364**	9,397,581	15,754,566
PROVISION FOR INCOME TAX				
Current	**2,093,928**	**3,595,978**	1,344,775	2,793,781
Deferred	**1,480**	**285,234**	176,973	(104,848)
	2,095,408	**3,881,212**	1,521,748	2,688,933
NET INCOME	**8,276,498**	**15,716,152**	7,875,833	13,065,633
Net income attributable to:				
Equity holders of Ayala Land, Inc.	**6,836,975**	**13,129,220**	6,879,484	11,392,123
Non-controlling interests	**1,439,523**	**2,586,932**	996,349	1,673,510
	8,276,498	**15,716,152**	7,875,833	13,065,633
Earnings Per Share				
Basic	**0.46**	**0.88**	0.45	0.75
Diluted	**0.46**	**0.88**	0.45	0.75

For more information, please see accompanying notes to consolidated financial statements

Ayala Land, Inc. and Subsidiaries

Unaudited Consolidated Statement of Income
For the year ended June 30, 2024
(With comparative figures for the years ended June 30, 2023)
(All amounts in thousands of Philippine Peso, except earnings per share)

	2024		2023	
	Apr to Jun	Jan to Jun	Apr to Jun	Jan to Jun
NET INCOME	**8,276,498**	**15,716,152**	7,875,833	13,065,633
Item that may be reclassified to profit or loss in subsequent years:				
Cumulative translation adjustment	**507,215**	**373,918**	(544,662)	(808,308)
Items that will not be reclassified to profit or loss in subsequent years:				
Fair value reserve of financial assets at FVOCI	**56,833**	**73,228**	67,634	73,382
Remeasurement gain (loss) on pension liabilities	**(137,921)**	**(141,748)**	111,698	178,053
Income tax effect	**34,480**	**35,437**	(27,924)	(44,513)
	460,607	**340,835**	(393,254)	(601,386)
Total comprehensive income for the period	**8,737,105**	**16,056,987**	7,482,579	12,464,247
Total comprehensive income attributable to:				
Equity holders of Ayala Land, Inc.	**7,422,346**	**13,527,277**	6,523,634	10,817,394
Non-controlling interests	**1,314,759**	**2,529,710**	958,945	1,646,853
	8,737,105	**16,056,987**	7,482,579	12,464,247

For more information, please see accompanying notes to consolidated financial statements

Ayala Land, Inc. and Subsidiaries

Unaudited Consolidated Statement of Changes in Equity
For the year ended June 30, 2024
(With comparative figures for the years ended June 30, 2023)
(All amounts in thousands of Philippine Peso)

	Attributable to equity holders of Ayala Land, Inc.												
	Capital Stock (Note 16)	Additional Paid-in Capital (Note 16)	Subscriptions Receivable	Appropriated Retained Earnings	Unappropriated Retained Earnings	Remeasurement Gain (Loss) on Defined Benefit Plans	Fair value reserve of financial assets at FVOCI	Cumulative Translation Adjustments (Note 16)	Equity Reserves	Treasury Stocks (Note 16)	Total	Non-Controlling Interests	Total Equity
As of January 1, 2023	17,013,596	83,099,536	(2,476,268)	25,000,000	158,535,858	106,942	(877,913)	₱437,996	(6,506,845)	(19,080,714)	255,252,188	38,412,337	293,664,525
Net income	–	–	–	–	11,392,123	–	–	–	–	–	11,392,123	1,673,510	13,065,633
Other comprehensive income (loss)	–	–	–	–	–	133,540	61,048	(769,317)	–	–	(574,729)	(26,657)	(601,386)
Total comprehensive income	–	–	–	–	11,392,123	133,540	61,048	(769,317)	–	–	10,817,394	1,646,853	12,464,247
Cost of stock options	–	63,582	–	–	–	–	–	–	–	–	63,582	–	63,582
Collection of subscription receivable	–	–	225,545	–	–	–	–	–	–	–	225,545	–	225,545
Stock options exercised	14,579	344,043	(298,100)	–	–	–	–	–	–	–	60,522	–	60,522
Collection of VPS conversion	–	16,251	–	–	–	–	–	–	–	–	16,251	–	16,251
Acquisition of treasury shares	–	–	–	–	–	–	–	–	–	(3,121,563)	(3,121,563)	–	(3,121,563)
Net change in non-controlling interest	–	–	–	–	–	–	–	–	4,406,534	–	4,406,534	2,948,098	7,354,632
Cash dividends declared	–	–	–	–	(2,327,748)	–	–	–	–	–	(2,327,748)	(862,563)	(3,190,311)
As of June 30, 2023	17,028,175	83,523,412	(2,548,823)	25,000,000	167,600,233	240,482	(816,865)	(331,321)	(2,100,311)	(22,202,277)	265,392,705	42,144,725	307,537,430
As of January 1, 2024, as previously stated	17,028,175	83,583,729	(2,496,862)	25,000,000	177,381,286	(481,670)	(680,620)	(107,679)	(2,589,586)	(22,776,361)	273,860,412	46,068,650	319,929,062
Change in accounting policy:													
Adoption of PFRS 15 covered by PIC Q&A 2018-12-D	–	–	–	–	(114,194)	–	–	–	–	–	(114,194)	292,136	177,942
As of January 1, 2024, as restated	17,028,175	83,583,729	(2,496,862)	25,000,000	177,267,092	(481,670)	(680,620)	(107,679)	(2,589,586)	(22,776,361)	273,746,218	46,360,786	320,107,004
Net income	–	–	–	–	13,129,220	–	–	–	–	–	13,129,220	2,586,932	15,716,152
Other comprehensive income (loss)	–	–	–	–	–	(106,311)	74,742	429,626	–	–	398,057	(57,222)	340,835
Total comprehensive income	–	–	–	–	13,129,220	(106,311)	74,742	429,626	–	–	13,527,277	2,529,710	16,056,987
Cost of stock options	–	43,708	–	–	–	–	–	–	–	–	43,708	–	43,708
Collection of subscription receivable	–	(28,683)	252,498	–	–	–	–	–	–	–	223,815	–	223,815
Stock options exercised	9,894	275,270	(285,164)	–	–	–	–	–	–	–	–	–	-
Collection of VPS conversion	–	84	–	–	–	–	–	–	–	–	84	–	84
Acquisition of treasury shares	–	–	–	–	–	–	–	–	–	(4,849,555)	(4,849,555)	–	(4,849,555)
Net change in non-controlling interest	–	–	–	–	–	–	–	–	5,885,776	–	5,885,776	2,604,431	8,490,207
Cash dividends declared	–	–	–	–	(3,141,888)	–	–	–	–	–	(3,141,888)	(1,529,960)	(4,671,848)
As of June 30, 2024	17,038,069	83,874,108	(2,529,528)	25,000,000	187,254,424	(587,981)	(605,878)	321,947	3,296,190	(27,625,916)	285,435,435	49,964,967	335,400,402

For more information, please see accompanying notes to consolidated financial statements

Ayala Land, Inc. and Subsidiaries

Unaudited Consolidated Statement of Cash Flows
For the year ended June 30, 2024
(With comparative figures for the years ended June 30, 2023)
(All amounts in Philippine Peso)

	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax	**19,597,364**	15,754,566
Adjustments for:		
Depreciation and amortization	**5,137,127**	4,740,852
Dividends received from investees	**511,419**	409,698
Equity in net earnings of investees	**(944,769)**	(870,535)
Interest and other charges	**7,665,381**	6,718,392
Interest and other income	**(361,014)**	(2,440,709)
Unrealized gain (loss) on financial assets at FVPL	**(53,846)**	(59,064)
Cost of shared-based payments	**43,708**	63,582
Provision for impairment loss	**64,310**	130,817
Operating income before changes in working capital	**31,659,680**	24,447,599
Decrease (increase) in:		
Accounts and notes receivable	**(16,003,989)**	(4,321,295)
Real estate inventories	**(4,153,731)**	(3,191,500)
Other current assets	**103,680**	(8,926,444)
Increase (decrease) in:		
Accounts and other payables	**2,230,028**	898,186
Pension liabilities	**40,346**	49,600
Other current liabilities	**537,932**	24,498
Cash generated from (used for) operations	**14,413,946**	8,980,644
Interest received	**454,648**	2,402,408
Income tax paid	**(2,838,546)**	(2,824,717)
Interest paid - net of amount capitalized	**(6,816,756)**	(6,758,259)
Net cash provided by (used in) operating activities	**5,213,292**	1,800,076
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from:		
Short-term investment	**224,982**	56,096
Sale/redemption of financial assets at FVPL	**624,274**	1,000,000
Sale/redemption of investments in FVOCI	**5,286**	–
Additions to:		
Short-term investment	**(3,661)**	–
Financial assets at FVPL	**(836,474)**	(1,433,270)
Financial assets at FVOCI	**(13,830)**	(88,905)
Investment in Associates and Joint Ventures		(820,000)
Investment properties	**(9,141,631)**	(3,351,285)
Property and equipment	**(1,967,765)**	(2,425,138)
Decrease (increase) in:		
Noncurrent accounts and notes receivable	**222,148**	(1,130)
Other assets	**(428,136)**	2,631,358
Net cash provided by (used in) investing activities	**(11,314,807)**	(4,432,274)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from availment of short-term/long-term loans	**68,293,325**	62,130,752
Payments of short-term / long-term loans	**(60,859,303)**	(53,297,555)
Principal payment of lease liability	**(1,346,023)**	(655,927)
Increase (decrease) in:		
Deposits and other noncurrent liabilities	**3,061,519**	(5,033,595)
Noncontrolling interest in consolidated subsidiaries	**2,547,129**	2,921,613
Equity reserves	**5,885,776**	4,406,534
Capital stock	**223,899**	302,318
Purchase of treasury shares	**(4,849,555)**	(3,121,563)
Dividends paid to non-controlling interest	**(1,529,960)**	(862,563)
Dividends paid to equity holders of Ayala Land, Inc.	**(3,141,888)**	(2,278,821)
Net cash provided by financing activities	**8,284,919**	4,511,193
NET DECREASE IN CASH AND CASH EQUIVALENTS	**2,183,404**	1,878,996
EFFECT OF CHANGES IN FOREIGN CURRENCY	**621,270**	(267,027)
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	**17,**066,330	11,885,329
CASH AND CASH EQUIVALENTS AT END OF PERIOD	**19,871,004**	13,497,298

For more information, please see accompanying notes to consolidated financial statements

Ayala Land, Inc. and Subsidiaries

Notes to the Consolidated Financial Statements
As at and for the year ended June 30, 2024
(With comparative figures and notes as at June 30, 2024 and
for the year ended December 31, 2023)
(In the notes, all amounts are shown in thousands of Philippine Pesos unless otherwise stated)

1. General Information

Corporate Information

Ayala Land, Inc. (the Company, Parent Company, or ALI) is domiciled and was incorporated on June 30, 1988, in the Republic of the Philippines. The Company's parent is Ayala Corporation (AC). AC is a publicly-listed company, 47.8%-owned by Mermac, Inc., and the rest by the public. The Company's registered office and principal place of business is 31st Floor, Tower One and Exchange Plaza, Ayala Triangle, Ayala Avenue, Makati City.

The Company and its Subsidiaries (the Group) are incorporated to hold, develop, manage, administer, sell, convey, encumber, purchase, acquire, rent, or otherwise deal in and dispose of, for itself or others, residential including, but not limited to, all kinds of housing projects, commercial, industrial, urban or other kinds of real property; to acquire, purchase, hold, manage, develop and sell subdivision lots, with or without buildings or improvements; to erect, construct, alter, manage, operate, lease, in whole or in part, buildings and tenements of the Group or other persons; and to engage or act as real estate broker. The Group is also involved in hotels and resort operations.

The consolidated financial statements represent the consolidation of the financial statements of Ayala Land, Inc. and the following domestic and foreign-owned subsidiaries:

	June 30 2024*	December 31 2023*
Real Estate:		
Alveo Land Corporation (Alveo)	100%	100%
Serendra, Inc.	39	39
Solinea, Inc. (Solinea)	65	65
BGSouth Properties, Inc. (BGS/BG South)	-	50
Portico Land Corp. (Portico)	100	60
Serendra, Inc.	28	28
Amorsedia Development Corporation (ADC)	100	100
OLC Development Corporation and Subsidiary	100	100
HLC Development Corporation	100	100
Allysonia International Ltd.	100	100
Avida Land Corporation (Avida)	100	100
Amicassa Process Solutions, Inc.	100	100
Avencosouth Corp.	70	70
BGNorth Properties, Inc. (BGN/BG North)	-	50
Amaia Land Co. (Amaia)	100	100
Amaia Southern Properties, Inc. (ASPI)	65	65
AyalaLand Premier, Inc.	100	100
AKL Properties, Inc.	50	50
Ayala Land International Sales, Inc. (ALISI)	100	100
Ayala Land International Marketing, Inc. (AIMI)	100	100
Ayala Land International (Singapore) Pte. Ltd	100	100
Ayala Land International Marketing (Hong Kong) Ltd	100	100
Ayala Land International Marketing, SRL (ALIM SRL)	100	100
Ayala Land International Marketing London	100	100
Southportal Properties, Inc. (Southportal)	100	100
Buendia Landholdings, Inc.	100	100

	June 30 2024*	December 31 2023*
Crimson Field Enterprises, Inc.	100	100
Crans Montana Holdings, Inc.	100	100
Ecoholdings Company, Inc. (ECI)	100	100
NorthBeacon Commercial Corporation (NBCC)	100	100
Red Creek Properties, Inc.	100	100
Regent Time International, Limited (Regent Time) (British Virgin Islands)	100	100
North Eastern Commercial Corp. (NECC)	-	100
Westview Commercial Ventures Corp. (Westview)	100	100
North Ventures Commercial Corporation	100	100
Hillsford Property Corporation (Hillsford)	100	100
Primavera Towncentre, Inc. (PTI)	100	100
Summerhill Commercial Ventures Corporation (Summerhill)	100	100
Sunnyfield E-Office Corporation (Sunnyfield)	100	100
Subic Bay Town Centre, Inc. (SBTCI)	100	100
Regent Wise Investments Limited (Regent Wise) (Hongkong company)	100	100
AyalaLand Real Estate Investments Inc. (Canada)	100	100
AyalaLand Advisory Broadway Inc. (Canada)	100	100
AyalaLand Development (Canada) Inc.	100	100
Blue Horizons Holdings PTE, Ltd (Singapore)	100	100
Avaland Berhad (formerly Modular Construction Technology (MCT) Bhd. (Malaysia)	66	66
AREIT Fund Manager, Inc. (formerly AyalaLand Commercial REIT, Inc. (ALCRI))	100	100
Arvo Commercial Corporation (Arvo)	100	100
BellaVita Land Corporation (BellaVita)	100	100
Nuevo Centro, Inc. (Nuevo Centro)	54	54
Alviera Country Club, Inc. (Alviera)	50	50
Cavite Commercial Town Center, Inc. (CCTCI)	100	100
AREIT, Inc. (formerly One Dela Rosa Property Development, Inc.)	54	66
AyalaLand Offices, Inc. (ALO)	100	100
First Gateway Real Estate Corp.	100	100
Glensworth Development, Inc. (Glensworth)	100	100
UP North Property Holdings, Inc.	100	100
ALO Prime Realty Corporation	100	100
Makati Cornerstone Leasing Corp. (MCLC)	100	100
Capitol Central Commercial Ventures Corp.	100	100
Bay City Commercial Venture Corp. (BCCVC)	100	100
Aurora Properties Incorporated	81	81
Soltea Commercial Corp.	16	16
Vesta Property Holdings, Inc. (VPHI)	88	88
Altaraza Prime Realty Corporation	100	100
Altaraza Development Corporation	51	51
Prow Holdings, Inc.	55	55
Station Square East Commercial Corporation (SSECC)	69	69
AREIT Property Managers, Inc. (formerly Next Urban Alliance Development Corp.)	100	100
Accendo Commercial Corp. (Accendo)	67	67
Avencosouth Corp.	20	20
Aviana Development Corporation	7	7
Aviana Development Corporation	50	50
Cagayan de Oro Gateway Corp. (CDOGC)	70	70
Ceci Realty, Inc. (Ceci)	60	60
Soltea Commercial Corp.	12	12
Soltea Commercial Corp.	60	60
CMPI Holdings, Inc.	60	60
ALI-CII Development Corporation (ALI-CII)	50	50
Roxas Land Corporation (RLC)	50	50
Adauge Commercial Corporation (Adauge)	60	60

(forward)

	June 30 2024*	December 31 2023*
AyalaLand Estates, Inc	100	100
Prima Gaedi Development Corp	100	100
Redheap Holdings Inc.	100	100
Rookwood Properties, Inc.	100	100
Wedgemore Property Inc	100	100
Javantiger, Inc.	100	100
Ayalaland MetroNorth, Inc. (AMNI)	100	100
Verde Golf Development Corp.	100	100
North Triangle Depot Commercial Corporation (NTDCC)	73	73
Ayalaland-Tagle Properties, Inc.	55	55
BGWest Properties, Inc. (BGW/BG West)	50	50
Lagdigan Land Corp. (Lagdigan)	60	60
Central Bloc Hotel Ventures, Inc.	100	100
Cebu Leisure Company, Inc.	100	100
CBP Theatre Management Inc.	100	100
Taft Punta Engaño Property Inc. (TPEPI)	55	55
Cebu Insular Hotel Company, Inc. (CIHCI)	37	37
Solinea, Inc.	35	35
Amaia Southern Properties, Inc. (ASPI)	35	35
Alabang Commercial Corporation (ACC)	50	50
South Innovative Theater Management (SITMI)	50	50
Ayalaland Malls Inc. (formerly ALI Commercial Center, Inc.) (ALMI)	100	100
AyalaLand Malls Vismin, Inc.	100	100
Kitrino Koudini Holdings Inc.	100	100
South Ralston Properties, Inc.	100	100
AyalaLand Logistics Holdings Corp. (ALLHC) (formerly Prime Orion Philippines, Inc.)	71	71
A-Flow Land I Corp.	43	43
Orion Solutions, Inc.	71	71
Orion I Holdings Philippines, Inc.	71	71
Orion Maxis, Inc.	71	71
Orion Land, Inc. and Subsidiaries	71	71
LCI Commercial Ventures, Inc.	71	71
Laguna Technopark, Inc. and Subsidiary	71	71
Unity Realty & Development Corp. (URDC)	71	71
FLT Prime Insurance Corporation	56	56
Ayalaland Malls Synergies, Inc.	100	100
Ayala Malls Zing (AMZING), Inc.	100	100
Construction:		
Makati Development Corporation (MDC)	100	100
MDC Subic, Inc.	100	100
MDC Build Plus, Inc.	100	100
MDC Conqrete, Inc. (MCI)	100	100
MDC Equipment Solutions, Inc. (MESI)	100	100
MDBI Construction Corp.	67	67
Hotels and Resorts:		
Ayala Hotels, Inc. (AHI)	100	100
AyalaLand Hotels and Resorts Corporation (AHRC)	100	100
ALI Makati Hotel & Residences, Inc.	80	80
ALI Makati Hotel Property, Inc.	80	80
Ten Knots Phils., Inc. (TKPI)	40	40
Ten Knots Development, Corp. (TKDC)	40	40
Regent Horizons Conservation Company, Inc.	100	100
Enjay Hotels, Inc. (Enjay)	100	100
Greenhaven Property Venture, Inc. (GPVI)	100	100
Cebu Insular Hotel Company, Inc. (CIHCI)	63	63
Bonifacio Hotel Ventures, Inc.	100	100
Southcrest Hotel Ventures, Inc.	67	67
Northgate Hotel Ventures, Inc.	70	70
North Triangle Hotel Ventures, Inc.	100	100
Ecosouth Hotel Ventures, Inc.	100	100
Sentera Hotel Ventures, Inc.	100	100

(forward)

	June 30 2024*	December 31 2023*
Econorth Resorts Ventures, Inc.	100	100
ALI Triangle Hotel Ventures, Inc.	100	100
Circuit Makati Hotel Ventures, Inc.	100	100
Capitol Central Hotel Ventures, Inc.	100	100
Arca South Hotel Ventures, Inc.	100	100
Sicogon Town Hotel, Inc.	100	100
Bay Area Hotel Ventures, Inc.	100	100
Makati North Hotel Ventures, Inc. (MNHVI)	100	100
One Makati Hotel Ventures, Inc. (OMHVI)	100	100
Sicogon Island Tourism Estate Corp. (SITE Corp.)	77	77
Asiatown Hotel Ventures, Inc.	100	100
Seda College, Inc. (formerly One Makati Residential Ventures, Inc.)	100	100
ALI Makati Hotels & Residences, Inc.	20	20
ALI Makati Hotel Property, Inc.	20	20
Ten Knots Phils., Inc. (TKPI)	60	60
Bacuit Bay Development Corporation	60	60
Lio Resort Ventures, Inc.	60	60
North Liberty Resort Ventures, Inc.	60	60
Turista.ph (formerly Paragua Eco-Resort Ventures Inc.)	60	60
Lio Tourism Estate Management Corporation	60	60
Ten Knots Development, Corp. (TKDC)	60	60
Chirica Resorts Corp.	60	60
Kingfisher Capital Resources Corp.	-	60
Pangulasian Island Resort Corporation	60	60
Integrated Eco-Resort Inc.	100	100
Sicogon Island Tourism Estate Corp.	5	5
Property Management:		
Ayala Property Management Corporation (APMC)	100	100
Prime Support Services, Inc.	100	100
Ayala Theatres Management, Inc. (ATMI)	100	100
DirectPower Services, Inc. (DirectPower)	100	100
Philippine Integrated Energy Solutions, Inc. (PhilEnergy)	100	100
Entertainment:		
Five Star Cinema, Inc.	100	100
Leisure and Allied Industries Philippines, Inc. (LAIP)	50	50
Others		
Darong Agricultural Development Corporation (DADC)	100	100
First Longfield Investments Limited (First Longfield) (Hongkong Company)	100	100
Green Horizons Holdings Limited and Subsidiary	100	100
Aprisa Business Process Solutions, Inc. (Aprisa)	100	100
ALI Capital Corp. (formerly Varejo Corp.) (ALICap)	100	100
Airswift Transport, Inc. (formerly Island Transvoyager, Inc.) (Airswift)	100	100
Swift Aerodrome Services, Inc. (SASI)	100	100
Arca South Integrated Terminal, Inc. (ASITI)	100	100
Whiteknight Holdings, Inc.	100	100
Ayalaland Medical Facilities Leasing, Inc.	100	100
Anvaya Cove Beach and Nature Club, Inc. (Anvaya Cove Beach)	73	73
Anvaya Cove Golf and Sports Club, Inc. (Anvaya Cove Golf)	76	76

**Represents the Group's effective ownership*

The above companies are domiciled in the Philippines except for the foreign entities which are domiciled and incorporated in the country as mentioned above.

The Parent Company, through its 50.0% effective ownership and by virtue of a management contract or shareholders' agreement, exercises control over the operations and management of ACC, BGWest, RLC, ALI-CII, LAIP and AKL. Accordingly, the accounts of ACC, BGWest, RLC, ALI-CII, LAIP and AKL are consolidated to the accounts of the Parent Company.

Changes in the group structure in the first six months of 2024

a. On January 19, 2024, the SEC approved the merger of Northeastern Commercial Corp. (NECC) and Bay City Commercial Ventures Corp. (Bay City) with Bay City as the surviving entity.

b. On January 26, 2024, Ayala Land, and its wholly-owned subsidiaries, AyalaLand Offices, Inc. and Glensworth Development, Inc. sold an aggregate of 181,000,000 common shares of AREIT at a transaction price of P31.10/share, equivalent to P5.63 billion, in relation to its property-for-share swap transaction with AREIT.

   On May 20, 2024, ALI, and its wholly-owned subsidiary, Westview Commercial Ventures Corp., sold an aggregate of 98,000,000 common shares of AREIT at a transaction price of P32.45/share, equivalent to P3.18 billion, in relation to its property-for-share swap transaction with AREIT.

   As a result, the Group's holding in AREIT was reduced from 66.0% to 54.4%.

c. On January 31, 2024, the SEC approved the merger of BGWest Properties, Inc. (BGW), BGNorth Properties, Inc. (BGN) and BGSouth Properties, Inc. (BGS) with BGW as the surviving entity.

d. On March 14, 2024 Alveo Land Corp. acquired 1,370,400 common shares and 6,589,600 preferred shares of Portico Land Corp from the remaining investor. The acquisition is accounted as involving entities under control. As a result, Portico became a wholly owned subsidiary.

e. Kingfisher Capital Resources Corp., a subsidiary of Ten Knots Development Corp., a wholly owned subsidiary of ALI, has been dissolved effective June 28, 2024.

2. Basis of Financial Statement Preparation

Basis of Preparation
The accompanying unaudited, condensed, and consolidated financial statements of the Group have been prepared using the historical cost basis, except for financial assets at fair value through other comprehensive income (FVOCI) that have been measured at fair value. The consolidated financial statements are presented in Philippine Peso (₱), which is also the Parent Company's functional currency, and all values are rounded to the nearest Philippine peso except when otherwise indicated

The unaudited condensed consolidated financial statements include the accounts of Ayala Land, Inc. (herein referred to as "the Company) and its subsidiaries collectively referred to as "Group."

The interim consolidated financial statements provide comparative information in respect of the previous period.

Statement of Compliance

The accompanying interim condensed consolidated financial statements of the Group have been prepared in accordance with Philippine Financial Reporting Standards (PFRSs).

PFRSs include Philippine Financial Reporting Standards, Philippine Accounting Standards and Interpretations issued by the Philippine Interpretations Committee (PIC)

On August 7, 2024 the Audit Committee approved and authorized the release of the accompanying unaudited condensed consolidated financial statements of Ayala Land, Inc. and its subsidiaries.

3. Cash and Cash Equivalents

This account consists of the following:

(In Thousands)	**June 30, 2024 (Unaudited)**	December 31, 2023 (Audited)
Cash on Hand	**46,468**	38,699
Cash in Banks	**11,135,800**	10,615,507
Cash Equivalents	**8,688,736**	6,412,124
	19,871,004	17,066,330

Cash in banks earns interest based on the respective bank deposit rates. Cash equivalents are short-term, highly liquid investments that are made for varying periods of up to three (3) months depending on the immediate cash requirements of the Group, and earn interest based on the respective short-term investment rates.

4. Short-term Investment

Short-term investments consist of money market placements made for varying periods of more than three (3) months and up to one (1) year and earn interest at the respective short-term investment rates.

The annual interest rates of the short-term investments are as follows:

	June 30, 2024 (Unaudited)	December 31, 2023 (Audited)
US Dollar	**2.20% to 5.50%**	4.50%
Malaysian Ringgit	**2.20%**	1.43% to 2.30%

5. Financial Assets at FVTPL

This account consists of the following:

(In Thousands)	**June 30, 2024 (Unaudited)**	December 31, 2023 (Audited)
Investment in Unit Investment Trust Fund (UITF)	**488,102**	228,674
Investment in Arch Capital Fund	**180,676**	191,128
	668,778	419,802

The Group invests in money market Unit Investment Trust Funds (UITF) which aims to generate liquidity and stable income by investing in a diversified portfolio of primarily short-term fixed income instruments and with no minimum holding period requirement.

Investment in ARCH Capital Fund pertains to monetary interest in a fund in which the management takes the view that these are held for trading and it is a portfolio of identified property funds invested and managed by professional managers.

6. Accounts and Notes Receivable

The account consists of:

(In Thousands)	**June 30, 2024 (Unaudited)**	December 31, 2023 (Audited)
Trade:		
Residential	**133,798,601**	112,185,536
Shopping Centers	**2,897,909**	5,033,715
Construction Contracts	**5,181,999**	4,039,336
Corporate Business	**3,272,647**	3,775,841
Management fees	**233,572**	187,566
Others	**3,927,519**	4,503,181
Advances to other companies	**13,499,649**	18,359,495
Accrued receivables	**10,811,622**	11,096,749
Receivables from related parties (Note 17)	**8,133,076**	6,537,813
Receivables from employees	**1,058,605**	1,048,211
	182,815,199	166,767,443
Less allowance for impairment losses	**(2,843,451)**	(2,783,716)
	179,971,748	163,983,727
Less noncurrent portion	**(67,743,913)**	(58,453,299)
	112,227,835	105,530,428

The classes of trade receivables of the Group are as follows:
- Residential and office development - pertain to receivables from the sale of high-end, upper-middle-income, and affordable residential lots and units; economic and socialized housing units and sale of commercial lots; sale of office units; and leisure community developments.
- Construction contracts - pertain to receivables from third-party construction projects.
- Corporate business - pertains to lease receivables from office and factory buildings and receivables from the sale of office buildings and industrial lots.
- Shopping centers - pertain to lease receivables from retail spaces.
- Management fees - pertain to receivables from facilities management services.
- Others - pertain to receivables from hotel operations and other support services.

Residential, commercial, and office development receivables are collectible in monthly installments for one (1) to five (5) years. These are carried at amortized cost using the effective interest rate method with annual interest rates ranging from 5.9% to 11.5%. Titles to real estate properties are transferred to the buyers only until the full payment has been made.

Corporate business receivables are collectible on a monthly or quarterly basis depending on the terms of the lease contracts.

Receivables from shopping centers, construction contracts, and management fees are due within 30 days upon billing.

Receivables from hotel operations and other support services included under other trade receivables are normally due within 30 to 90 days upon billing.

Advances to other companies include those to joint venture partners that have been made in consideration of project costs and purchases of land that are still subject to completion. The Group does not intend for these advances to be repaid, instead, these will be recorded as part of the project costs upon development or as part of the consideration for purchases of land. The documentation for these advances provides that these will be payable over a fixed term or on-demand to allow for repayment when closing does not occur.

Advances to other companies also include receivables from MRT Development Corporation (MRTDC) shareholders which pertain to interest-bearing advances to MRTDC equivalent to the pre-2006 Development Rights Payment (DRP) payables and the Residual Depot DRP which is due more than one year, concerning the funding and repayment agreement.

Set off shall be effective as of the beginning of every calendar month, commencing January 30, 2015, and shall result in the settlement of the portion of the total DRP payables to the extent of the amount of the commercial center royalties then the balance will fall due to the relevant MRTDC Shareholders.

Accrued receivables and receivables from related parties are due on demand.

Receivables from employees pertain to housing, car, salary and other loans granted to the Group's employees which are collectible through salary deduction, are interest-bearing (6.0% per annum) and payable on various maturity dates.

The Group sold residential receivables on a without recourse basis to partner mortgage banks, which include Bank of the Philippine Islands, a related party (Note 17), amounting to P4,273.3 million during the first half of 2024 (As at December 31, 2023 - P15,110.4) and were sold at a discount with total proceeds of P3,756.6 million (As at December 31, 2023 - P13,303.6 million). Moreover, the Group recognized loss on sale, presented as financial expenses and other charges within other expenses, amounting to P516.7 million (As at December 31, 2023 - P1,806.8 million).

As of June 30, 2024, (unaudited) aging analysis of past due but not impaired trade receivables presented per class are as follows:

		Past Due but not impaired							
(In Thousands)	Neither Past Due nor Impaired	<30 days	30-60 days	61-90 days	91-120 days	>120 days	Total Past Due but not impaired	Impaired	**Total**
Trade:									
Residential	₱110,795,557	₱6,785,389	₱951,709	₱685,801	₱6,432,368	₱8,039,268	₱22,894,535	₱108,509	**₱133,798,601**
Shopping Centers	460,629	252,192	130,707	118,802	112,855	505,246	1,119,802	1,317,478	**2,897,909**
Construction Contracts	915,077	2,700,053	183,678	154,863	897,819	286,132	4,222,545	44,377	**5,181,999**
Corporate Business	1,808,037	27,103	146,584	11,310	25,627	345,944	556,568	908,042	**3,272,647**
Management Fees	125,552	24,132	12,604	7,127	7,898	49,124	100,885	7,135	**233,572**
Others	3,134,067	66,172	49,052	24,482	2,296	400,133	542,135	251,317	**3,927,519**
Advances to other companies	6,160,874	34,212	1,238	7,278	111,090	6,978,364	7,132,182	206,593	**13,499,649**
Accrued Receivables	8,663,606	59,485	78,623	1,315	115,163	1,893,430	2,148,016	-	**10,811,622**
Related Parties	8,133,076	-	-	-	-	-	-	-	**8,133,076**
Receivables from employees	916,898	10,647	7,505	7,137	2,855	113,563	141,707	-	**1,058,605**
	₱141,113,373	9,959,385	₱1,561,700	₱1,018,115	₱7,707,971	₱18,611,204	₱38,858,375	₱2,843,451	**₱182,815,199**

7. Inventories

Property acquired or being constructed for sale in the ordinary course of business, rather than to be held for rental or capital appreciation, is held as inventory and is measured at the lower cost and net realizable value (NRV). NRV is the estimated selling price in the ordinary course of business based on market prices at the reporting date, less estimated costs of completion, and the estimated costs of sale.

8. Other Current Assets

This account consists of:

	June 30, 2024 (Unaudited)	December 31, 2023 (Audited)
Advances to contractors and suppliers	**22,327,451**	27,585,010
Prepaid expenses	**23,114,729**	20,824,812
Input value-added tax (VAT)	**10,995,236**	13,537,622
Creditable withholding taxes	**13,030,000**	12,220,825
Materials, parts and supplies	**1,765,857**	1,505,046
Others	**4,890,781**	4,617,509
	76,124,054	80,290,824

Advances to contractors and suppliers pertain to prepayments for the construction of inventories. These are recouped as application of payment to contractors and suppliers, which are expected to occur within 12 months.

Prepaid expenses consist of prepayments for commissions, marketing fees, advertising and promotions, taxes and licenses, rentals and insurance.

Input VAT is to be applied against output VAT. The remaining balance is assessed to be recoverable in future periods.

Creditable withholding taxes are to be applied against income tax payable.

Materials, parts and supplies are expected to be used in the construction and maintenance of projects.

Others include deferred charges and letters of credit. Deferred charges pertain to project-related costs already paid but not yet consumed in the actual construction activities.

9. Investment in Associates and Joint Ventures

Details of the group's investments in associates and joint ventures and the related percentages of ownership are shown below:

	Percentage of Ownership		Carrying amounts	
	As of Jun 30 2024	As of Dec 31 2023	**As of Jun 30 2024 (Unaudited)**	As of Dec 31, 2023 (Audited)
Joint ventures:				
ALI-ETON Property Development Corporation (ALI ETON)	**50%**	50%	**9,712,932**	9,652,505
Emerging City Holdings, Inc. (ECHI)	**50%**	50%	**4,404,331**	4,190,077
Berkshires Holdings, Inc. (BHI)	**50%**	50%	**2,144,493**	2,052,670
Cebu District Property Enterprise, Inc. (CDPEI)	**50%**	50%	**1,683,314**	1,704,003
Alveo-Federal Land Communities, Inc.	**50%**	50%	**550,496**	539,381
AyaGold Retailers, Inc. (AyaGold)	**50%**	50%	**135,618**	135,552
SIAL Specialty Retailers, Inc. (SIAL Specialty)	**50%**	50%	**26,462**	26,462
A-FLOW Properties I Corp	**36%**	36%	**170,881**	177,001
BYMCW, Inc.	**30%**	30%	**62,188**	59,100
			18,890,715	18,536,751
Associates:				
Ortigas Land Corporation (OLC)	**21%**	21%	**10,548,656**	10,143,892
Bonifacio Land Corp. (BLC)	**10%**	10%	**1,559,005**	1,527,981
Rize-Ayalaland (Kingsway) GP, Inc. (Rize-Ayalaland)	**49%**	49%	**324,562**	804,166
Tianjin Eco-City Ayala Land Development Co., Ltd. (Tianjin Eco-City)	**40%**	40%	**517,536**	149,477
Lagoon Development Corporation (LDC)	**30%**	30%	**56,157**	50,431
			13,005,916	12,675,947
			31,896,631	31,212,698

Financial information of the associates with material interest:

Ortigas Land Corporation (OLC) Formerly OCLP Holdings, Inc. (OHI)
OLC owns 99.5% interest in Ortigas & Company Limited Partners (OCLP), an entity engaged in real estate development and leasing businesses.

In 2016, ALI acquired a 21.1% stake in OLC consistent with its thrust of expanding its operations to other areas within and outside of Metro Manila through partnerships.

The acquisition was made possible via the purchase of shares from existing OLC shareholders and this was recorded under the “Investments in associates and joint ventures” account.

Below is the summarized financial information for OLC:

	As of June 30, 2024	As of December, 31, 2023
Current assets	**33,028,064**	32,554,643
Non-current assets	**31,677,391**	28,827,055
Current liabilities	**(23,811,300)**	(23,147,183)
Non-current liabilities	**(21,897,290)**	(21,253,275)
Equity	**18,996,864**	16,981,240
Proportion of Group’s ownership	**21.0%**	21.0%

	As of June 30, 2024	As of December, 31, 2023
Group’s share in identifiable net assets	**3,989,342**	3,566,060
Carrying amount of the investment	**10,548,656**	(10,143,892)
Fair value adjustments	**(6,559,315)**	(6,577,832)
Negative goodwill	**(148,046)**	(148,046)
Dividends received	0	77,592

	As of June 30, 2024	As of December, 31, 2023
Revenue	**7,382,340**	12,769,959
Cost and expenses	**(5,380,637)**	(9,529,626)
Net income (continuing operations)	**2,001,702**	3,240,333
Group’s share in net income for the year	**420,358**	680,470
Total comprehensive income	**1,986,822**	2,553,524
Group’s share in total comprehensive income for the year	**417,233**	536,240

Bonifacio Land Corporation (BLC)

The Group has 10% interest in BLC, which is involved in the purchase, subscription, or otherwise disposal of real and personal properties. Bonifacio Land Corp. is a private company incorporated on October 20, 1994, and there is no quoted market price available for its shares. Its registered office and principal place of business are located in Taguig, Philippines.

Below is the summarized financial information of BLC:

	As of June 30, 2024	As of December, 31, 2023
Current assets	**21,107,572**	12,196,122
Non-current assets	**34,803,343**	34,509,206
Current liabilities	**(2,929,929)**	(2,976,354)
Non-current liabilities	**(18,517,840)**	(9,187,034)
Equity	**34,463,146**	34,541,940
Less: Non-controlling interest	**(15,506,306)**	(15,513,945)
Equity attributable to Parent Company	**18,956,840**	19,027,995

Proportion of Group's ownership	**10.1%**	10.1%
Group's share in identifiable net assets	**1,914,641**	1,921,828
Carrying amount of the investment	**1,559,005**	1,527,981
Fair value adjustments	**(355,636)**	(393,847)
Negative goodwill	**(355,636)**	(393,847)
Dividends received	**111,149**	84,877

	As of June 30, 2024	As of December, 31, 2023
Revenue	**4,147,227**	6,969,474
Cost and expenses	**(2,130,088)**	(3,587,994)
Net income (continuing operations)	**2,017,139**	3,381,480
Net income attributable to non-controlling interest	**(913,050)**	1,593,209
Net income attributable to Parent Company	**1,104,089**	1,788,271
Group's share in net income for the year	**111,513**	180,615
Total comprehensive income	**1,104,089**	1,788,271
Group's share in total comprehensive income for the year	**111,513**	180,615

Aggregate financial information on associates with immaterial interest:

Rize-Ayalaland, Tianjin Eco-City, LDC, and others

	As of June 30, 2024	As of December 31,2023
Carrying amount	**1,131,324**	1,004,074
Share in net income from continuing operations	**(8,590)**	26,739
Share in total comprehensive income	**(8,590)**	26,739
Dividends received	**-**	53,323

The financial information of the joint ventures with material interest:

Emerging City Holdings, Inc. (ECHI)

The Group has 50% interest in ECHI, which serves as The Group's corporate vehicle in the acquisition of a controlling stake in Bonifacio Land Corp./ Fort Bonifacio Development Corp. (FBDC) through Columbus Holdings, Inc. in 2003. FBDC continues to sell commercial lots and condominium units and leases out retail and office spaces in Bonifacio Global City. Below is the summarized financial information of ECHI:

(In Thousands)	**As of June 30, 2024**	As of December 31, 2023
Current assets	**17,985,914**	12,240,523
Noncurrent assets	**37,978,560**	34,509,206
Current liabilities	**3,402,310**	(3,305,063)
Noncurrent liabilities	**(18,517,840)**	(9,187,034)
Equity	**34,044,324**	34,257,632
Less: minority interest	**24,233,376**	25,219,280
Equity	**9,810,948**	9,038,352
Proportion of Group's ownership	**50.0%**	50.0%
Group's share in identifiable net assets	**4,905,474**	4,519,176
Carrying amount of the investment	**4,404,331**	4,190,077
Dividends received	**280,000**	220,000

Revenue	**4,091,603**	6,971,791
Cost and expenses	**(2,168,484)**	(3,595,568)
Net income (continuing operations)	**1,923,120**	3,376,223
Net income attributable to minority interest	**(1,401,888)**	(2,455,573)
Net income attributable to parent	**521,231**	920,650
Group's share in net income for the period	**260,616**	460,325
Total comprehensive income attributable to parent	**522,570**	922,112
Group's share in total comprehensive income for the period	**261,285**	461,056

ALI-ETON Property Development Corporation (AEPDC)

ALI-ETON Property Development Corporation is a 50:50 joint venture between Ayala Land, Inc. and LT Group, Inc., and is organized primarily to develop a project along the C5 corridor. The project is envisioned to be a township development that spans portions of Pasig City and Quezon City. Below is the summarized financial information for AEPDC:

(In Thousands)	**As of June 30, 2024**	As of December 31, 2023
Current assets	**26,653,850**	22,043,118
Noncurrent assets	**4,367,258**	4,289,259
Current liabilities	**(10,814,216)**	(6,426,059)
Noncurrent liabilities	**(568,095)**	(371,951)
Equity	**19,638,797**	19,534,367
Proportion of Group's ownership	**50.0%**	50.0%
Group's share in identifiable net assets	**9,819,398**	9,767,184
Carrying amount of the investment	**9,712,932**	9,652,505
Negative Goodwill	**–**	–
Dividends received	**–**	–

Revenue	**2,080,001**	3,617,321
Cost and expenses	**(1,634,729)**	(3,077,696)
Net income (continuing operations)	**445,272**	539,625
Group's share in net income for the period	**222,636**	269,813
Total comprehensive income attributable to parent	**445,272**	539,625
Group's share in total comprehensive income for the period	**222,636**	269,813

Aggregate financial information on joint ventures with immaterial interest (BHI, CDPEI, Alveo-Federal, AyaGold,SIAL Specialty, A-Flow and BYMCW) is as follows:

	As of June 30, 2024	As of December 31, 2023
Carrying amount	**4,540,383**	4,694,169
Share in net income from continuing operations	**83,622**	132,130
Share in total comprehensive income	**83,622**	132,130
Dividends received	**-**	447,535

On June 14, 2024, Ayala Land entered into a share sale and purchase agreement with Aboitiz Land, Inc. and Aboitiz Equity Ventures for the acquisition of their combined 50% equity interest in Cebu District Property Enterprise Inc. (CDPEI). The acquisition is valued at P1.81 billion 18.1 million CDPEI shares. Following the transaction, Ayala Land will own 100% stake of the entity.

10. Other Non-current Assets

This account consists of:

	June 30,2024 (Unaudited)	December 31, 2023 (Audited)
Prepaid expenses	**17,569,559**	16,744,120
Advances to contractors and suppliers	**7,936,021**	8,508,364
Leasehold rights	**3,133,576**	3,226,493
Deposits - others	**2,464,555**	2,839,321
Deferred input VAT	**1,184,859**	1,240,951
Net pension assets	**40,912**	352,313
Development rights	**37,678**	37,678
Others	**1,109,157**	461,259
	33,476,317	33,410,499

Prepaid expenses consist of project costs incurred for unlaunched projects of the Group, advance rental payments and non-current prepaid management fees.

Advances to contractors and suppliers represent prepayments for the construction of investment properties and property and equipment.

Leasehold rights mainly consist of the following:

- Through the acquisition of ALLHC, ALI acquired leasehold rights arising from their lease agreement with Philippine National Railways (PNR) which amounted to P2,633.32 million as at June 30, 2024 (as at December 31, 2023 - P2,711.86 million).
- TKPI's leasehold rights pertains to the right to use the property in Apulit Island located in Taytay, Palawan expiring on December 31, 2029 which amounted to P36.7 million as at June 30, 2024 (as at December 31, 2023 - P40.5 million).
- NTDCC's leasehold rights refer to development rights on an 8.3-hectare portion of the MRT Development Corporation, which is located on the North Triangle property, and enabled the Group to develop and construct a commercial center which amounted to P461.2 million as at June 30, 2024 (as at December 31, 2023 - P471.2 million).

Movements in leasehold rights follow:

	June 30, 2024 (Unaudited)	December 31, 2023 (Audited)
Beginning balance	**3,226,493**	3,293,473
Additions	**-**	-
Amortizations	**(92,917)**	(66,980)
Ending balance	**3,133,576**	3,226,493

Deposits - others pertain to various utility deposits and security deposits for leases.

Deferred input VAT pertains to unamortized VAT portion from purchases of capital goods.

Development rights pertain to the saleable and non-saleable development rights acquired by the Parent Company. The non-saleable portion is allocated to the gross floor area of a structure in a particular lot that can be developed in the future. The amortization of development rights is capitalized as additional cost of the structure once the development commences.

Others pertain to prepayments for expenses that are amortized for more than one year.

11. Accounts and Other Payables

The account consists of:

	Note	**June 30, 2024 (Unaudited)**	December 31, 2023 (Audited)
Accounts payable		**121,829,432**	112,906,119
Taxes payable		**22,966,578**	22,798,500
Liability for purchased land		**7,158,842**	7,508,478
Accrued salaries and employee benefits		**4,339,601**	4,575,640
Retentions payable		**4,334,973**	4,109,606
Interest payable		**2,280,845**	2,204,982
Accrued utilities		**2,009,084**	1,870,260
Accrued professional and management fees		**453,253**	1,381,895
Accrued advertising and promotions		**927,505**	927,854
Payable to related parties	17	**704,764**	714,068
Accrued repairs and maintenance		**901,780**	454,402
Dividends payable		**63,222**	63,222
Accrued rentals		**12,320**	9,959
Other accrued expenses		**1,445,105**	2,950,457
		169,427,304	162,475,442

12. Short-term and Long-term Debt

As at June 30, 2024, the short-term debt amounting to P24,808.2 million (As at December 31, 2023 - P16,905.1 million) represents both Peso and foreign currency-denominated bank loans. Philippine Peso-denominated short-term bank loans have a weighted average cost of 5.96% per annum in the first half of 2024 (2023 – 6.00%).

In compliance with Bangko Sentral ng Pilipinas (BSP) rules on directors, officers, stockholders and related interests, certain long-term debt with a carrying value of P2,140.7 million as at June 30, 2024 (As at December 31, 2023 - P2,225.3 million) are secured by real estate mortgages dated September 2, 2014 and March 14, 2016 covering both land and building of the Greenbelt Mall. Net book value of the property amounted to P3,120.7 million as at June 30, 2024 (As at December 31, 2023 – P3,154.5 million), which is accounted as part of the "Investment properties" account (Note 10).

Long-term debt consists of:

	June 30, 2024 (Unaudited)	December 31, 2023 (Audited)
Parent Company:		
Bonds:		
Due 2024	15,000,000	15,000,000
Due 2025	23,250,000	23,250,000
Due 2026	16,000,000	16,000,000
Due 2027	15,000,000	15,000,000
Due 2028	22,075,000	22,075,000
Due 2029	14,000,000	14,000,000
Due 2031	3,000,000	3,000,000
Due 2033	6,925,000	6,925,000

Philippine Peso - denominated long-term loans	79,785,500	80,148,000
US Dollar - denominated long-term loans	3,223,550	3,045,350
	198,259,050	198,443,350
Subsidiaries:		
Bank loans - Philippine-Peso denominated	42,246,563	42,354,825
Bank loans - Malaysian-Ringgit denominated	1,986,155	1,879,516
Bonds	-	-
	44,232,717	44,234,341
	242,491,767	242,677,691
Less: Unamortized transaction costs	1,174,213	1,328,536
	241,317,554	241,349,155
Less: Current portion of long-term debt	29,716,732	18,969,421
Non-current portion of long-term debt	211,600,822	222,379,734

Parent Company

Below is the summary of the outstanding Peso bonds issued by the Parent Company:

Year Issued	Term (Years)	Interest Rate	Principal Amount	Carrying Value		Features
				June 30, 2024	December 31, 2023	
2013	20	6.00%	2,000,000	1,990,235	1,988,884	Fixed rate bond due 2033
2016	10	4.85%	8,000,000	7,979,438	7,982,854	Fixed rate bond due 2026
2016	9.5	4.75%	7,000,000	6,985,102	6,988,347	Fixed rate bond due 2025
2017	10	5.26%	7,000,000	6,987,553	6,988,134	Fixed rate bond due 2027
2019	7	6.37%	8,000,000	7,963,434	7,969,745	Fixed rate bond due 2026
2019	5	4.76%	3,000,000	2,994,548	2,997,913	Fixed rate bond due 2024
2019	7.3	4.99%	1,000,000	977,228	980,137	Fixed rate bond due 2027
2020	5	3.86%	6,250,000	6,223,559	6,229,921	Fixed rate bond due 2025
2021	4	3.63%	10,000,000	9,962,317	9,974,500	Fixed rate bond due 2025
2021	10	4.08%	3,000,000	2,981,812	2,982,644	Fixed rate bond due 2031
2022	6	5.81%	12,000,000	11,934,400	11,938,686	Fixed rate bond due 2028
2022	2	4.40%	12,000,000	11,981,339	11,993,700	Fixed rate bond due 2024
2022	5	6.21%	7,000,000	6,945,597	6,949,588	Fixed rate bond due 2027
2022	7	6.80%	14,000,000	13,874,471	13,879,765	Fixed rate bond due 2029
2023	5	6.03%	10,075,000	9,968,114	9,972,160	Fixed rate bond due 2028
2023	10	6.29%	4,925,000	4,867,407	4,868,480	Fixed rate bond due 2033
Total				114,616,552	114,685,457	

Philippine Rating Services Corporation (PhilRatings) rated the Parent Company’s 2023 and 2022 bond issuances “PRS Aaa” with a stable outlook and maintained the “PRS Aaa” rating with a stable outlook for all other outstanding bonds. PRS Aaa is the highest credit rating possible on PhilRatings’ rating scale for long-term issuances, indicating that the obligor’s capacity to meet its financial commitment on the obligation is extremely strong and that it has the smallest degree of investment risk. A Stable Outlook indicates that the rating is likely to be maintained or to remain unchanged in the next twelve months.

<u>Bonds</u>

Philippine Peso 20-year Bonds due 2033

In October 2013, the Parent Company issued a P2,000.0 million bond due 2033 at a fixed rate equivalent to 6.0% p.a. The Credit Rating and Investors Services Philippines, Inc. (CRISP) assigned a "AAA" rating on the bonds indicating that it has a minimal credit risk owing to the Parent Company’s capacity to repay its debt obligations. AAA is the highest rating assigned by CRISP.

Philippine Peso 7-year and 10-year Bonds due 2026

In March 2016, the Parent Company issued and listed on the PDEx a total of P8,000.0 million bonds due 2026 at a fixed rate equivalent to 4.85% p.a. This is the first tranche of debt securities issued under the Parent Company's 2016 Program. The Bonds were assigned an issue credit rating of PRS Aaa, with a Stable Outlook by PhilRatings. In May 2019, the Parent Company issued and listed on the PDEx P8,000.0 million fixed rate bonds due 2026 at a rate equivalent to 6.37% p.a. The Bonds, the first tranche of Parent Company's 2019 Program, were rated PRS Aaa with a Stable Outlook by PhilRatings.

Philippine Peso 9-year and 6-month Bonds due 2025

In April 2016, the Parent Company issued and listed on the PDEx a total of P7,000.0 million bonds due 2025 at a fixed rate equivalent to 4.75% p.a. The Bonds represent the second tranche of debt securities issued under the Parent Company's 2016 Program. The Bonds were assigned an issue credit rating of PRS Aaa, with a Stable Outlook by PhilRatings.

Philippine Peso 7-year and 3-month and 10-year Bonds due 2027

In May 2017, the Parent Company issued its P7,000.0 million fixed rate bond due 2027 at a rate equivalent to 5.26% p.a. The Bonds, the fourth tranche of the Parent Company's 2016 Program, were listed on the PDEx and were rated PRS Aaa with a Stable Outlook by PhilRatings. In November 2019, the Parent Company issued a P1,000.0 million fixed rate bond due 2027 at a rate equivalent to 4.99% p.a. The Bonds, the third tranche of bonds issued under the Parent Company’s 2019 Program, were rated PRS Aaa with a Stable Outlook by PhilRatings.

Philippine Peso 5-year Bonds due 2024

In September 2019, the Parent Company issued and listed on the PDEx its P3,000.0 million bonds due 2024 at a fixed rate equivalent to 4.76% p.a. The Bonds represent the second tranche of debt securities issued under the Parent Company's 2019 Program and were rated PRS Aaa with a Stable Outlook by PhilRatings.

Philippine Peso 5-year Bonds due 2025

In September 2020, the Parent Company issued and listed on the PDEx its P6,250.0 million fixed rate bonds due 2025 at a rate equivalent to 3.86% p.a. The Bonds represent the fifth tranche of debt securities issued under the Parent Company's 2019 Program. The Bonds were rated PRS Aaa with a Stable Outlook by PhilRatings.

Philippine Peso 4-year Bonds due 2025

In May 2021, the Parent Company issued and listed on the PDEx its P10,000.0 million fixed rate bonds due 2025 at a rate equivalent to 3.63% p.a. The Bonds represent the sixth tranche of debt securities issued under the Parent Company's 2019 Program. The Bonds were rated PRS Aaa with a Stable Outlook by PhilRatings.

Philippine Peso 10-year Bonds due 2031

In October 2021, the Parent Company issued a total of P3,000.0 million bonds due 2031 at a fixed rate equivalent to 4.08% p.a. and subject to repricing on October 26, 2026, the fifth anniversary of the Issue Date, at the higher of 4.08% p.a. or the prevailing 5-year benchmark plus 70 bps. The offering which was listed on the PDEX is composed of P2,750.0 million issued as the first tranche of Parent Company's 2021 Program while P250.0 million representing the seventh tranche of debt securities were issued under the Company’s 2019 Program. The Bonds were assigned an issue credit rating of PRS Aaa, with a Stable Outlook by PhilRatings. The Parent Company exercised the call option and the bonds were fully redeemed in April 2023.

Philippine Peso 6-year Bonds due 2028

In May 2022, the Parent Company issued a total of P12,000.0 million bonds due 2028 at a fixed rate equivalent to 5.81% p.a. The offering is composed of P9,500.0 million as the second tranche of debt securities issued under the Parent Company's P50,000.0 million Debt Securities Program registered and rendered effective by the SEC on October 11, 2021 (the “2021 Program”) while P2,500.0 million represent the eighth and final tranche of debt securities that were issued under the 2019 Program. The Bonds were listed on the PDEx and were assigned an issue credit rating of PRS Aaa, with a Stable Outlook by PhilRatings.

Philippine Peso 2-Year, 5-Year and 7-year Bonds due 2024, 2027 and 2029

In July 2022, the Parent Company issued a total of P33,000 million fixed rate bonds, broken down into P12,000.0 million bonds due 2024 at a rate equivalent to 4.40% p.a., P7,000.0 million bonds due 2027 at a rate equivalent to 6.21% p.a. and a P14,000.0 million bond due 2029 at a rate equivalent to 6.80% p.a. The offering is the third tranche of debt securities issued under the Parent Company's 2021 Program. The Bonds were listed on the PDEx and were assigned an issue credit rating of PRS Aaa, with a Stable Outlook by PhilRatings.

Philippine Peso 5-Year and 10-year Bonds due 2028 and 2033

In June 2023, the Parent Company issued a total of P15,000 million fixed rate bonds, broken down into P10,075.0 million bonds due 2028 at a rate equivalent to 6.03% p.a. and P4,925.0 million bond due 2033 at a rate equivalent to 6.29% p.a. The offering is composed of P4,750.0 million issued as the fourth and final tranche of the Parent Company's 2021 Program while P10,250.0 million representing the first tranche of debt securities issued under the Company’s 2023 Program. The Bonds were listed on the PDEx and were assigned an issue credit rating of PRS Aaa, with a Stable Outlook by PhilRatings.

Philippine Peso - denominated Long-term Loans

In March 2017, the Parent Company executed a P10,000.0 million long-term facility with a domestic bank, in which the Parent Company had simultaneously drawn an initial P5,000.0 million. The balance of P5,000.0 million was drawn in April 2017. The loan carries a fixed interest rate of 4.95% p.a. and a term of 10 years. As at June 30, 2024, the remaining balance of long-term facility amounted to P8,725.0 million (2023 - P8,875.0 million).

In March 2018, the Parent Company executed a P5,000.0 million long-term facility with a domestic bank, in which the Parent Company had simultaneously drawn the entire facility amount. As at June 30, 2024, the remaining balance of long-term facility amounted to P4,687.5 million (2023 - P4,712.5 million).

In January 2020, the Parent Company executed and availed a P5,000.0 million 10-year long-term facility with a domestic bank. The loan carries a fixed interest rate of 4.50% p.a. for the initial 5 years. In December 2020, the Parent Company also executed and availed a P10,000.0 million 10-year long-term facility with a domestic bank. The loan carries a fixed interest rate of 4.0% p.a. for the first 7 years. Both loans will be repriced on the 5th and 7th anniversary. As at June 30, 2024, the remaining balance of the loans amount to P4,887.5 million (2023 - P4,912.5 million) and P9,272.0 million (2023 - P9,376.0 million), respectively.

In 2021, the Company originated a total of P37,000 million in long-term financing with various domestic banks. In July 2021, the Company availed a P10,000.0 million 10-year long-term facility which carries a fixed interest rate of 3.88% p.a. for the initial 5 years. In August 2021, the Company executed a P5,000.0 million 10-year long-term facility which carries a fixed interest rate of 3.88% p.a. for the initial 5 years. Another P4,900.0 million 6-year long- term facility was drawn in October 2021 at an interest rate of 3.78% p.a. for the initial 3 years. In October 2021, the Company executed a P5,000.0 million 10-year long-term facility which carries a fixed interest rate of 3.75% p.a. for the initial 5 years. In November 2021, the Company also executed a P5,000.0 million 9-year long-term facility which carries a fixed interest rate of 3.95% p.a. for the initial 5 years. In December 2021, the Company executed a P7,100.0 million 8-year long-term facility which carries a fixed interest rate of 3.87% p.a. for the initial 3 years. As at June 30, 2024, the outstanding balance of the loans amount to P36,950.0 million (2023 - P37,000.0 million).

On December 16, 2021, the SEC approved and made effective the merger of Cebu Holdings, Inc. (CHI), Asian-I Office Properties (AiO), Arca South Commercial Ventures Corp. (ASCVC) and Central Bloc Developers, Inc. (CBDI) with and into ALI, with ALI as the surviving entity (the "Merger"). ALI became the surviving entity in the Merger and thus, shall possess all the rights, privileges and immunities of CHI, AiO, ASCVC and CDBI (the "Absorbed Corporations"), and all properties and liabilities, and all and every other interest of or belonging to the Absorbed Corporations were taken and deemed transferred to ALI without further act or deed. With that, the Parent Company assumed an aggregate of P914.1 million long-term facilities of AiO from a domestic bank. As at June 30, 2024, the remaining balance of long-term facilities amounted to P263.5 million (2023 - P272.0million).

In 2023, the Company originated a total of P15,000 million 10-year long-term financing with various domestic banks. The loans carry a floating interest rate and contain a one-time option to shift from a floating rate to a fixed rate available for one or two years from initial availment. In April 2023, the Parent Company executed and availed a P5,000.0 million 10-year long-term facility with a domestic bank which carries a floating interest rate equivalent to the higher of (i) 3-month BVAL plus 45 bps, (ii) BSP Overnight Reverse Repurchase Agreement Rate, and (iii) floor rate of 2.75% p.a., with one time option to convert all or a portion of Fixed to Floating or vice versa. In October 2023, the Company executed a P5,000.0 million 10-year long-term facility which carries a floating interest rate of 6.42%, with one time option to convert all or a portion of Fixed to Floating or vice versa. In November 2023, the Company executed another P5,000.0 million 10-year long-term facility which carries a floating interest rate of 6.49%, with one time option to convert all or a portion of Fixed to Floating or vice versa. As at June 30, 2024 and 2023, the remaining balance of the long-term facilities amount to P15,000.0 million.

As at June 30, 2024, the remaining aggregate balance of the Philippine Peso-denominated long-term loans amounted to P79,785.5 million (2023 - P80,148 million).

US Dollar-denominated Long-term Loans

In November 2019, the Parent Company executed and had simultaneously drawn a US$125.0 million long-term facility. The loan bears a floating interest rate based on a credit spread over the three-month US Dollar London Interbank Offered Rate (LIBOR), repriceable quarterly. All proceeds were lent to MCT to refinance its existing loans. The loan will mature on the fifth anniversary of the initial drawdown date. The Parent Company initiated a partial payment of US$70.0 million in November 2022.

The remaining US$55.0 million was repriced in 2022 by transitioning out of the LIBOR-based dollar loan pricing ahead of its cessation on June 30, 2023 by shifting to a two-year US$ fixed rate of 3.95% (net of 10% onshore tax).

As at June 30, 2024, the remaining aggregate balance of US Dollar-denominated long term loans amounted to P3,223.6 million (2023 - P3,045.4 million).

Subsidiaries

The subsidiaries' loans will mature on various dates up to 2033. Philippine Peso-denominated loans bear various floating interest rates at 45 bps to 90 bps spread over the benchmark 90-day PHP BVAL Reference Rate (previously PDST-R2) and/or fixed interest rates ranging from 4.25% to 6.80% p.a. Certain loans which are subject to floating interest rates are subject to floor floating interest rates equivalent to (i) Overnight Reverse Repurchase Agreement Rate of the Bangko Sentral ng Pilipinas (BSP ORRP) or (ii) 95.0% or par of the BSP ORRP or (ii) the BSP ORRP plus a spread of 10 bps to 75 bps p.a. or (iii) the average of the BSP ORRP and Term Deposit Facility with a term close to the 90-day interest period.

In the first half of 2024, the subsidiaries made no bank loan availment (In full year 2023 - P9,725.0 million). As at June 30, 2024, the subsidiaries paid a total bank loan of P236.0 million (As at December 31, 2023 – P4,664.4 million). The total outstanding balance of the subsidiaries' loans as at June 30, 2024 amounted to P44,232.7million (As at December 31, 2023 – P44,234.3 million).

The loan agreements contain some or all of the following restrictions: material changes in nature of business; maintenance of debt-to-equity ratio; payment of dividends and additional loans maturing beyond a year which will result in non-compliance of the required debt-to-equity ratios; merger or consolidation where the Company/subsidiary is not the surviving corporation; guarantees or advances; encumbrance for borrowed money; and sale of substantially all assets. These restrictions and requirements were complied with by the Group as at June 30, 2024 and 2023.

In the first six months of 2024, the interest capitalized amounted to P396.13 million (2023 – P230.32 million). The capitalization rates are 4.96% to 6.04% in 2024 (2023 – 4.39% to 59.8%.

In the first six months of 2024, there were no transaction cost capitalized (2023 – P184.6 million). Amortization amounted to P145.3 million (2023 – P185.8 million) and included under “Interest and other financing charges”.

The Group is required to maintain a debt-to-equity ratio not exceeding 3:1. The Group has complied with the debt covenant as at June 30, 2024 and as at December 31, 2023.

13. Deposits and Other Current Liabilities

This account consists of:

	June 30, 2024 (Unaudited)	December 31, 2023 (Audited)
Current portion of customers’ deposits	**29,740,087**	29,988,271
Security deposits	**3,528,129**	3,065,471
Others	**1,402,420**	1,078,242
	34,670,636	34,131,984

Customers’ deposits consist of collections from real estate customers who have not reached the 10% threshold to qualify for revenue recognition and excess of collections over the recognized receivable based on percentage of completion.

Security deposits are equivalent to three to six months’ rent of tenants with cancellable lease contracts and whose lease term will end in the succeeding year. These will be refunded to the lessees at the end of the lease term or be applied to the last months' rentals on the related contracts.

Other current liabilities mainly pertain to accrued project costs and unearned income.

14. Deposits and Other Non-current Liabilities

This account consists of:

	June 30, 2024 (Unaudited)	December 31, 2023 (Audited)
Deposits	**16,564,634**	14,745,702
Customers’ deposits, net of current portion	**10,035,555**	9,289,576
Liability for purchased land	**6,737,299**	7,043,929
Retentions payable	**5,147,973**	4,905,747
Contractors’ payable	**5,809,064**	4,629,579
Deferred output VAT	**537,521**	768,641
Subscriptions payable	**507,550**	507,550
Other liabilities	**205,287**	748,057
	45,544,883	42,638,781

Deposits include security deposits from tenants of retail and office spaces and deferred credits arising from the sale of real estate properties. Security deposits are equivalent to three (3) to six (6) months’ rent of long-term tenants with non-cancellable leases. This will be refunded to the lessees at the end of the lease term or be applied to the last months' rentals on the related contracts. Deferred credits pertain to advances from buyers of real estate properties to cover various processing fees including, but not limited to, fees related to title transfers such as registration fees, documentary taxes, and transfer taxes. Payments made by the Group for the processing of title are charged to this account.

Customers' deposits consist of excess collections over the recognized receivables based on the percentage of completion.

Contractors' payable represents estimated liability on property development.

Retention payable pertains to the amount withheld by the Group on contractor's billings to be released after the guarantee period, usually one (1) year after the completion of the project or upon demand. The retention serves as a security from the contractor should there be defects in the project.

Liability for purchased land pertains to the portion of unpaid unsubdivided land acquired during the year. These are normally payable in quarterly or annual installment payments within three (3) or five (5) years.

The Group's subscription payable pertains to ALLHC's investment in Cyber Bay. Other liabilities include non-trade payables, accrued payables, and warranty payables.

15. Equity

Capital Stock

The Board of Directors, at its regular meeting held on Feb 21, 2023, approved the decrease in the Authorized Capital Stock (ACS) by P62.40 million, from P21,500.00 million to P21,437.60 million, through the retirement of the redeemed voting preferred shares as of January 31, 2023, and any additional redeemed voting preferred shares until April 25, 2023, as well as the corresponding amendment of the Seventh Article of our Articles of Incorporation.

The decrease in ACS and the amendment of the Seventh Article was approved by the stockholders during the annual stockholders meeting held on April 26, 2023.

Treasury Shares

During the first six months of 2024, Ayala Land, Inc. (ALI) purchased a total of 169,882,500 common shares at an average price of P28.55/share for a total consideration of P4,849.56 million under its share buyback program.

The Board of Directors, at its special meeting held on March 12, 2024, approved the retirement of 1,374,477,380 common Treasury Shares arising from the internal mergers as follows:

a. 883,171,005 Treasury Shares arising from the merger with wholly owned entities, subject to regulatory approvals on the merger and issuance of shares.

b. 491,306,375 Treasury Shares arising from the merger with Cebu Holdings, Inc. and its former subsidiaries, Asian I-Office Properties, Inc., Arca South Commercial Ventures Corp. and Central Block Developers, Inc.

Declaration of Cash Dividends

On February 20, 2024 the Board of Directors during its meeting approved the declaration of cash dividends of P0.2050 per outstanding common share. The cash dividend was paid on March 21, 2024, to stockholders of common shares as of record date March 5, 2024.

On May 28, 2024, the Board of Directors, approved the declaration of cash dividends to all stockholders of unlisted voting preferred shares of P0.0063 per share, equivalent to a dividend rate of 6.33% per annum. The cash dividends were paid on June 25, 2024 to stockholders on record as of June 11, 2024.

Employee Stock Ownership Plan

On February 20, 2024, the Board of Directors at its regular meeting approved the Company's 2024 stock option program under our Employee Stock Ownership Plan (the "Plan") which authorizes the grant to qualified executives, in accordance with the terms of the Plan, of stock options covering up to a total of 18,542,878 common shares at a subscription price of Php28.82 per share, which is the average price of common shares at the Philippine Stock Exchange over the last 30-day trading period as of February 13, 2024, less a prescribed discount.

On February 21, 2023, the Board of Directors at its regular meeting approved the Company's 2023 stock option program under our Employee Stock Ownership Plan (the "Plan") which authorizes the grant to qualified executives, in accordance with the terms of the Plan, of stock options covering up to a total of 20,200,407 common shares at a subscription price of Php24.68 per share, which is the average price of common shares at the Philippine Stock Exchange over the last 5-day trading period as of February 13, 2023.

Equity Reserve

On January 26, 2024, Ayala Land, and its wholly-owned subsidiaries, AyalaLand Offices, Inc. and Glensworth Development, Inc. sold an aggregate of 181,000,000 common shares of AREIT at a transaction price of P31.10/share, equivalent to P5.63 billion, in relation to its property-for-share swap transaction with AREIT. Impact to equity reserves amounted to P3.71 billion.

On May 20, 2024, ALI, and its wholly-owned subsidiary, Westview Commercial Ventures Corp., sold an aggregate of 98,000,000 common shares of AREIT at a transaction price of P32.45/share, equivalent to P3.18 billion, in relation to its property-for-share swap transaction with AREIT. Impact to equity reserves amounted to P2.18 billion.

Cumulative Translation Adjustment

The cumulative translation adjustments represent exchange differences arising from the translation of financial statements of the foreign operations, whose functional currency is other than Philippine Peso.

16. Business Combinations and Acquisition of Non-Controlling Interests

On January 19, 2024, the SEC approved the merger of Northeastern Commercial Corp. (NECC) and Bay City Commercial Ventures Corp. (Bay City) with Bay City as the surviving entity.

On January 31, 2024, the SEC approved the merger of BGWest Properties, Inc. (BGW), BGNorth Properties, Inc. (BGN) and BGSouth Properties, Inc. (BGS) with BGW as the surviving entity

On March 14, 2024, Alveo Land Corp. acquired 1,370,400 common shares and 6,589,600 preferred shares of Portico Land Corp from the remaining investor. The acquisition is accounted as involving entities under control. As a result, Portico became a wholly owned subsidiary.

On April 25, 2024, the stockholders of Ayala Land during the Annual Stockholders' Meeting approved the Plan of Merger of the Ayala Land (ALI) and at most 34 entities that are wholly owned directly by ALI, or through AyalaLand Estates, Inc. and AyalaLand Hotels and Resorts Corp., with the ALI as the surviving entity, and the execution of all documents and performance of all acts, including the effective waiver/denial of pre-emptive rights of stockholders for the purpose of implementing the proposed merger, as approved by the Board of Directors on March 12, 2024.

17. Related Party Transactions

Parties are related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control or common significant influence which include affiliates.

Terms and Conditions of Transactions with Related Parties

In its regular conduct of business, the Group has entered into transactions with associates and other related parties principally consisting of advances and reimbursement of expenses, purchase, and sale of real estate properties, construction contracts, development, management, underwriting, marketing, leasing, and administrative service agreements.

Transactions with related parties are made at normal market prices. There have been no guarantees provided or received for any related party receivables or payables. The Group does not provide any allowance relating to receivables from related parties. This assessment is undertaken each financial year by examining the financial position of the related parties and the markets in which the related parties operate.

The following provides the total amount of transactions that have been entered into with the related party for the relevant financial year:

a. Transactions with BPI, an associate of AC

As of June 30, 2024, and December 31, 2023, the Group maintains current and savings account, money market placements, and short/long-term debt payable with BPI detailed as follows:

(In Thousands)	**June 30, 2024 Unaudited**	December 31, 2023 Audited
Cash in bank	**6,038,557**	4,673,399
Cash equivalents	**1,903,303**	999,294
Marketable Securities	**438,845**	206,772
Short-term debt	**4,835,000**	8,800,000
Long-term debt	**2,140,713**	2,225,325

b. Outstanding balances from/to related parties

	Receivables from Related Parties		**Payables to Related Parties**	
In Thousands	**June 2024 Unaudited**	December 2023 Audited	**June 2024 Unaudited**	December 2023 Audited
Ayala Corp.	**69,707**	85,127	**151,324**	151,401
Associates	**6,796,510**	5,010,288	**398,552**	376,387
Other Related Parties:				
Globe Telecom, Inc.	**240,769**	234,460	**8,370**	9,648
Bank of the Philippine Islands	**484,164**	557,321	**18,831**	32,252
Columbus	**42,922**	42,922	**–**	–
Manila Water Philippine Ventures, Inc.	**–**	137,942	**–**	42,735
Manila Water Company Inc	**–**	231,022	**–**	32,189
Others	**499,004**	238,731	**127,687**	69,456
	1,266,859	1,442,398	**154,888**	186,280
	8,133,076	6,537,813	**704,764**	714,068

c. Revenues and expenses from/to related parties

In Thousands	Revenues from Related Parties		Expenses from Related Parties	
	June 2024 Unaudited	June 2023 Unaudited	**June 2024 Unaudited**	June 2023 Unaudited
Ayala Corp.	**2,736**	1,798	**5,111**	8,171
Associates	**2,256,558**	1,418,392	**116,878**	97,304
Other Related Parties:				
Bank of the Philippine Islands	**475,381**	552,286	**30,675**	148,144
AG Counselors Corp	**-**	-	**41,395**	14,169
Globe Telecom, Inc.	**53,626**	51,478	**38,358**	64,761
Innove Communications	**6,199**	4,948	**51,155**	50,077
Manila Water Company, Inc.	**45,857**	155,577	**203,387**	202,640
Manila Water Philippine Ventures, Inc.	**4,000**	94,040	**180,131**	188,479
Laguna AAA Waterworks Corp.	**750**	750	**13,374**	5,506
Michigan Holdings, Inc.	**–**	601	**–**	–
Others	**78,807**	147626	**114,652**	378,040
	664,620	1,007,306	**673,127**	1,051,816
	2,923,914	2,427,496	**795,116**	1,157,291

18. Financial Risk Management Objectives and Policies

The Group's principal financial instruments comprise cash and cash equivalents, short-term investment, financial assets at FVPL, AFS quoted and unquoted equity securities, investments in bonds, bank loans, corporate notes, and bonds. The financial debt instruments were issued primarily to raise financing for the Group's operations. The Group has various financial assets such as trade receivables and trade payables which arise directly from the conduct of its operations.

Exposure to credit, liquidity, interest rate, currency, and equity risks arise in the normal course of the Group's business activities. The main objectives of the Group's financial risk management are as follows:

- to identify and monitor such risks on an ongoing basis;
- to minimize and mitigate such risks; and
- to provide a degree of certainty about costs.

The use of derivative financial instruments, if any, is solely for the management of the Group's financial risk exposures. It is the Group's policy not to enter into derivative transactions for speculative purposes.

The Group's financing and treasury function operate as a centralized service for managing financial risks and activities as well as providing optimum investment yield and cost-efficient funding for the Group.

There were no changes in the Group's financial risk management objectives and policies as of June 30, 2024.

<u>Credit risk</u>

Credit risk is a risk that a counterparty will not meet its obligation under a financial instrument or customer contract leading to a financial loss. The Group's credit risks are primarily attributable to installments receivable, rental receivables, and other financial assets. To manage credit risk, the Group maintains defined credit policies and monitors its exposure to credit risk on a continuous basis.

In respect of installments receivable from the sale of properties, credit risk is managed primarily through credit reviews and an analysis of receivables on a continuous basis. The Group also undertakes supplemental credit review procedures for certain installment payment structures. The

Group's stringent customer requirements and policies in place contribute to lower customer default than its competitors. Customer payments are facilitated through various collection modes including the use of postdated checks and auto-debit arrangements.

Exposure to bad debts is not significant as title to real estate properties are not transferred to the buyers until full payment has been made and the requirement for remedial procedures is minimal given the profile of the buyers. Also, to the extent allowed by regulations, certain payments are not returned which minimizes exposure to bad debts.
Credit risk arising from rental income from leasing properties is primarily managed through a tenant selection process. Prospective tenants are evaluated on the basis of payment track record and other credit information. In accordance with the provisions of the lease contracts, the lessees are required to deposit with the Group security deposits and advance rentals which helps reduce the Group's credit risk exposure in case of defaults by the tenants. For existing tenants, the Group has put in place a monitoring and follow-up system. Receivables are aged and analyzed on a continuous basis to minimize credit risk associated with these receivables. Regular meetings with tenants are also undertaken to provide opportunities for counseling and further assessment of paying capacity. The amount of exposure from bad debts is minimized to the extent of the advance rentals and security deposits from the tenants.

Other financial assets are comprised of cash and cash equivalents excluding cash on hand, short term investments, financial assets at FVTPL and financial assets at FVOCI. The Group adheres to fixed limits and guidelines in its dealings with counterparty banks and its investment in financial instruments. Bank limits are established on the basis of an internal rating system that principally covers the areas at liquidity, capital adequacy and financial stability. The rating system likewise makes use of available international credit ratings. Given the high credit standing of its accredited counterparty banks, management does not expect any of these financial institutions to fail in meeting their obligations. Nevertheless, the Group closely monitors developments over counterparty banks and adjusts its exposure accordingly while adhering to pre-set limits.

The Group has an active intercompany lending program and intercompany receivable that are short term. To minimize credit exposures, the Group assesses the financial capacity of the affiliated entities and operating cash flows.

The Group's maximum exposure to credit risk as at June 30, 2024 and December 31, 2023 is equal to the carrying values of its financial assets.

Liquidity risk

Liquidity risk is defined by the Group as the risk of losses arising from funding difficulties due to deterioration in market conditions and/or the financial position of the Group that makes it difficult for the Group to raise the necessary funds or that forces the Group to raise funds at significantly higher interest rates than usual.

This is also the possibility of experiencing losses due to the inability to sell or convert marketable securities into cash immediately or in instances where conversion to cash is possible but at a loss due to wider than normal bid-offer spreads.

The Group employs scenario analysis and contingency planning to actively manage its liquidity position and guarantee that all operating, investing and financing needs are met. The Group has come up with a three-layered approach to liquidity through the prudent management of sufficient cash and cash equivalents, the potential sale of accounts receivables and the maintenance of short-term revolving credit facilities.

Cash and cash equivalents are maintained at a level that will enable it to fund its general and administrative expenses as well as to have additional funds as buffer for any opportunities or emergencies that may arise. Management develops viable funding alternatives through a continuous program for the sale of its receivables and ensures the availability of ample unused short-term revolving credit facilities from both local and foreign banks as back-up liquidity.

The Group ascertains that its cash is invested in short-term bank placements and special deposit accounts, as well as in high-quality and marketable government and corporate securities.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Group's interest rate risk management policy centers on reducing the overall interest expense and exposure to changes in interest rates. Changes in market interest rates relate primarily to the Group's interest-bearing debt obligations with floating interest rate as it can cause a change in the amount of interest payments.

The Group manages its interest rate risk by lever on its premier credit rating and increasing the fixed interest component of its debt portfolio.

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The financial instruments and credit facilities of the Group, as well as major contracts entered into for the purchase of raw materials, are mainly denominated in Philippine Peso.

Equity price risk

Quoted financial assets at FVOCI are acquired at a certain price in the market. Such investment securities are subject to price risk due to changes in market values of instruments arising either from factors specific to individual instruments or their issuers or factors affecting all instruments traded in the market. Depending on several factors such as interest rate movements, country's economic performance, political stability, and domestic inflation rates, the changes in price reflect how market participants view the developments.

The Group's market risk policy requires it to manage such risks by setting and monitoring objectives and constraints on investments; diversification plan; limits on investment in each country, sector and market.

Quoted financial assets at FVTPL pertain to investment in UITF (Fund). The Fund, which is structured as a money market UITF, aims to generate liquidity and stable income by investing in a diversified portfolio of primarily short-term fixed income instruments.

Fair Value Information

The methods and assumptions used by the Group in estimating the fair value of the financial instruments are as follows:

Cash and cash equivalents, short-term investments and current receivables, accounts and other payables and short-term debt - Carrying amounts approximate their fair values due to the relatively short-term maturities of these financial instruments.

Financial assets at FVTPL - These are investments in funds. Fair value of the funds is based on net asset values as at reporting date.

Financial assets at FVOCI quoted equity securities - fair values are based on quoted prices published in markets.

Financial assets at FVOCI unquoted equity securities - fair values are based on the latest selling price available.

Liabilities - The fair value of non-current unquoted instruments (long-term debt and deposits) are estimated using the discounted cash flow methodology using the Group's current incremental borrowing rates (IBR) for similar borrowings with maturities consistent with those remaining for the liability being valued. The discount rates used ranged 5.6% to 6.8% as at June 30, 2024 (as at December 31, 2023 – 5.1% to 11.5%). The fair value of non-current unquoted debt instruments with floating rates are estimated using discounted cash flow - last repricing method.

Non-current accounts and notes receivables - The fair values of residential, commercial and office development accounts and notes receivable, and receivable from employees, are based on the discounted value of future cash flows using the applicable rates for similar types of instruments.

19. Fair Value Hierarchy

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

Level 1. Quoted (unadjusted prices) in active markets for identical assets and liabilities

Level 2. Other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

Level 3. Techniques that use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

The Group categorizes trade receivables, receivables from employees, long-term debt and deposits, and other noncurrent liabilities under level 3.

The fair value of these financial instruments is determined by discounting future cash flows using the applicable rates of similar types of instruments plus a certain spread. This spread is the unobservable input and the effect of changes to this is the higher spread, the lower the fair value.

There have been no reclassifications from level 1 to Level 2 categories on June 30, 2024 and December 31, 2023.

	As of June 30, 2024		As of December 31, 2023	
	Carrying Value	**Fair Value**	Carrying Value	Fair Value
Financial assets at FVTPL	**668,778**	**668,778**	419,802	419,802
Financial assets at FVOCI				
Unquoted equity securities	**627,181**	**627,181**	627,181	627,181
Quoted equity securities	**548,582**	**548,582**	372,064	372,064
	1,844,541	**1,844,541**	1,419,047	1,419,047
Financial assets at amortized cost				
Cash and cash equivalents	**19,871,004**	**19,871,004**	17,066,330	17,066,330
Short-term investments	**112,289**	**112,289**	333,610	333,610
Non-current trade residential, commercial and office development	**66,519,264**	**66,366,509**	57,090,311	56,344,737
Receivable from employees	**1,058,606**	**1,058,606**	1,048,211	1,007,201
Accounts and notes receivables	**112,227,835**	**112,227,835**	105,530,428	105,530,428
Other current assets	**76,124,054**	**76,124,054**	80,290,824	80,290,824
	275,913,052	**275,760,297**	261,359,714	260,573,130
Other financial liabilities				
Short-term debt	**24,808,201**	**24,808,201**	16,905,106	16,905,106
Accounts and other payables	**169,427,303**	**169,427,303**	162,475,441	162,475,441
Lease liabilities	**18,070,477**	**18,070,477**	18,522,623	18,522,623
Long-term debt	**241,317,554**	**241,599,503**	241,349,155	219,856,402
Deposits and other liabilities	**45,007,362**	**47,471,741**	76,002,124	76,002,124
	498,630,897	**501,377,225**	515,254,449	493,761,696

The following table provides the fair value hierarchy of the Group's financial assets which are measured at fair value as of June 30, 2024 and December 31, 2023:

2024

	As of June 30, 2024			
	Fair value measurement using			
	Level 1	**Level 2**	**Level 3**	**Total Fair Value**
Financial assets at FVTPL				
Investment in Unit				
Investment Trust Fund (UITF)	**-**	**488,102**	**-**	**488,102**
Investment in ARCH				
Capital Fund	**-**	**-**	**180,676**	**180,676**
	-	**488,102**	**180,676**	**668,778**
Financial assets at FVOCI				
Shares of stock				
Quoted	**501,251**	**-**	**-**	**501,251**
Unquoted	**-**	**2,800**	**671,712**	**674,512**
	501,251	**2,800**	**671,712**	**1,175,763**
	501,251	**490,902**	**852,388**	**1,844,541**

2023

	As of December 31, 2023			
	Fair value measurement using			
	Level 1	Level 2	Level 3	Total Fair Value
Financial assets at FVTPL				
Investment in Unit				
Investment Trust Fund (UITF)	-	228,674	-	228,674
Investment in ARCH				
Capital Fund	-	-	191,128	191,128
	-	228,674	191,128	419,802
Financial assets at FVOCI				
Shares of stock				
Quoted	460,481	-	-	460,481
Unquoted	-	2,800	658,687	661,488
	460,481	2,800	658,687	1,121,969
	460,481	231,474	849,815	1,541,771

20. Condensed Consolidated Statement of Cash Flows

Disclosed below is the roll-forward of liabilities under financing activities:

(In Thousands)	**Dec. 31, 2023 Audited**	**Cash Flows**	**Acquisition**	**Non-Cash Changes**	**FOREX Movement**	**June 30, 2024 Unaudited**
Short-term debt	16,905,107	7,903,094	–	–	–	24,808,201
Current Portion of Long-term debt	18,939,421	10,747,311	–	–	–	29,716,732
Long-term debt-net of current portion	222,379,734	(11,111,435)	–	154,323	178,200	211,600,822
Dividends Payable	63,222	(3,141,888)	–	3,141,888	–	63,222
Lease liabilities	18,522,623	(1,346,023)	–	893,877	–	18,070,477
Deposits & Other noncurrent liabilities	42,638,781	2,906,102	–	–	–	45,544,883
Total liabilities from financing activities	319,448,888	5,957,161	–	4,190,088	178,200	329,804,337

21. Segment Information

The industry segments where the Group and its associates and joint ventures operate are as follows:

- Property Development - sale of high-end and upper-middle-income residential lots and units, affordable housing units and lots, economic housing and leisure community developments; lease of residential developments under joint venture and the sale of office condominiums, and commercial and industrial lots

- International Business– operations of MCT Bhd., Ayala Land's consolidated subsidiary in Malaysia; also included under Property Development revenues in the Management's Discussion and Analysis Section.

- Shopping Centers - development of shopping centers and lease to third parties of retail space and land therein; operation of movie theaters, food courts, entertainment facilities, and parking areas in these shopping centers; management and operation of malls which are co-owned with partners

- Offices - development and lease of office buildings and the development and lease of factory building

- Hotels and Resorts - development and management of hotels and resorts, lease of land to hotel tenants

- Construction - land development and construction of the Group and third-party projects

- Property management - facilities management of the Group and third-party projects including its power service companies Direct Power Services, Inc. (DPSI), Ecozone Power Management, Inc. (EPMI), Philippine Integrated Energy Solutions, Inc. (PhilEnergy), and air transport company AirSWIFT which serves the requirements of ALI's resorts business

- Others - other income from investment activities and sale of non-core assets

Assets, liabilities, revenues, and expenses of the Strategic Landbank Management and Visayas-Mindanao segment were reallocated to other business segments namely, shopping centers, corporate businesses, and residential developments according to the nature of the products and services provided.

The Company and its subsidiaries generally account for inter-segment sales and transfers as if the sales and transfers were to third parties at current market prices.

The management committee monitors the operating results of its business units separately to make decisions about resource allocation and performance assessment.

Business segments

The following tables regarding business segments present assets and liabilities as of June 30, 2024 and December 31, 2023 and revenue and profit information for each of the first six months in the period ended June 30 (in millions):

2024

	Property Development	International	Shopping Centers	Offices	Hotels and Resorts	Construction	Property Management and Others	Corporate	Intersegment Adjustments	Consolidated
Revenue										
Revenues from contracts with customers	46,649	5,218	–	–	4,953	5,484	2,958	–	–	65,262
Rental revenue	–	–	11,053	6,136	–	–	–	–	–	17,189
Intersegment sales	–	–	–	–	–	18,706	–	–	(18,706)	–
Equity in net earnings of associates and joint ventures	936	–	6	–	–	3	–	–	–	945
Total revenue	47,585	5,218	11,059	6,136	4,953	24,193	2,958	–	(18,706)	83,396
Real estate costs and expenses	31,316	4,335	5,175	1,397	4,113	23,253	5,108	266	(18,516)	56,447
Gross margin (loss)	16,269	883	5,884	4,739	840	940	(2,150)	(266)	(190)	26,949
Interest and investment income										361
Other charges										(565)
Interest and other financing charges										(7,665)
Other income										517
Provision for income tax										(3,881)
Net income										15,716
Net income attributable to:										
Equity holders of Ayala Land, Inc.										13,129
Non-controlling interests										2,587
										15,716
Other Information										
Segment assets	694,910	22,844	226,087	190,401	58,374	48,925	16,001	85,645	(509,320)	833,867
Investment in associates and joint ventures	31,616	–	56	–	–	62	163	–	–	31,897
	726,526	22,844	226,143	190,401	58,374	48,987	16,164	85,645	(509,320)	865,764
Deferred tax assets	1,767	122	2,297	320	431	238	127	3,272	7,536	16,110
Total assets	728,293	22,966	228,440	190,721	58,805	49,225	16,291	88,917	(501,784)	881,874
Segment liabilities	272,391	10,829	97,691	30,940	23,328	35,817	7,805	218,801	(159,900)	537,702
Deferred tax liabilities	3,620	-	283	474	29	6	-	536	3,824	8,772
Total liabilities	276,011	10,829	97,974	31,414	23,357	35,823	7,805	219,337	(156,076)	546,474
Segment additions to:										
Property and equipment	166	55	701	7	605	208	302	6	–	2,050
Investment properties	461	300	10,888	690	17	-	-	-	–	12,356
Depreciation and amortization	370	83	2,478	1,259	439	148	235	125	–	5,137
Non-cash expenses other than depreciation and amortization	–	–	–	–	–	–	–	–	–	–
Impairment losses	12	–	18	28	1	–	5	–	–	64

2023

	Property Development	International	Shopping Centers	Offices	Hotels and Resorts	Construction	Property Management and Others	Corporate	Intersegment Adjustments	Consolidated
Revenue										
Revenues from contracts with customers	34,195	2,313	–	–	4,164	2,689	2,904	–	–	46,265
Interest income from real estate sales	2,223	–	–	–	–	–	–	–	–	2,223
Rental revenue	–	–	10,237	5,795	–	–	–	–	–	16,032
Intersegment sales	–	–	–	–	–	19,116	–	–	(19,116)	–
Equity in net earnings of associates and joint ventures	867	–	7	–	–	(1)	(1)	(1)	–	871
Total revenue	37,285	2,313	10,244	5,795	4,164	21,804	2,903	(1)	(19,116)	65,391
Real estate costs and expenses	25,160	1,588	4,834	1,564	3,674	20,254	4,110	155	(18,690)	42,649
Gross margin (loss)	12,125	725	5,410	4,231	490	1,550	(1,207)	(156)	(426)	22,742
Interest and investment income										217
Other charges										(886)
Interest and other financing charges										(6,718)
Other income										400
Provision for income tax										(2,689)
Net income										13,066
Net income attributable to:										
Equity holders of Ayala Land, Inc.										11,392
Non-controlling interests										1,674
										13,066
Other Information										
Segment assets	601,530	17,932	215,597	162,048	55,712	43,724	15,525	93,377	(455,455)	749,990
Investment in associates and joint ventures	32,830	–	44	–	–	60	166	–	–	33,100
	634,360	17,932	215,641	162,048	55,712	43,784	15,691	93,377	(455,455)	783,090
Deferred tax assets	2,256	66	2,259	330	435	141	100	1,770	7,273	14,630
Total assets	636,616	17,998	217,900	162,378	56,147	43,925	15,791	95,147	(448,182)	797,720
Segment liabilities	230,953	7,582	91,687	26,841	21,149	31,485	7,851	199,078	(133,142)	483,484
Deferred tax liabilities	2,406	–	317	379	–	–	–	(242)	3,839	6,699
Total liabilities	233,359	7,582	92,004	27,220	21,149	31,485	7,851	198,836	(129,303)	490,183
Segment additions to:										
Property and equipment	308	–	1,593	–	163	199	156	23	–	2,442
Investment properties	736	–	2,271	32	–	–	510	–	–	3,549
Depreciation and amortization	316	91	2,189	1,195	434	147	256	113	–	4,741
Non-cash expenses other than depreciation and amortization	–	–	–	–	–	–	–	–	–	–
Impairment losses	–	99	4	28	–	–	–	–	–	131

22. Long-term Commitments and Contingencies

Contingencies

The Group has various contingent liabilities arising in the ordinary conduct of business including a case related to property restriction violation. The estimate of the probable cost for the resolution of this claim has been developed in consultation with outside counsel handling the defense in this matter and is based upon an analysis of potential results. In the opinion of management and its legal counsel the eventual liability under these lawsuits or claims, if any, will not have a material nor adverse effect on the Group's financial position and results of operations. Accordingly, no provision for any liability has been made in the consolidated financial statements.

Disclosures required by PAS 37, *Provisions, Contingent Liabilities and Contingent Assets*, were not provided as it may prejudice the Group's position in ongoing claims and it can jeopardize the outcome of the claims and contingencies.

23. Events After Reporting Date

On July 18, 2024**,** Ayala Land successfully raised P20.5 billion in debt capital through its pioneering Sustainability-Linked Financing (SLF) Program. The funding package includes a P6 billion Sustainability-Linked Bond (SL-Bond) and P14.5 billion Sustainability-Linked Loan (SL-Loan) from the International Finance Corporation (IFC). This initiative marks a first for the Philippine real estate sector, adhering to international guidelines and independently verified by Det Norske Veritas.

The SLF Program aligns ALI's financial commitments with its environmental targets. The interest rates of the SL-Bond and SL-Loan are linked to ALI's performance on key sustainability metrics, including a 42% reduction in emissions from malls, offices, and hotels by 2030, and achieving EDGE Zero Carbon certification for 1.5 million square meters of office properties by 2025. The P6-billion SL-bond has a term of 10 years and is the first of its kind to be offered publicly in the Philippines.

24. Summary of Significant Accounting Policies

Basis of Consolidation

The consolidated financial statements represent the consolidation of the financial statements of the Group as of June 30, 2024 and December 31, 2023.

Control is achieved when the Group is exposed, or has rights, to variable returns from its involvements with the investee and can affect the return through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- power over the investee (i.e., existing rights that give it the current ability to direct the relevant activities of the investee);
- exposure or rights, to variable return from the involvement with the investee; and
- the ability to use its power over the investee to affect its returns.

When the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- the contractual arrangement with the other vote holders of the investee;
- rights arising from the other contractual arrangements; and
- the Groups' voting rights and potential voting rights.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income, and expenses of a subsidiary acquired or disposed of during the year are included or excluded in the consolidated financial statements from the date the Group gains control or until the date the Group ceases to control the subsidiary.

The financial statements of the subsidiaries are prepared for the same reporting period as the Company, using consistent accounting policies. All intra-group balances, transactions, unrealized gains, and losses resulting from intra-group transactions and dividends are eliminated in full.

Non-controlling interests pertain to the equity in a subsidiary not attributable, directly or indirectly to the Parent Company. Any equity instruments issued by a subsidiary that is not owned by the Parent Company are non-controlling interests including preferred shares and options under share-based transactions. The portion of profit or loss and net assets in subsidiaries not wholly-owned are presented separately in the consolidated statement of income, consolidated statement of comprehensive income, consolidated statement of changes in equity, and consolidated statement of financial position, separately from the Parent Company's equity. Non-controlling interests are net of any outstanding subscription receivable.

A change in the ownership interest of a subsidiary, without loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- derecognizes the assets (including goodwill) and liabilities of the subsidiary, the carrying amount of any non-controlling interest, and the cumulative translation differences recorded in equity;
- recognizes the fair value of the consideration received, the fair value of any investment retained and any surplus or deficit in profit or loss; and
- reclassifies the parent's share of components previously recognized in other comprehensive income to profit or loss or retained earnings, as appropriate.

New Standards, Interpretations, and Amendments

The accounting policies adopted in the preparation of the interim condensed consolidated financial statements are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended December 31, 2023, except for the adoption of new standards effective as of January 1, 2024. The Group has not early adopted any standard, interpretation, or amendment that has been issued but is not yet effective.

Unless otherwise indicated, adoption of these new standards did not have an impact on the interim condensed consolidated financial statements of the Group.

- PAS 1, *Presentation of Financial Statements (Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants)*

  Amendments made to PAS 1 Presentation of Financial Statements in 2020 and 2022 clarified that liabilities are classified as either current or non-current, depending on the rights that exist at the end of the reporting period. Classification is unaffected by the entity's expectations or events after the reporting date (e.g. the receipt of a waiver or a breach of covenant).

  The amendments require disclosures if an entity classifies a liability as non-current and that liability is subject to covenants that the entity must comply with within 12 months of the reporting date. The disclosures include:

  - the carrying amount of the liability
  - information about the covenants, and
  - facts and circumstances, if any, that indicate that the entity may have difficulty complying with the covenants.

The amendments also clarify what PAS 1 means when it refers to the 'settlement' of a liability. Terms of a liability that could, at the option of the counterparty, result in its settlement by the transfer of the entity's own equity instrument can only be ignored for the purpose of classifying the liability as current or non-current if the entity classifies the option as an equity instrument. However, conversion options that are classified as a liability must be considered when determining the current/non-current classification of a convertible note.

The amendments must be applied retrospectively in accordance with the normal requirements in PAS 8 Accounting Policies, Changes in Accounting Estimates and Errors. Special transitional rules apply if an entity had early adopted the 2020 amendments regarding the classification of liabilities as current or non-current.

- Amendments to PFRS 16*, 'Lease Liability in a Sale and Leaseback'*

The amendments specify that, in measuring the lease liability subsequent to the sale and leaseback, the seller-lessee determines 'lease payments' and 'revised lease payments' in a way that does not result in the seller-lessee recognising any amount of the gain or loss that relates to the right-of-use that it retains. This could particularly impact sale and leaseback transactions where the lease payments include variable payments that do not depend on an index or a rate.

- Adoption of PIC Q&A 2018-12*, PFRS 15 Implementation Issues Affecting the Real Estate Industry (as amended by PIC Q&As 2020-02 and 2020-04)*

The PIC Q&A provisions pertain to 'Assessing if the transaction price includes a significant financing component as discussed in PIC Q&A 2018-12-D (as amended by PIC Q&A 2020-04).

The Group followed the allowed modified retrospective approach allowing it to adjust the beginning balance of Retained earnings in 2024. The adjustment on the 2024 beginning balance of Retained earnings is a decrease of P114.2 million.

In the first three months of 2024, the Group assessed that the overall impact of the adoption of the requirement of PIC Q&A No. 2018-12 pertaining to significant financing component is not material.

<u>Standards Issued but not yet Effective</u>
Pronouncements issued but not yet effective are listed below. Unless otherwise indicated, the Group does not expect that the future adoption of the said pronouncements will have a significant impact on its consolidated financial statements. The Group intends to adopt the following pronouncements when they become effective.

Effective beginning on or after January 1, 2025

- PFRS 17, Insurance Contracts *(effective January 1, 2025)*

  PFRS 17 was issued in May 2017 as replacement for PFRS 4, Insurance Contracts. PFRS 17 represents a fundamental change in the accounting framework for insurance contracts requiring liabilities to be measured at a current fulfilment value and provides a more uniform measurement and presentation approach for all insurance contracts. It requires a current measurement model where estimates are re-measured each reporting period. Contracts are measured using the building blocks of (1) discounted probability-weighted cash flows, (2) an explicit risk adjustment, and (3) a contractual service margin ("CSM") representing the unearned profit of the contract which is recognized as revenue over the coverage period. The standard allows a choice between recognizing changes in discount rates either in the statement of income or directly in other comprehensive income. The choice is likely to reflect how insurers account for their financial assets under PFRS 9. An optional, simplified premium allocation approach is permitted for the liability for the remaining coverage for short duration contracts, which are often written by non-life insurers. The new rules will affect the financial statements and key performance indicators of all entities that issue insurance contracts or investment contracts with discretionary participation features.

  The IC, in coordination with Philippine Insurers and Reinsurers Association, is currently reviewing the impact of PFRS 17 across the entire industry and has established a project team to manage the implementation approach. The IC, considering the extension of IFRS 17 and the challenges of the COVID-19 pandemic to the insurance industry, has deferred the implementation of PFRS 17 to January 1, 2025, granting an additional two-year period from the date of effectivity proposed by the IASB.

The new standard is not applicable to the Group since none of the entities within the Group has activities that are predominantly connected with insurance or issue insurance contracts.

Item 2 – Management's Discussion and Analysis of the Results of Operation and Financial Condition

<u>Review of 1H 2024 operations vs. 1H 2023</u>

Ayala Land, Inc. (ALI) achieved strong results in the first half of 2024, fueled by robust property demand and consumer activity. ALI posted total revenues of P84.27 billion, 28% higher year-on-year, while net income registered at P13.13 billion, up 15% year-on-year.

Real estate revenues (composed of Property Development, Commercial Leasing, and Services) reached P82.45 billion, representing a 32% increase from last year due to higher residential and commercial lot bookings, additional contracts from external construction projects, and healthy leasing operations.

Capital expenditures totaled P36.51 billion to bolster our residential and commercial projects.

The Company recorded a net gearing ratio of 0.73:1. This was an improvement from 0.75:1 last year as operating cash flows increased and as it continued to manage its debt funding requirements prudently.

Business Segments

The details of the performance of each business segment are as follows:

Property Development. This segment includes sales of residential lots and units, office spaces, commercial and industrial lots, and operations of Avaland Berhad (formerly MCT Bhd), Ayala Land's consolidated subsidiary based in Malaysia. The property development segment increased 42% to P51.87 billion from P36.51 billion, driven by higher residential completions and commercial lot bookings.

Residential. Revenues from sales of residential lots and units and Avaland Berhad's operations reached P43.69 billion, up 49% from P29.33 billion on higher completion and net bookings.

AyalaLand Premier (ALP) recorded revenues of P12.97 billion, up 42% from P9.11 billion in the previous year attributed to higher bookings and incremental Percentage of Completion (POC) of Ciela Phase 1A and Phase 2A at Aera Heights in Carmona, Cavite, and Park Central North Tower at the Makati CBD.

Alveo posted revenues of P10.37 billion, a 48% improvement from P7.00 billion, owing to the higher bookings in Callisto Tower 2 in Circuit, Makati and incremental POC of Verdea in Southmont Silang, Cavite, and Versala in Alviera, Pampanga.

Avida totaled P10.71 billion in revenues, a 38% increase from last year's revenues of P7.76 billion due to higher bookings from Makati Southpoint Tower 1 in Makati City, and Verge Tower 1 in Mandaluyong City and better incremental POC at Avida Parklane Settings Vermosa in Imus, Cavite.

Amaia posted P4.46 billion in revenues, a 42% jump from P3.13 billion, attributed to higher bookings in Skies Avenida Tower 2 in Manila and higher booking and incremental in POC in Steps The Junction Clara and Nova Series in Novaliches, and Skies Shaw Tower 2 in Mandaluyong City.

BellaVita recognized negative revenues of P46 million, a reversal from P16 million revenues recorded in the prior year, due to some cancellations.

Avaland Berhand (formerly MCT Bhd) contributed revenues of P5.22 billion, more than double the P2.31 billion from last year, driven by higher incremental POC and Percentage of Sales (POS) of its projects namely, Alira, Aetas, Casa Embun and Sanderling 1.

Office for Sale. Revenues from sales of office units declined 7% to P1.81 billion as the lower incremental percentage of completion (POC) offset new bookings.

Commercial and Industrial Lots. Revenues from commercial and industrial lot sales jumped by 22% to P6.37 billion. The lot sales were from Laguindingan Technopark, Nuvali and Broadfield estates.

Reservation Sales. Reservation sales in the first semester increased by 17% year-on-year to P68.35 billion, as second-quarter sales grew 15% year-on-year to P35.03 billion, led by the premium and vertical segments. Ayala Land's sales performance for the period translated to a monthly average of P11.4 billion—an acceleration from P9.5 billion in 2023; 61% came from the premium brands ALP and Alveo, while 39% came from the core segment led by Avida. 62% were vertical, and 38% were horizontal projects.

72% of sales were to local Filipinos, amounting to P49.10 billion, 26% higher than last year. Sales to overseas Filipinos were down 4% to P11.45 billion, while sales to other nationalities grew by 5% to P7.81 billion. They account for 17% and 11% of the total, respectively. Of sales to other nationalities, 66% or P4.82 billion were sales to Americans—15% higher year-on-year.

Project Launches. ALI launched new projects worth P33.72 billion, wherein 92% were from premium brands and 52% were horizontal developments. Notable projects launched in the second quarter were ALP's Miravera Phase 2 in Altaraza, Bulacan, Anvaya Seabridge Residences Building A in Bataan; Alveo's Orean Place Tower 3 in Vertis North, Quezon City and South Palmgrove Phase 2 in Lipa, Batangas; and Amaia's Scapes Iloilo Sector 2B.

Commercial Leasing. This segment is also known as leasing and hospitality. It involves operating shopping centers, office buildings, hotels and resorts, standard factory buildings and warehouses, and co-working spaces. Commercial leasing revenues increased by 10% to P22.14 billion owing to the higher occupancy of Ayala Malls Manila Bay, the contribution of One Ayala Mall and Offices, Ayala Triangle Tower Two, Seda Manila Bay, and the higher occupancy of Seda Nuvali and Lio.

Shopping Centers. Shopping center revenues grew by 8% to P11.05 billion due to higher rents and the contribution of Ayala Malls One Ayala. The malls are 89% leased and have a total gross leasable area (GLA) of 2.1 million square meters.

Offices. Office leasing revenues improved by 6% to P6.14 billion from increased occupancy and rents and the contribution of One Ayala Offices and Ayala Triangle Tower Two. The offices are 91% leased and have a total GLA of 1.4 million square meters.

Hotels and Resorts. Hotel and resort revenues accelerated by 19% to P4.95 billion, owing to higher room rates, the contribution of Seda Manila Bay, and the higher occupancy of Seda Nuvali and Lio. This segment has 4,522 rooms.

The hotels and resorts business manages 660 hotel rooms in its international brand segment—312 from Fairmont Hotel and Raffles Residences and 348 from Holiday Inn & Suites, both of which are in the Ayala Center, Makati CBD.

There are 12 Seda Hotels, operating 3,268 rooms—Atria, Iloilo (152 rooms); BGC, Taguig (521); Centrio, Cagayan de Oro (150); Abreeza, Davao (186); Nuvali, Santa Rosa, Laguna (356); Vertis North, Quezon City (438); Capitol Central, Bacolod (154); Lio, Palawan (153); Ayala Center Cebu (301); Seda Residences Ayala North Exchange (293), Central Bloc (214) and Manila Bay (350).

Circuit Corporate Residences in Makati City has 255 rooms.

El Nido Resorts operates 187 rooms from its four island resorts—Pangulasian, Lagen, Miniloc, and Apulit. The Lio Tourism Estate currently has 50 rooms under its Bed and Breakfast (B&B) and Dormitel offerings, while the Sicogon Tourism Estate in Iloilo currently has 102 B&B rooms.

Services. This segment is composed of the Company's construction business through Makati Development Corporation (MDC), property management through Ayala Property Management Corporation (APMC), and other companies engaged in power services such as Direct Power Services, Inc. (DPSI) and Philippine Integrated Energy Solutions, Inc. (PhilEnergy) and airline for the hotels and resorts business, AirSWIFT. Total revenues registered a 51% growth to P8.44 billion on account of higher bookings from external projects, airline sales, and stable property management fees.

Construction. MDC posted net construction revenues of P5.48 billion, double last year's level, given the contribution of its external projects.

Property Management, AirSWIFT, and Others. APMC, AIRSWIFT, and power service companies' combined revenues grew by 2% to P2.96 billion due to higher airline sales and property management fees.

Equity in Net Earnings of Investees, Interest, Fees, Investment, and Other Income

Equity in net earnings from associates and joint ventures grew by 9% to P945 million as FBDC companies, the ALI-ETON joint venture, and Ortigas Land recorded higher earnings.

Interest and investment income for the semester declined 85% to P361 million, with the Company's adoption of PFRS 15 Implementation Issues Affecting the Real Estate Industry in relation to the PIC Q&A 2018-12-D regarding significant financing component. Netting out the impact of the adoption, this account increased 66% reflecting higher yields generated from short-term investments and cash deposits.

Other income generated from marketing and management fees from joint ventures amounted to P517 million, a 29% increase year-on-year due to higher management fees earned from FBDC companies and ALI-ETON.

Expenses

Expenses grew by 29%, amounting to P64.68 billion. Real estate expenses totaled P51.90 billion, up 35%, while general and administrative costs increased by 10% to P4.55 billion. Consequently, the GAE ratio settled at 5.4%, lower than 6.3% in the first half of 2023. EBIT margin stood at 32.7%, lower than 32.9% in the same period last year.

Interest expense, financing, and other charges, including interest expense related to PFRS 16 (Leases), totaled P8.23 billion, 8% more than the first half of 2023, due to a higher average borrowing rate and daily loan balance. The average cost of debt stood at 5.2%. Of the total debt, 75% is locked in with fixed rates; 91% was contracted into long-term tenors.

Capital Expenditures

Total capital expenditures in the first half of 2024 amounted to P36.51 billion. 51% was spent on residential projects, 27% on estate development, 11% on commercial leasing projects, and 11% on land acquisition commitments.

Financial Condition

Cash and cash equivalents, including short-term investments and UITF investments classified as FVPL, stood at P20.65 billion, resulting in a current ratio of 1.67:1. Borrowings totaled P266.12 billion, translating to a debt-to-equity ratio of 0.79:1 and a net debt-to-equity ratio of 0.73:1. Return on equity was 9.4% as of June 30, 2024.

The Group has various contingent liabilities arising from the ordinary conduct of business, including a case related to property restriction violation. The probable cost estimate for the resolution of the claim was determined in consultation with an external counsel based on the analysis of the potential results. The opinion of management and its legal counsel is that it will not have a material or adverse effect on the Group's financial position and results of operations in the eventual liability under these lawsuits or claims, if any. Accordingly, no provision for any liability has been made in the consolidated financial statements. Further, the Company has no off-balance sheet transactions, arrangements, or obligations in the first half of 2024.

No known trends, events, uncertainties, or seasonalities are expected to affect the Company's continuing operations. There are no material commitments for capital expenditures.

Causes for any material changes (+/-5% or more) in the financial statements

Income Statement items **– Period ending June 30, 2024 versus June 30, 2023**

Real estate and hotel revenues up by 32% mainly from strong residential and commercial lot bookings and additional external construction projects.

Interest income from real estate sales declined by 100% as effect of the Adoption of PFRS 15 Implementation Issues Affecting the Real Estate Industry in relation to the PIC Q&A 2018-12-D.

Equity in net earnings improved by 9% driven by higher earnings contribution of investment in associates and joint ventures.

Interest and investment income increased by 66% mainly due to higher yield from short term investments and interest from deposits.

Other Income grew by 29% mainly from higher management fees income.

Cost of real estate up by 35% mainly from improved operations across all business segments.

General administrative expenses up by 10% mainly due to increase in manpower costs from additional headcount.

Interest and other charges increased by 8% mainly from higher interest rates and higher loan average daily balance.

Provision for income tax up by 44% coming from higher taxable income.

Balance Sheet items – as of June 30, 2024 (Unaudited) versus December 31, 2023 (Audited)

Cash and cash equivalents increased by 16% driven by NCFO, proceeds from sale of AREIT shares and proceeds from debt availments.

Short-term investment down by 66% due to redemption of matured fixed deposits.

Financial asset at fair value through profit or loss up by 59% mainly from additional placements in UITF.

Accounts and notes receivables, net grew by 6% mainly from higher bookings of real estate revenues.

Inventories increased by 9% coming from additions during the year.

Other current assets went down by 5% mainly from settlements of advances to contractors and suppliers.

Accounts and notes receivables, net of current portion soared by 16% mainly from higher bookings of revenues.

Financial assets at fair value through other comprehensive income (FVOCI) grew by 5% due to market revaluation and new investment placement.

Deferred tax assets up by 5% mainly from the difference between tax and book basis of accounting for real estate transactions.

Short-term debt went up by 47% due to new availments.

Income tax payable increased by 61% due to higher taxable income.

Lease liability - current escalated by 18% mainly from accretion of interest.

Current portion of long-term debt went up by 57% from increase in maturing debts.

Long-term debt net of current portion down by 5% mainly from reclassification to current as maturing debt increased.

Pension liabilities increased by 5% due to recognition of pension costs.

Deferred tax liabilities up by 20% mainly due to changes in the difference between tax and book basis of accounting for real estate transactions.

Deposits and other non-current liabilities grew by 7% mainly due to the increase in customers deposits.

Retained earnings improved by 7% driven by the net income for the period net of dividends.

Remeasurement (loss) gain on defined benefit plans increased by 22% mainly due revaluation of defined benefit plan.

Fair value reserve of financial assets at FVOCI loss reduced by 11% due to market revaluation of financial assets at FVOCI.

Cumulative translation adjustments improved by 399% coming from the translation of financial statements of Avaland Berhad.

Equity reserves increased positively by 227% mainly due to block sale of AREIT shares.

Treasury stock up by 21% from buyback of shares during the first half of the year.

Non-controlling interests increased by 8% from higher NIAT contributions of subsidiaries including the higher share in AREIT due to the increase in non-controlling percentage holdings of AREIT as effect of the block sale of shares.

Part II – OTHER INFORMATION

Item 3. Developments as of June 30, 2024

A. New project or investments in another line of business or corporation	None	
B. Composition of Board of Directors (As of April 25, 2024)	Jaime Augusto Zobel de Ayala	Chairman
	Cezar P. Consing	Vice Chairman
	Anna Ma. Margarita B. Dy	President & CEO
	Fernando Zobel de Ayala	Non-Executive Director
	Mariana Beatriz Zobel de Ayala	Non-Executive Director
	Daniel Gabriel M. Montecillo	Lead Independent Director
	Cesar V. Purisima	Independent Director
	Rex Ma. A. Mendoza	Independent Director
	Surendra M. Menon	Independent Director

C. Performance of the corporation or result/progress of operations

Please see unaudited consolidated financial statements and management's discussion on the results of operations.

D. Declaration of dividends

<u>P0.2050 cash dividend per outstanding common share</u>
Declaration date: February 20, 2024
Record date: March 5, 2024
Payment date: March 21, 2024

<u>P0.00632862 cash dividend per outstanding voting preferred share</u>
Declaration date: May 28, 2024
Record date: June 11, 2024
Payment date: June 25, 2024

E. Contracts of merger, consolidation, or joint venture; contract of management, licensing, marketing, distributorship, technical assistance, or similar agreements

Please refer to the discussion on the changes in group structure in 2Q 2024.

F. Offering of rights, granting of Stock Options and corresponding plans therefore

ALI has stock option plans for key officers (Executive Stock Option Plan - ESOP) and employees (Employee Stock Option Plan (ESOWN) covering 2.5% of the company's authorized capital stock. In 2005, the company introduced a revised ESOWN granted to qualified officers. On April 21, 2021, the stockholders approved to increase the covered shares to 3% of the company's total authorized capital stock.

As of June 30 2024, stock options outstanding* are as follows:

ESOP	None
ESOWN	121,648,542 shares

**Outstanding shares pertain to shares subscribed by officers and employees which are not yet fully paid and not yet issued*

G. Acquisition of additional mining claims or other capital assets or patents, formula, real estate

None

H. Other information, material events, or happenings that may have affected or may affect the market price of the security	None
I. Transferring of assets, except in the normal course of business	None

Item 4. Other Notes to 1H 2024 Operations and Financials

J. Nature and amount of items affecting assets, liabilities, equity, or net income that are unusual because of their nature, size, or incidents	Please see Item 2: Management's Discussion on Results of Operations and Analysis.
K. Nature and amount of changes in estimates of amounts reported in prior periods and their material effect in the current period	None
L. New financing through loans / Issuances, repurchases, and repayments of debt and equity securities	Please see Notes to Financial Statements (note 12).
M. Material events subsequent to the end of the interim period that have not been reflected in the financial statements for the interim period	**On July 18, 2024,** Ayala Land successfully raised P20.5 billion in debt capital through its pioneering Sustainability-Linked Financing (SLF) Program. The funding package includes a P6 billion Sustainability-Linked Bond (SL-Bond) and P14.5 billion Sustainability-Linked Loan (SL-Loan) from the International Finance Corporation (IFC). This initiative marks a first for the Philippine
N. The effect of changes in the composition of the issuer during the interim period including business combinations, acquisition or disposal of subsidiaries and long-term investments, restructurings, and discontinuing operations	None
O. Changes in contingent liabilities or contingent assets since the last annual balance sheet date	None
P. Other material events or transactions during the interim period	**On April 25, 2024,** the stockholders of Ayala Land during the Annual Stockholders' Meeting approved the Plan of Merger of the Ayala Land (ALI) and at most 34 entities that are wholly owned directly by ALI, or through AyalaLand Estates, Inc. and AyalaLand Hotels and Resorts Corp., with the ALI as the surviving entity, and the execution of all documents and performance of all acts, including the effective waiver/denial of pre-emptive rights of stockholders for the purpose of implementing the proposed merger, as approved by the Board of Directors on March 12, 2024.

On the same day, the Board of Directors of Ayala Land, during its Organizational Board Meeting, approved the following executive appointments:

1. George I. Aquino – Vice President
2. Jose Eduardo A. Quimpo II – Vice President and Treasurer

On May 21, 2024, Ayala Land and its wholly-owned subsidiary, Westview Commercial Ventures Corp., sold an aggregate of 98,000,000 common shares of AREIT at a transaction price of P32.45/share, equivalent to P3,180,000,000.00 (exclusive of fees and taxes) pursuant to a placement agreement with BPI Capital Corporation and UBS AG Singapore Branch. The transaction was 2x oversubscribed at the clearing price and was anchored by high-quality long-only institutional investors. The placement is in relation to ALI's property-for-share swap transaction with AREIT.

On May 28, 2024, the Board of Directors of Ayala Land approved the following items:

1. The election of Atty. Millette Asuncion-Arnedo as Vice President, Chief Legal Officer and Assistant Corporate Secretary, effective June 1, 2024. Atty. Arnedo will replace Atty. Ma. Florence Therese dG. Martirez-Cruz as Assistant Corporate Secretary.

2. The declaration of cash dividends to all stockholders of our unlisted voting preferred shares of P0.00632862/share, equivalent to a dividend rate of 6.32862% per annum. The payment was made on June 25, 2024 to stockholders on record as of June 11, 2024.

On June 14, 2024, Ayala Land entered into a share sale and purchase agreement with Aboitiz Land. Inc. and Aboitiz Equity Ventures for the acquisition of their combined 50% equity interest in Cebu District Property Enterprise Inc. (CDPEI) the developer of Gatewalk Central, a 17.5-hectare mixed-use estate in Mandaue, Cebu. The acquisition is valued at P1.81 billion for 18.1 million CDPEI shares. Following the transaction, Ayala Land will own 100% of the estate.

Q. Existence of material contingencies during the interim period; events that will trigger direct or contingent financial obligation that is material to the company, including any default or acceleration of an obligation

None

R. 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

None

S. Material commitments for capital expenditures, general-purpose and expected sources of funds	For the year 2023, Ayala Land is budgeting P100 billion in capital expenditures. Of the total amount, P36.5 billion has been disbursed as of June 30, 2024. The Company will use the capital expenditure for the construction completion of launched residential projects and investment properties as well as land acquisition.
T. Known trends, events, or uncertainties that have had or that are reasonably expected to have an impact on sales/revenues/ income from continuing operations	Ayala Land's performance will remain parallel to the country's overall economic standing. Interest rate fluctuations may likewise affect the real estate industry, including the Company.
U. Significant elements of income or loss that did not arise from continuing operations	None
V. Causes for any material change/s from period to period, in one, or more line items of the financial statements	Please see Notes to Financial Statements (Item 2: Management's Discussion on Results of Operations and Analysis).
W. Seasonal aspects that had a material effect on the financial condition or results of operations	The Company's development operations are dependent on Market conditions and the timing of project launches depend on several factors such as completion of plans and permits and appropriate timing in terms of market conditions and strategy. Development and construction work follow target completion dates committed at the time of project launch.
X. Disclosures not made under SEC Form 17-C	None.

Item 5. Performance Indicator

The table below sets forth the comparative performance indicators of the Company and its majority-owned subsidiaries:

	End-June 2024	*End-December 2023*
Current ratio [1]	1.67:1	1.76:1
Debt-to-equity ratio [2]	0.79:1	0.81:1
Net debt-to-equity ratio [3]	0.73:1	0.75:1
Profitability Ratios:		
Return on assets [4]	3.66%	3.57%
Return on equity [5]	9.38%	9.26%
Asset to Equity ratio [6]	2.63:1	2.65:1
Interest Rate Coverage Ratio [7]	4.73	5.19

1 Current asset / current liabilities
2 Total debt/ consolidated stockholders' equity (Total debt includes short-term debt, long-term debt, and current portion of long-term debt)
3 Net debt/ consolidated stockholders' equity (Net debt is total debt less cash and cash equivalents, short term investments, and financial assets through fvpl)
4 Annualized Net income / average total assets
5 Annualized Net income attributable to equity holders of ALI / average total stockholders' equity attributable to equity holders of ALI
6 Total Assets /Total stockholders' equity
7 EBITDA/Interest expense

SIGNATURE

According 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: **AYALA LAND, INC.**

By:

AUGUSTO D. BENGZON
Senior Vice-President
CFO, Treasurer and Chief Compliance Officer

Date: August 9, 2024