COVER SHEET

SEC Registration Number

A S O 9 5 0 1 2 5 6 1

Company Name

L F M P R O P E R T I E S C O R P O R A T I O N

Principal Office (No./Street/Barangay/City/Town/Province)

3 R D F L O O R L I B E R T Y B U I L D I N G

8 3 5 A. A R N A I Z A V E N U E M A K A T I

C I T Y

Form Type	Department requiring the report	Secondary License Type, If Applicable
1 7 - Q		

COMPANY INFORMATION

Company's Email Address	Company's Telephone Number/s	Mobile Number
finance@lfmproperty.com	**(02) 8893-7790**	

No. of Stockholders	Annual Meeting Month/Day	Fiscal Year Month/Day
437	**May 29**	**December 31**

CONTACT PERSON INFORMATION

The designated contact person ***MUST*** be an Officer of the Corporation

Name of Contact Person	Email Address	Telephone Number/s	Mobile Number
William L. Ang	**williamlimang@gmail.com**	**(02) 8893-7790**	**–**

Contact Person's Address

Liberty Building, 835 A. Arnaiz Avenue, Makati City

Note: In case of death, resignation or cessation of office of the officer designated as contact person, such incident shall be reported to the Commission within thirty (30) calendar days from the occurrence thereof with information and complete contact details of the new contact person designated.

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: **March 31, 2026**

2. Commission identification number: **ASO95012561**

3. BIR Tax Identification No: **004-656-232-V**

4. Exact name of registrant as specified in its charter: **LFM PROPERTIES CORPORATION**

5. Province, country or other jurisdiction of incorporation or organization: **Metro Manila**

6. Industry Classification Code: (SEC Use Only)

7. **3rd Floor Liberty Building, A. Arnaiz Avenue, Makati City** **1229**
Address of issuer's principal office Postal Code

8. Issuer's telephone number, including area code: **(632) 8893-7790**

9. Former name, former address and former fiscal year, if changed since last report: **-na-**

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

Title of each Class	Number of shares of common stock outstanding and amount of debt outstanding
Common	**25,000,000,000**

11. Are any or all of the securities listed on a stock exchange?

Yes [√] No [ ]

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

Stock Exchange	Class of Securities
Philippine Stock Exchange, Inc.	**Common Shares**

12. Indicate by check mark whether the registrant:

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

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

Yes [√] No [ ]

PART I- FINANCIAL INFORMATION

Item 1. Financial Statements

Please refer to the unaudited interim financial statement of LFM Properties Corporation (the “Company) for the three (3) months ended March 31, 2026 which is attached hereto as Annex “A” and which is hereby incorporated by reference to form an integral part of the Report. Likewise, attached as Annex “B” is the Company’s Statement of Changes in Stockholder’s Equity for the three (3) months ended March 31, 2026 and as compared to same period for the year 2025, and the Company’s basis for the computation of Basic Earnings per share.

The interim financial statements are prepared in compliance with Philippine Financial Reporting Standards (PFRS) in accordance with the Securities Regulations Code.

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

The Company generated total gross revenues of ₱59.6 million for the first quarter ended March 31, 2026, an increase of 4% from ₱57.3 million total gross revenues for the first quarter ended March 31, 2025, the increase is primarily due to the filling up of some vacant units in Liberty Plaza Building.

Cost of rental services amounted to ₱22.3 million versus to ₱25.2million last year, with a decrease of 12% or ₱2.9 million primarily due to decrease in depreciation and amortization and repairs and maintenance.

General and administrative expenses amounted to ₱16.8 million, a decrease of 5% versus last year’s of ₱17.7 million. The decrease is primarily due to ₱2.3 million decrease in taxes licenses professional fees however increase by ₱0.7 million.

Other income (expenses) net amounted to (₱25.8) million, down by ₱11.1 million or 76% from same period last year. The decrease was mainly due to ₱8.9 million increase in Interest expense and ₱3.3 million fair value changes of financial assets as of March 31, 2026 offset by gain on sale of financial assets at FVTPL of ₱0.7 million and other income of ₱0.4 million.

Financial Condition

Total Assets of the Company as of March 31, 2026 stood at ₱3.281 billion, a decrease of ₱0.029 billion from ₱3.310 billion as of December 31, 2025.

Cash and cash equivalents reported at ₱20.9 million.

The increase in Receivables by ₱4.2 million or 48% is due to uncollected receivables as of March 31, 2026.

Financial assets at fair value through profit or loss – The decrease is due to the sale of marketable securities during the quarter.

Other Current Assets increased by 22% or ₱12.5 million. The increase is primarily due to prepayments of real estate tax and business tax.

The decrease in Investment Properties - net by ₱10.8 million was primarily due to depreciation of existing Investment Properties.

Total Liabilities of the Company as of March 31, 2026 amounted to ₱2.781 billion a slight decreased of ₱0.016 billion from 2025 of ₱2.796 billion.

Total Equity stood at ₱501 million as of March 31, 2026, versus ₱501.0 million as of December 31, 2025. The Company generated net loss of ₱6.0 million during the three months ended March 31, 2026 or 530% decrease from same period last year, primarily because of high interest expense.

The Company has no knowledge of any trends, events or uncertainties which are reasonably expected to have a material impact on the net sales or revenues of the Company. There are no seasonal aspects which had a material effect on the Company's financial condition or results of operation.

Further discussion of material changes in amount of accounts with 5.0% or more change:

Accounts Receivable – The increase in account is mainly attributed to uncollected receivables which the company is actively working to collect.

Financial Assets at FVPL – The decrease is due to sale of marketable securities.

Other current assets – The increase is attributable to prepayments of real estate tax and business taxes.

Financial assets at fair value through other comprehensive income (FVOCI) – The decrease is due to mark to market adjustment at March 31, 2026.

Accounts payable and other current liabilities – The decrease is due payments payables as of March 31, 2026.

Notes payable – The Increase is due to availment of the loan to pay related party payable and other payables.

Unearned rental income current and non current – The increase is due to advance payment of rental fee received from new tenants.

Deposits on longterm lease current and non current - The increase is due to collection of deposit from new tenants.

Other non current liabilities - The decrease is due to payments to suppliers.

Retained earnings – The slight decrease is due primarily net loss posted during the first quarter.

Performance Indicators

The Company determine their performance on the following five (5) key performances indicators:

	March 31, 2026	December 31, 2025
Net Book Value per share *1	0.0200	0.0206
Debt to Equity Ratio *2	5.55:1	5.44:1
Asset to Equity Ratio *3	6.55:1	6.44:1

	March 31, 2026	March 31, 2025
Return on Equity*4	(1.20%)	(0.19%)
Operating Margin *5	34%	25%

*1 –/ Total equity divided by total Common Shares outstanding

*2 – Total liabilities divided by Total equity

*3 – Total assets divided by Total equity

*4 – Net income divided by Total equity

*5 – Operating income divided by Total revenues

As at March 31, 2026, there were no events identified that will trigger direct or contingent financial obligation that is material to the company, including any default or acceleration of an obligation.

As at March 31, 2026, the Company has no material off-balance sheet transactions, arrangements, obligations (including contingent obligations), and other relationship of the Company with unconsolidated entities or other persons created during the reporting period.

As at March 31, 2026, there are no known trends, events or uncertainties that have had or that are reasonably expected to have a material favorable or unfavorable impact on net sales or revenues or income from continuing operations.

MAKETPRICE

	Stock	**High**	**Low**
Q1	LPC	0.0440	0.0300

PART II – FINANCIAL DISCLOSURES

Financial Instruments and Financial Risk Disclosure

The Company's financial instruments consist mainly of cash in banks, investments in equity securities and trade receivables/payables and borrowings. The main risks arising from the use of these financial instruments are credit risk, equity price risk and liquidity risk.

a. Credit Risk

Credit risk represents the loss that the Company would incur if the counterparty failed to perform under its contractual obligations. The Company has established controls and procedures in its credit policy to determine and monitor the credit worthiness of lessees and counterparties. The Company requires its lessees to pay at least three months security deposit to cover unpaid obligations and liabilities at the termination of the lease. It is also the Company's policy to require its lessees to pay their accounts on or before due date without the need of demand.

The maximum credit exposure of the Company is the carrying amount of the receivables. There are no significant concentrations of credit risk within the Company. With respect to credit risk arising from the other financial assets of the Company, which comprise cash in banks, the Company's exposure to credit risk arises from default of the counterparties, with a maximum exposure equal to the carrying amount of these instruments. There are no collaterals or other credit enhancements held over these assets.

The credit quality of the financial assets was determined as follows:

Low Risk - This includes cash and cash equivalents and financial assets at FVOCI with recycling with counterparties with good credit or bank standing, thus credit risk is minimal. This normally includes large prime financial institutions, companies and government agencies. For receivables, this consists of accounts with counterparties with no history of default on the agreed contract terms.

Moderate Risk - This includes receivables with counterparties with little history of default on the agreed contract terms.

High Risk - This includes receivables that consist of accounts with counterparties with history of default on the agreed contract terms.

b. Equity Price Risk

Equity price risk is the risk that the value of a financial instrument will fluctuate because of changes in market prices. The Company is exposed to equity price risk because of investments in quoted equity securities, which are classified in the statement of financial position as financial assets at FVTPL and financial assets at FVOCI.

The Company's policy is to maintain the risk to an acceptable level. Movement of share price is monitored regularly to determine impact on its financial position. The change in market prices used in the sensitivity analysis is determined based on the highest and lowest stock prices of a financial instrument during the period. The Company has determined that for financial assets at FVOCI, a decrease or increase on the stock prices would only impact equity and would not have an effect on profit or loss. The Company has determined that for financial assets at FVTPL, a decrease and increase on the stock prices could have an impact on the profit or loss.

d. Liquidity Risk

Liquidity risk is the risk that the Company will not be able to pay its obligations when they fall due under normal and stress circumstances. The Company manages liquidity risk by maintaining a balance between continuity of funding and flexibility. Treasury controls and procedures are in place to ensure that sufficient cash is maintained to cover daily operational and working capital requirements. Management closely monitors the Company's future and contingent obligations and sets up required cash reserves as necessary in accordance with internal policies.

The following methods and assumptions were used to estimate the fair value of each class of financial instrument for which it is practicable to estimate such value:

a. Financial assets at FVPL

The fair value of the quoted shares of stock is based on quoted market price.

b. Financial assets at FVOCI

The fair value of the quoted debt instruments and equities is based on quoted market price. Unquoted shares of stock have been estimated using the adjusted net asset method. The adjusted net asset method involves deriving the fair value of the investee's equity instruments by reference to the fair value of its assets and liabilities.

c. Deposits on long-term leases

The carrying values deposits on long-term leases were not materially different from their calculated fair values estimated by discounting future cash flows using rates currently available for debt on similar terms and remaining maturities.

d. Other financial assets and financial liabilities

Due to the short-term nature of other financial assets and financial liabilities, the fair value of cash and cash equivalents, receivables, accounts payable and accrued expenses and other current liabilities approximate the carrying amount as of balance sheet.

PART III - OTHER INFORMATION

All other information which requires disclosure under the full Disclosure Rules of the Securities and Exchange Commission has been previously filed by the Company under SEC Form 17-C

SIGNATURE

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

LFM PROPERTIES CORPORATION

By:

JOSE S. JALANDONI
President

WILLIAM L. ANG
Vice President and Treasurer

ANNEX "A"

LFM PROPERTIES CORPORATION

3RD FLOOR LIBERTY BLDG., 835 A. ARNAIZ AVE.
MAKATI CITY

UNAUDITED FINANCIAL STATEMENTS
MARCH 31, 2026

LFM PROPERTIES CORPORATION
BALANCE SHEET
AS OF MARCH 31, 2026
(With comparative figures for year ended December 31, 2025 and three months ended March 31, 2025)

	March 31, 2026	Audited December 2025	March 31, 2025
ASSETS			
Current Assets			
Cash	20,873,212	39,107,139	12,947,454
Receivables	13,036,044	8,794,797	14,040,389
Financial assets at fair value through profit or loss	5,162,946	14,759,509	12,267,691
Accrued rent - current portion	4,570,279	4,826,899	9,157,520
Other current assets	67,976,670	55,522,200	60,511,049
Total Current Assets	111,619,151	123,010,544	108,924,103
Noncurrent Assets			
Investment properties	2,842,345,075	2,853,165,715	1,714,022,903
Financial assets at fair value through other comprehensive income	142,194,559	149,725,670	144,884,241
Accrued rent - net of current portion	11,273,592	11,214,703	9,863,172
Property and equipment	279,745	331,315	361,849
Net retirement plan asset	-	-	1,544,083
Other noncurrent assets	173,446,831	173,407,269	280,197,886
Total noncurrent Assets	3,169,539,802	3,187,844,672	2,150,874,134
TOTAL ASSETS	3,281,158,953	3,310,855,216	2,259,798,237
LIABILITIES & EQUITY			
Current Liabilities			
Current portion of notes payable	1,728,000,000	1,417,117,647	1,164,356,710
Accounts payable and other current liabilities	49,658,522	153,278,079	68,844,369
Payable to a related party	936,000,000	1,166,000,000	368,400,000
Current portion of deposits on long-term leases	34,458,067	32,455,540	38,230,933
Current portion of unearned rental income	8,338,151	5,186,599	7,839,664
Total Current Liabilities	2,756,454,740	2,774,037,865	1,647,671,676
Noncurrent Liabilities			
Deposits on long-term leases - net of current portion	17,824,763	17,898,552	20,585,887
Unearned rental income - net of current portion	3,672,001	2,162,720	2,397,992
Deferred income tax liability	217,509	217,509	3,825,241
Notes payable -net of current portion	-	-	34,250,132
Net retirement liability	2,429,942	2,429,942	-
Other noncurrent liability	-	-	46,049,949
Total Noncurrent Liabilities	24,144,215	22,708,723	107,109,201
Total Liabilities	2,780,598,955	2,796,746,588	1,754,780,877
STOCKHOLDERS' EQUITY			
Capital stock	250,000,000	250,000,000	250,000,000
Stock dividend attributable	150,000,000	150,000,000	150,000,000
Other components of equity:			
Fair value changes on financial assets at FVOCI	(111,980,456)	(104,449,345)	(109,290,774)
Accumulated remeasurement gains on defined benefit plan	2,418,570	2,418,570	5,062,787
Retained Earnings	210,121,884	216,139,403	209,245,347
Total Equity	500,559,998	514,108,628	505,017,360
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	3,281,158,953	3,310,855,216	2,259,798,237

LFM PROPERTIES CORPORATION
STATEMENT OF INCOME AND EXPENSES
FOR THE QUARTER ENDED MARCH 31, 2026

	March 31, 2026	March 31, 2025
Rental Income	**59,644,996**	**57,285,588**
Direct Costs		
Depreciation and amortization	10,820,640	12,317,046
Real estate tax	5,580,580	5,424,027
Outside services	4,075,342	3,667,634
Repairs and maintenance	990,007	2,513,309
Communication, light and water	137,455	603,797
Insurance and others	673,217	711,602
Total	**22,277,241**	**25,237,415**
Gross Income	**37,367,755**	**32,048,173**
Operating Expenses		
Personnel costs	3,141,431	2,872,863
Taxes and licenses	10,657,203	13,006,437
Association dues	408,139	323,695
Depreciation and amortization	51,571	40,131
Professional fees	1,295,261	573,700
Repairs and maintenance	400,600	407,328
Telephone, Telegraph and Postage	43,662	43,662
Transportation and Travel	4,419	15,801
Office Supplies	9,507	14,745
Miscellaneous	826,974	421,885
Operating Expenses	**16,838,767**	**17,720,247**
Other income (charges)		
Interest expense	(27,293,321)	(18,416,550)
Gain (Loss) on sale of financial assets at FVTPL	678,826	-
Fair value changes of financial assets at fair value through profit or loss	303,437	3,650,895
Dividend income	40,000	20,000
Interest income	2,808	2,897
Other income	483,291	69,865
	(25,784,959)	**(14,672,893)**
Income before Income Tax	**(5,255,971)**	**(344,967)**
Provision for Income Tax	761,548	609,516
Net Income (Loss)	**(6,017,519)**	**(954,483)**

LFM PROPERTIES CORPORATION

STATEMENTS OF CASH FLOWS

For quarter ended March 31,2026 (With comparative figures for the quarter ended March 31,2025)

	January 1 to March 31, 2026	January 1 to March 31, 2025
CASH FLOWS FROM OPERATING ACTIVITIES		
Income (loss) before income tax	(5,255,971)	(344,967)
Adjustments for:		
Depreciation and amortization	10,872,211	12,357,177
Fair value changes of financial assets at fair value through profit or loss	(303,437)	(3,650,895)
Interest expense	27,293,321	18,416,550
Dividend income	(40,000)	(20,000)
Loss (gain) on financial assets at FVTL	(678,826)	-
Interest income	(2,808)	(2,897)
Operating income before working capital changes	**31,884,490**	**26,754,968**
Decrease (increase) in:		
Receivables	(4,241,247)	(2,176,631)
Accrued rent	197,731	(1,642,263)
Other current assets	(12,454,470)	(14,350,373)
Increase (decrease) in:		
Accounts payable and other current liabilities	(87,267,364)	4,937,825
Deposits on long-term leases and other noncurrent liabilities	1,928,738	(2,375,692)
Unearned rental income	4,660,833	4,218,110
Cash generated from operations	**(65,291,289)**	**15,365,944**
Income tax paid, including creditable withholding taxes	(761,548)	(609,517)
Interest received	2,808	2,897
Net cash provided by operating activities	**(66,050,029)**	**14,759,324**
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from sale of financial assets at fair value through P&L	10,578,826	-
Additions to investment properties	-	(63,955)
Additions to property and equipment	-	(51,429)
Decrease (increase) in other noncurrent assets	(39,563)	-
Dividend received	40,000	20,000
Net cash used in investing activities	**10,579,263**	**(95,384)**
CASH FLOWS FROM FINANCING ACTIVITIES		
Availment of bank loans	345,000,000	238,000,000
Payments of		
Notes payables	(34,117,647)	(34,117,647)
Interest	(27,293,321)	(18,416,550)
Payable to related party	(230,000,000)	(200,000,000)
Other Non-current Liability	(16,352,194)	(18,314,457)
Net cash generated from financing activities	**37,236,838**	**(32,848,654)**
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	**(18,233,927)**	**(18,184,713)**
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	39,107,139	31,132,167
CASH AND CASH EQUIVALENTS AT END MONTH	**20,873,212**	**12,947,454**

LFM PROPERTIES CORPORATION
NOTES TO UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS
AS OF MARCH 31, 2026

1. Basis of Financial Statement Preparation

The financial statements of the Company are prepared on a historical cost basis, except for financial assets at fair value through profit or loss (FVTPL) and financial assets at fair value through other comprehensive income (FVOCI) which have been measured at fair value. The financial statements are presented in Philippine peso (peso), which is the Company's functional and presentation currency, and rounded to the nearest peso, except when otherwise indicated.

<u>Statement of Compliance</u>
The financial statements have been prepared in accordance with Philippine Financial Reporting Standards (PFRS).

2. Significant Accounting Policies

<u>Changes in Accounting Policies and Disclosures</u>
The accounting policies adopted are consistent with those of the previous financial year, except for the adoption of new standards effective in 2023. The Company 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 financial statements of the Company.

- Amendments to PAS 1 and PFRS Practice Statement 2, *Disclosure of Accounting Policies*
- Amendments to PAS 8, *Definition of Accounting Estimates*
- Amendments to PAS 12, *Deferred Tax related to Assets and Liabilities arising from a Single Transaction*
- Amendments to PAS 12, *International Tax Reform – Pillar Two Model Rules*

<u>Standards Issued but not yet Effective</u>
Pronouncements issued but not yet effective are listed below. The Company intends to adopt the following pronouncements when they become effective. Adoption of these pronouncements is not expected to have a significant impact on the Company's financial statements.

Effective beginning on or after January 1, 2024

- Amendments to PAS 1, *Classification of Liabilities as Current or Noncurrent*
- Amendments to PFRS 16, *Lease Liability in a Sale and Leaseback*
- Amendments to PAS 7 and PFRS 7, *Disclosures: Supplier Finance Arrangements*

Effective beginning on or after January 1, 2025

- PFRS 17, *Insurance Contracts*
- Amendments to PAS 21, *Lack of exchangeability*

Deferred effectivity

- Amendments to PFRS 10, *Consolidated Financial Statements*, and PAS 28, *Sale or Contribution of Assets between an Investor and its Associate or Joint Venture.*

3. Others

1. The same accounting policies and methods of computation are followed in the interim financial statements as of March 31, 2026 as compared with the audited financial statements as of December 31, 2025.

2. The business operation of the company for the interim period is continuous, there is no cycle and it is not seasonal.

3. There are no unusual items that affected assets, liabilities, equity and cash flows.

4. There are no changes in estimates of amounts reported in prior financial years.

5. There are no material events subsequent to the end of the interim period that have not been reflected in the financial statements for the interim period.

6. There are no changes in the composition of this issuer during the interim period. There are no business combinations, no acquisition or disposal of subsidiaries and long term investments, no restructuring and no discontinuing operations.

7. There are no contingent liabilities and contingent assets.

ANNEX "B"

LFM PROPERTIES CORPORATION

3RD FLOOR LIBERTY BLDG., 835 A. ARNAIZ AVE.
MAKATI CITY

STATEMENT OF CHANGES
IN STOCKHOLDER'S EQUITY
MARCH 31, 2026

LFM PROPERTIES COPORATION
STATEMENT OF CHANGES IN STOCKHOLDER’S EQUITY
March 31, 2026

			Other Components of Equity			
	Capital Stock	**Stock Dividends Distributable**	**Fair Value Changes on Financial assets at FVOCI**	**Accumulated Remeasurement Gains on Defined Benefit Plan**	**Retained Earnings**	**Total**
Balances at January 1, 2026	**250,000,000**	**150,000,000**	**(104,449,345)**	**2,418,570**	**216,139,403**	**514,108,628**
Net loss	–		–	–	**(6,017,519)**	**(6,017,519)**
Other comprehensive income	–		**(7,531,111)**	**-**	–	**(7,531,111)**
Balances at March 31, 2026	**250,000,000**	**150,000,000**	**(111,980,456)**	**2,418,570**	**210,121,884**	**500,559,998**
			-			
Balances at January 1, 2025	**250,000,000**	**150,000,000**	**(114,490,827)**	**5,062,787**	**210,199,830**	**500,771,790**
Net loss	–		–	–	**(954,483)**	**(954,483)**
Other comprehensive income	–		**5,200,053**	**-**	–	**5,200,053**
Balances at March 31, 2025	**250,000,000**		**(109,290,774)**	**5,062,787**	**209,245,347**	**505,017,360**

LFM PROPERTIES CORPORATION

BASIS FOR COMPUTATION OF BASIC/DILLUTED EARNINGS PER SHARE

	2026	2025
Net (loss) for the first quarter	(6,017,519)	(954,483)
Divided by weighted average number of shares	25,000,000,000.00	25,000,000,000.00
Basic/diluted earnings per share	**(0.0002)**	**(0.0000)**

LFM PROPERTIES CORPORATION
Accounts receivables
As of March 31, 2026

	TOTAL	1-3 Months	4-6 Months	7 Months - 1 Year	Above 1 Year
Trade and other receivables	13,036,044	12,772,350	252,064	-	11,630