COVER SHEET

SEC Registration Number

A	S	O	9	5	0	1	2	5	6	1

Company Name

LFM PROPERTIES CORPORATION

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

3RD FLOOR LIBERTY BUILDING
835 A. ARNAIZ AVENUE MAKATI
CITY

Form Type	Department requiring the report	Secondary License Type, If Applicable
17-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
439	**July 26, 2023**	**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: **September 30, 2023**

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 nine (9) months ended September 30, 2023 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 nine (9) months ended September 30, 2023 and as compared to same period for the year 2022, 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 ₱140.8million for the nine months ended September 30, 2023, a decrease of 11% from ₱157.8 million total gross revenues from last year same period, this is primarily due to the pretermination of rental lease contract of one of the major tenants of the Company.

Cost of rental services amounted to ₱62.2 million versus to ₱58.1million last year, with an increase of 7% or ₱4.1 million primarily due to the increase in electricity charges and outside services.

General and administrative expenses amounted to ₱17.5 million, an increase of 27% versus last year's of ₱13.8 million. The increase is primarily due to professional fee paid to KPMG for the fairness opinion issued relative to the acquisition of Liberty Building, documentary stamp tax on loans and taxes paid as the result of sale of condominium unit.

Other income (expenses) net amounted to (₱24.4) million, up by ₱82.8 million or 77% from same period last year. The increase was mainly due to ₱19.8 million increase in fair value changes of financial assets as of September 30, 2023, gain on sale of condominium unit of ₱46.3 million, gain on sales of financial assets ₱30.9 million offset by increased of ₱14.2 million Interest expense due higher interest rate.

Financial Condition

Total Assets of the Company as of September 30, 2023 stood at ₱1.298 billion versus ₱1.297 million as of December 31, 2022.

Cash and cash equivalents increased by 39% or ₱16.7 million primarily due to sale of condominium unit.

The decrease in Receivables by ₱13.5 million or 46% was mainly due collection of receivables.

Other Current Assets increased by 75% or ₱2.5 million. The increase is due to prepayments of real estate taxes and insurance for the year 2023.

The decrease in Investment Properties - net by ₱18.5 million was primarily due to depreciation of existing Investment Properties, sale of condominium unit, net of ₱13.9 million capital expenditures.

Total Liabilities of the Company as of September 30, 2023 amounted to ₱873.1 million decreased by 29% or ₱29.7 million from 2022 of ₱902.8 million. The decrease is primarily due to payment of P37.7 million to related party.

Total Equity stood at ₱424.6 million as of September 30, 2023, versus ₱394.2 million as of December 31, 2022. The Company generated net income of ₱18.3 million during the nine months ended September 30, 2023.

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 decrease is due to collection of receivables as of September 30, 2023.

Financial Assets at FVPL – The decrease is due to mark to market adjustment at September 30, 2023 and sale of marketable securities during the period.

Other current assets- The increase is due to prepayments of real estate tax and insurance.

Financial assets at fair value through other comprehensive income (FVOCI) – The increase is due to mark to market adjustment at September 30, 2023.

Advances to related party- Additional deposit related to the acquisition of the land and building from a related party.

Accounts payable and other current liabilities – The decrease is due to payment of current portion of the liabilities in relation to the acquisition of the Nuvali lot and other payables of the company.

Income tax payable – The increase is due to higher income tax for the period primarily because of gain on sale of condominium unit.

Notes payable Current – The increase is due to availment of loan for the deposit related to the acquisition of the land and building from a related party.

Notes payable NonCurrent – The decrease is due to payment of term loan.

Deposits on longterm leases current and non current – The increase is due to collection of deposits from new tenants.

Retained earnings – The increase is due primarily due to net income primarily because of gain on sale of condominium unit.

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

	September 30, 2023	December 31, 2022
Net Book Value per share *1	0.0170	0.0158
Debt to Equity Ratio *2	2.06:1	2.29:1
Asset to Equity Ratio *3	3.06:1	3.29:1

	September 30, 2023	September 30, 2022
Return on Equity*4	4%	(9%)
Operating Margin *5	43%	54%

*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 September 30, 2023, 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 September 30, 2023, 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 September 30, 2023, the Company expects to spend around ₱200 million in the next nine months for land and building as investment property.

As at September 30, 2023, 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	0.1350	0.0870
Q2	LPC	0.1010	0.0550
Q3	LPC	0.0860	0.0550

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.

As at September 30, 2023, the COVID-19 outbreak has no significant impact to the Company's credit risk.

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.

As at June 30, the COVID-19 outbreak has no significant impact to the Company's liquidity risk.

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

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ANNEX "A"

LFM PROPERTIES CORPORATION

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

UNAUDITED FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

LFM PROPERTIES CORPORATION
BALANCE SHEET
AS OF September 30, 2023
(With comparative figures for year ended December 31, 2022 and nine months ended September 30, 2022)

	September 30, 2023	Audited 2022	September 30, 2022
ASSETS			
Current Assets			
Cash and cash equivalents	59,763,172	43,063,573	16,342,584
Receivables	15,846,034	29,338,711	6,244,617
Financial assets at fair value through profit or loss	31,764,177	121,713,643	90,809,096
Accrued rent - current portion	2,377,242	1,813,322	1,202,767
Other current assets	5,723,117	3,263,344	5,854,249
Total Current Assets	115,473,741	199,192,593	120,453,313
Noncurrent Assets			
Investment properties	795,635,057	814,182,586	824,355,934
Advances to related party	220,000,000	130,000,000	-
Financial assets at fair value through other comprehen	129,104,770	116,911,541	116,732,229
Accrued rent - net of current portion	8,867,680	7,830,463	77,404,488
Net retirement plan asset	6,587,047	6,587,047	13,076,486
Property and equipment	1,190,858	2,060,738	2,359,662
Other noncurrent assets	20,854,262	20,257,791	23,119,666
Total noncurrent Assets	1,182,239,673	1,097,830,166	1,057,048,465
TOTAL ASSETS	1,297,713,414	1,297,022,759	1,177,501,777
LIABILITIES & EQUITY			
Current Liabilities			
Notes Payable	436,609,473	323,609,473	136,655,733
Accounts payable and other current liabilities	33,590,702	35,389,267	12,231,054
Current portion of deposits on long-term leases	36,239,447	34,666,893	12,725,979
Current portion of unearned rental income	4,585,661	4,722,712	5,619,784
Income tax payable	8,278,227	5,196,280	4,311,564
Total Current Liabilities	519,303,509	403,584,625	171,544,113
Noncurrent Liabilities			
Notes payable	204,838,367	307,191,309	341,447,840
Payable to related party	-	37,730,000	20,750,938
Deposits on long-term leases - net of current portion	9,103,710	8,101,480	10,031,479
Deferred income tax liability	2,714,414	2,714,415	37,730,000
Unearned rental income - net of current portion	1,501,553	785,885	21,913,987
Other noncurrent liability	135,608,348	142,729,767	166,822,386
Total Noncurrent Liabilities	353,766,393	499,252,856	598,696,630
Total Liabilities	873,069,902	902,837,481	770,240,743
STOCKHOLDERS' EQUITY			
Capital stock	250,000,000	250,000,000	250,000,000
Other components of equity:			
Fair value changes on financial assets at FVOCI	(125,070,246)	(137,263,474)	(137,442,786)
Accumulated remeasurement gains on defined benefit	8,668,118	8,668,117	13,571,525
Retained Earnings	291,045,639	272,780,635	281,132,295
Total Equity	424,643,512	394,185,278	407,261,034
TOTAL LIABILITIES AND STOCKHOLDERS' EQUIT`	1,297,713,414	1,297,022,759	1,177,501,777

LFM PROPERTIES CORPORATION
STATEMENT OF INCOME AND EXPENSES
FOR THE QUARTER ENDED SEPTEMBER 30, 2023

	July 1 to September 30, 2023	January 1 to September 30, 2023	July 1 to September 30, 2022	January 1 to September 30, 2022
Rental Income	**53,342,165**	**140,820,676**	**55,646,140**	**157,849,598**
Direct Costs				
Depreciation and amortization	11,102,053	32,857,236	10,794,412	32,414,571
Real estate tax	5,272,378	15,817,134	5,272,378	15,817,134
Outside services	2,795,620	7,057,367	2,064,715	5,658,892
Repairs and maintenance	1,232,423	2,505,944	698,441	1,877,867
Communication, light and water	1,048,106	2,970,545	654,247	1,306,726
Insurance and others	325,225	1,020,276	347,367	1,022,477
Total	**21,775,806**	**62,228,502**	**19,831,559**	**58,097,666**
Gross Income	**31,566,359**	**78,592,174**	**35,814,581**	**99,751,932**
Operating Expenses				
Personnel costs	2,664,632	8,273,451	2,432,730	7,852,928
Taxes and licenses	1,675,101	3,886,569	428,317	2,648,872
Association dues	200,424	760,471	152,618	653,082
Rent	131,671	395,013	128,316	384,948
Depreciation and amortization	82,819	271,440	98,169	367,733
Commission	274,605	679,705	-	240,420
Professional fees	183,333	1,215,476	46,222	190,889
Repairs and maintenance	43,269	424,156	43,269	167,427
Telephone, Telegraph and Postage	48,322	135,647	43,687	131,025
Transportation and Travel	2,220	9,101	21,630	65,475
Office Supplies	36,199	113,200	44,990	111,628
Entertainment, amusement and recreation	942	5,949	1,931	4,226
Miscellaneous	212,493	1,312,390	225,712	939,558
Operating Expenses	**5,556,031**	**17,482,568**	**3,667,592**	**13,758,210**
Other income (charges)				
Interest expense	(12,142,531)	(32,412,574)	**(5,778,065)**	(18,258,826)
Gain on sales of Condominium unit	46,263,169	46,263,169		
Gain (Loss) on sale of financial assets at FVT	29,262,851	29,398,017	**-**	(1,480,610)
Fair value changes of financial assets at fair value through profit or loss	(34,134,936)	(68,462,243)	**(35,748,167)**	(88,272,682)
Dividend income	180,270	341,890	**-**	1,016,060
Interest income	3,950	10,975	**2,686**	7,843
Other income	33,022	474,574	**179,545**	495,215
	29,465,796	**(24,386,191)**	**(41,344,001)**	**(106,492,999)**
Income before Income Tax	**55,476,124**	**36,723,414**	**(9,197,013)**	**(20,499,278)**
Provision for Income Tax	15,498,149	18,458,410	**6,661,518**	17,130,729
Net Income (Loss)	**39,977,975**	**18,265,004**	**(15,858,530)**	**(37,630,007)**
BASIC/DILUTED EARNINGS PER SHARE	**0.0016**	**0.0007**	**(0.0006)**	**(0.0015)**

LFM PROPERTIES CORPORATION
STATEMENTS OF CASH FLOWS
For quarter ended September 30,2023 (With comparative figures for the quarter ended September 30, 2022)

	January 1 to September 30, 2023	January 1 to September 30, 2022
CASH FLOWS FROM OPERATING ACTIVITIES		
Income (loss) before income tax	(10,049,985)	(20,499,278)
Adjustments for:		
Depreciation and amortization	33,128,676	32,782,304
Fair value changes of financial assets at fair value through profit or loss	68,462,243	88,272,682
Interest expense	32,412,574	18,258,826
Dividend income	(341,890)	(1,016,060)
Loss (gain) on financial assets	(29,398,017)	1,480,610
Movements retirement plan	-	
Interest income	(10,975)	(7,843)
Operating income before working capital changes	**94,202,626**	**119,271,240**
Decrease (increase) in:		
Receivables	11,891,541	(703,373)
Accrued rent	1,601,136	-
Other current assets	(4,147,150)	(465,556)
Increase (decrease) in:		
Accounts payable and other current liabilities	(21,245,023)	(16,542,388)
Deposits on long-term leases and other noncurrent liabilities	12,774,886	1,970,139
Payment to related party		
Unearned rental income	2,703,553	965,311
Cash generated from operations	**97,781,569**	**104,495,372**
Income tax paid, including creditable withholding taxes	(15,376,463)	(13,982,667)
Interest received	10,975	7,843
Net cash provided by operating activities	**82,416,081**	**90,520,549**
CASH FLOWS FROM INVESTING ACTIVITIES		
Receivable from a related party	(90,000,000)	-
Purchase of financial assets at fair value through profit or loss	(4,402,987)	(3,685,658)
Proceeds from sale of financial assets at fair value through P&L	55,288,227	3,572,261
Additions to property and equipment	(13,876,670)	(1,227,679)
Proceeds from sale of condominium unit	46,428,571	
Dividend received	341,890	1,016,060
Net cash used in investing activities	**(6,220,968)**	**(325,015)**
CASH FLOWS FROM FINANCING ACTIVITIES		
Availment of bank loans	113,000,000	13,000,000
Loan payments	(102,352,941)	(115,352,941)
Payments to related party	(37,730,000)	-
Interest paid	(32,412,574)	(18,258,826)
Net cash generated from financing activities	**(59,495,515)**	**(120,611,767)**
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	**16,699,599**	**(30,416,233)**
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	43,063,573	46,758,816
CASH AND CASH EQUIVALENTS AT END MONTH	**59,763,172**	**16,342,584**

LFM PROPERTIES CORPORATION
NOTES TO UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS
AS OF SEPTEMBER 30, 2023

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.

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

2. Significant Accounting Policies

Changes in Accounting Policies and Disclosures
The accounting policies adopted are consistent with those of the previous financial year, except that the Company has adopted the following new accounting pronouncements 7 starting January 1, 2021. Adoption of these pronouncements did not have any significant impact on the Company's financial position or performance.

- Adoption of Accounting for Common Usage Service Area (CUSA) Charges discussed in PIC Q&A 2018-12-H
- Amendments to PFRS 16, *COVID-19 related Rent Concessions beyond 30 June 2021*
- Amendments to PFRS 9, PFRS 7, PFRS 4, and PFRS 16, *Interest Rate Benchmark Reform – Phase 2*

Standards Issued but not yet Effective
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, 2022

- Amendments to PFRS 3, *Reference to the Conceptual Framework*
- Amendments to PAS 16, *Plant and Equipment: Proceeds before Intended Use*
- Amendments to PAS 37*, Onerous Contracts – Cost of Fulfilling a Contract*
- *Annual Improvements* to PFRSs 2018-2020 Cycle
    - Amendments to PRFS 1, *First-time Adoption of Philippines Financial Reporting Standards, Subsidiary as a first-time adopter*
    - Amendments to PFRS 9, *Financial Instruments, Fees in the '10 per cent' test for derecognition of financial liabilities*

    - Amendments to PAS 41, *Agriculture, Taxation in fair value instruments*

Effective beginning on or after January 1, 2023

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

Effective beginning on or after January 1, 2024

- Amendments to PAS 1, *Classification of Liabilities as Current or Non-current*

Effective beginning on or after January 1, 2025

- PFRS 17, *Insurance Contracts*

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*

The accounting policies adopted are consistent with those of the previous financial year, except for the adoption of new standards effective January 1, 2020. 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 company's financial statements

3. Others

1. The same accounting policies and methods of computation are followed in the interim financial statements as of September 30, 2023 as compared with the audited financial statements as of December 31, 2022.

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
SEPTEMBER 30, 2023

LFM PROPERTIES CORPORATION
STATEMENTS OF CHANGES IN STOCKHOLDER'S EQUITY
AS OF September 30, 2023

		Other Components of Equity			
	Capital Stock	Fair Value Changes on Financial assets at FVOCI	Accumulated Remeasurement Gains (Losses) on Defined Benefit Plan	Retained Earnings	Total
Balances at January 1, 2022	**250,000,000**	**(137,263,474)**	**8,668,117**	**272,780,635**	**394,185,278**
Net Loss	–	–	–	**18,265,004**	**18,265,004**
Other comprehensive income	–	**12,193,228**	**-**	–	**12,193,228**
Balances at September 30, 2023	**250,000,000**	**(125,070,246)**	**8,668,117**	**291,045,639**	**424,643,511**
Balances at January 1, 2021	**250,000,000**	**(97,456,170)**	**13,571,525**	**318,762,302**	**484,877,657**
Net Loss	–		–	**(37,630,007)**	**(37,630,007)**
Other comprehensive income	–	**(39,986,616)**	**-**	–	**(39,986,616)**
Balances at September 30, 2022	**250,000,000**	**(137,442,786)**	**13,571,525**	**281,132,295**	**407,261,034**

LFM PROPERTIES CORPORATION
Accounts receivables
As of September 30, 2023

	TOTAL	CURRENT/ NOT YET DUE	1-3 Months	4-6 Months	Above 1 Year
Trade and other receivables	16,895,715	14,852,455	614,145	-	1,429,115
Allowance for expected Credit Losses	1,049,681				1,049,681
Net Receivables	15,846,034	14,852,455	614,145	-	379,434

LFM PROPERTIES CORPORATION

BASIS FOR COMPUTATION OF BASIC/DILLUTED EARNINGS PER SHARE

	2023	2022
Net (loss) for the first quarter	18,265,004	(37,630,007)
Divided by weighted average number of shares	25,000,000,000	25,000,000,000
Basic/diluted earnings per share	**0.0007**	**(0.0015)**