

COVER SHEET

SEC Registration Number

1	4	7	8	2						
---	---	---	---	---	--	--	--	--	--	--

Company Name

L	I	B	E	R	T	Y		F	L	O	U	R		M	I	L	L	S	,		I	N	C	.		A	N	D	
S	U	B	S	I	D	I	A	R	I	E	S																		

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

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

1	7	-	Q
---	---	---	---

Department requiring the report

--	--	--	--

Secondary License Type, If Applicable

--	--	--	--

COMPANY INFORMATION

Company's Email Address

info@libertygroup.com.ph
--

Company's Telephone Number/s

(02) 8892-5011

Mobile Number

--

No. of Stockholders

447

Annual Meeting
Month/Day

Last Wednesday of May

Fiscal Year
Month/Day

December 31

CONTACT PERSON INFORMATION

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

Name of Contact Person

Jose Ma. Lopez

Email Address

jmlopez@pltdtssl.net
--

Telephone Number/s

(02) 8892-5011

Mobile Number

-

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, 2023**
2. Commission identification number: **14782**
3. BIR Tax Identification No: **000-128-846-V**
4. Exact name of registrant as specified in its charter: **LIBERTY FLOUR MILLS, INC.**
5. Province, country or other jurisdiction of incorporation or organization: **Metro Manila**
6. Industry Classification Code: (SEC Use Only)
7. **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) 8892-5011**
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	150,000,000

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 statements of the Liberty Flour Mills, Inc. (the "Company") and its subsidiaries for the three (3) months ended March 31, 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 three (3) months ended March 31, 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 sales revenue from flour and mill feed business for three-month period ended 31 March 2023 posted an increase of 49% as compared from previous year's same period primarily due to several price increases implemented to negate effect of price increases of wheat coupled with the positive growth in sales volume of 27%. In terms of Sales Value, the Company delivered P422.34 million vs. P282.54 million same quarter of previous year. However, Cost of Sales had increased by 64% primarily due to huge increase in US\$ cost of wheat mainly due to effect of Russia-Ukraine war and peso depreciation resulting to a lower gross margin. The combined lease rental income of the Company and from one of the subsidiaries amounting to P51.60 million for three-month period this year compared to P62.64 million last year which is a decrease of 18% as there were pre-termination of contract with major lessor of one of the subsidiaries.

For the quarter ended 31 March 2023, total gross income amounted to P7.24 million, which is 86% lower from the previous year's same period operation which made gross profit amounting to P50.56 million. Sharp decline on gross income was due to higher cost of sales. Gross income was accounted as coming from the gross profit from the sale of the company's products, rental and real estate income, interest income, and dividend income.

Operating expenses and finance costs for the three-month period of 2023 amounted P59.09 million, 19% higher than the previous year's same period operating expense of PhP49.78 million. Operating expenses consists of selling and administrative expenses such as salaries and wages, employee's welfare, depreciation, outside services, taxes, insurance, communications, office supplies, transportations, repairs, maintenance, interest and other expenses.

Other income(charges), net, for the three-month period of 2023 amounted to (P37.96 million), which is 11% lower than last year's same period amounting to net charges (P42.89 million). The account consists of net miscellaneous income from scrap sales, unrealized foreign currency gain (loss), provision for impairment loss, gain (loss) on sale of financial assets.

As for the quarter ended, the Company has trust receipt balance amounting to P217.20 million as compared to last year's same period of P445.57 million.

The total combined assets amounted to PhP4.26 billion as of 31 March 2023 which lower by 7.28% while total liabilities amounted to P1.70 billion which is lower by 14%, from balances as of 31 December 2022.

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:

Inventories – The decrease in account is due to lower importation of raw materials for the period.

Financial Assets at FVPL – The decrease is because of the mark to market adjustment made by one of the subsidiaries.

Prepaid expenses and other current assets – The increase is due to creditable taxes to be carried over by the Parent Company.

Accounts payable – The decrease is due to payment of Trust Receipts payable during the first quarter of 2023.

Notes payable - Increased by 16% because of the subsidiaries availments.

Income tax payable – The increase is due to higher recognition of income tax payable by one of the subsidiaries during the first quarter of 2023.

Long-term leases - The increase is because of the adjustment made on the recognition of rental income using straight line method based on the terms of the lease agreement PAS 17 on Lease.

Performance Indicators

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

- Selling Price, Volume and Revenue Growth

These indicate external performance of the Company in relation to the movements of consumer demand and the competitors' action to market behavior. These also express market acceptability and room for development and innovation. These are being monitored and compared as basis for further study and development.

During the three-month period ended 31 March 2023, there was 37% increase in revenue as compared to previous year's same period performance. There is an increase both in sales volume and selling price of Company's products. However, there was a decrease in the Company and its subsidiaries rental income by 18%.

- Cost Contribution

This measures the amount of supply and cost-efficiency of the applicable products of the Company. It shows the trend of supplies' cost particularly in imported raw materials where there are foreign exchange exposures. Cost are analyzed regularly pursuant to cost reduction and efficiency measures.

During the three-month ended 31 March 2023, there was a significant increase of 64% in cost of sales over the previous year's same period performance primarily due to US\$ cost of wheat mainly due to effect of Russia-Ukraine war coupled with foreign currency deterioration.

- Gross Profit Contribution

Review of sales less cost is done on a regular basis to check if targets are being met. This measures the profitability within the bounds of cost and demand. Like other indicators, this is reviewed on a regular basis for proper action and consideration.

During the three-month ended 31 March 2023, the Company generated gross profit of 2%. There was a huge decrease of 86% in gross profit as compared in the prior year's same period performance. The decrease is directly attributable to the high costs.

- Operating margin

This shows the result after operation expenses have been deducted. Operating expenses are examined, checked and traced for major expenses. These are being analyzed and compared to budget and expenses incurred in previous years to ensure prudence and discipline in spending behind marketing and selling activities.

During the three-month ended 31 March 2023, there was a decrease in operating expenses by 8% over the previous year's same period performance. Operating income was earned this quarter as a result of increase in sales coupled with decrease in operating expenses.

- Plant Capacity Utilization

This determines total usage of the plant capacity, Full utilization produces better yield thus better margin. Standard rates for the plants were set and monthly utilization is determined to property equate and carefully assess the differences.

There are no events that will trigger direct or contingent financial obligations that are material to the Company, including any default or acceleration of an obligation. There were also no 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.

MARKETPRICE

The market price of the Company's common shares closed at PhP16.70 on 31 March 2023. For the Company's high and low prices for the first quarter of 2023, please see table below:

Stock	Quarter	High	Low
LFM	1	16.70	16.70

PART II – FINANCIAL DISCLOSURES

Financial Instruments and Financial Risk Disclosure

The Group's financial instruments consist of cash and cash equivalents, trade receivables, financial assets at FVPL, financial assets at FVOCI. The main purpose of these financial instruments is to fund the group's operations. The other financial assets and financial liabilities arising directly from its operations are refundable deposits recorded under "Other noncurrent assets" account, liabilities under trust receipts, accounts payable and accrued expenses.

The main risks arising from the Group's financial instruments are credit risk, equity price risk and liquidity risk. The Group's exposure to foreign currency risk is minimal as this only relates to the Group's foreign currency-denominated cash in banks. The BOD reviews and approves policies for managing each of these risks.

a. Credit Risk

This represents the loss that the Group would incur if counterparty failed to perform under its contractual obligations. The Group has established controls and procedures in its credit policy to determine and monitor the credit worthiness of customers and counterparties. The Group is operating under a sound credit-granting process over its distributors. Credit monitoring process involves a weekly check over collections based on a benchmark.

The Group trade receivables is concentrated with its three distributors which account for 78% of the total trade receivables as of March 31, 2023. The Group has been transacting business with these distributors for a long time and has not encountered any credit issue with them. With respect to credit risk arising from other financial assets of the Group which comprise of cash equivalents, financial assets at FVPL, financial assets at FVOCI, the Group's exposure to credit risk arises from default of the counterparty, with a maximum exposure equal to the carrying amount of these instruments. There are no collaterals or other credit enhancement held over these assets.

b. Equity Price Risk

Equity price risk is the risk that the fair value of a financial instrument will fluctuate because of changes in market prices. The Group is exposed to equity price risk because of investments in quoted equity securities. The Group's policy is to maintain the risk at an acceptable level. Movement of share price is monitored regularly to determine impact on its financial position.

c. Foreign Currency Risk

This risk describes the impact of changes in foreign exchange rates on the consolidated balance sheet and consolidated statement of income items denominated in foreign currencies.

The Group's foreign currency-denominated financial assets and liabilities which are all in US dollar (\$) as of March 31, follows:

	2023	2022
Cash in bank	\$196,924	\$377,423
Foreign Securities – Gazprom	\$298,500	-
Total US dollar-denominated assets	\$495,424	\$377,423

The exchange rate per \$1.00 to Philippine peso is P54.36 and P51.74 respectively.

d. Liquidity Risk

Liquidity risk is the risk that the Group will be unable to pay its obligations when they fall due under normal and stress circumstances. The Group manages 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 Group'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, liabilities under trust receipts, 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.

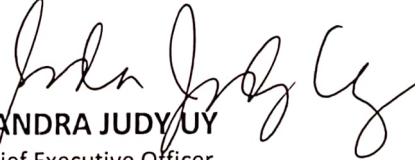
LIBERTY FLOUR MILLS, INC.

By:



WILLIAM CARLOS UY

Chairman of the Board



SANDRA JUDY UY

Chief Executive Officer



JOSE MA. S. LOPEZ

Chief Financial Officer

ANNEX “A”

LIBERTY FLOUR MILLS, INC.

LIBERTY BLDG., 835 A. ARNAIZ AVE.
MAKATI CITY

UNAUDITED FINANCIAL STATEMENTS
MARCH 31, 2023

LIBERTY FLOUR MILLS, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS OF MARCH 31, 2023
(With comparative figures for year ended Dec. 31, 2022 and three months ended March 31, 2022)

<u>Assets</u>	March 31, 2023	December 31, 2022	March 31, 2022
		<u>Audited</u>	
Current Assets			
Cash and cash equivalents	P 70,155,519	P 97,064,711	P 53,188,078
Receivables	1,265,332,500	1,267,611,357	1,160,413,471
Financial assets at fair value through profit or loss	118,662,417	136,764,654	155,254,535
Inventories:			
Finished goods	P 42,943,010	P 27,035,073	P 36,967,279
Raw materials	250,900,156	579,219,261	248,342,642
Inventories-in Transit	-	-	-
Total Inventories	293,843,166	606,254,334	285,309,921
Prepaid expenses & other current assets	114,500,079	106,691,350	128,281,730
Total current assets	P 1,862,493,681	P 2,204,386,406	P 1,782,447,735
Financial assets at fair value through OCI	490,956,336	486,196,811	632,840,275
Investment properties	1,529,238,936	1,535,493,683	1,364,913,557
Plant, Property & Equipment, net	332,508,495	331,115,010	300,116,807
Deferred Charges & Other Assets	44,356,845	36,999,416	128,859,158
Total Assets	P 4,259,554,293	P 4,594,191,326	P 4,209,177,533
<u>Liabilities & Stockholders' Equity</u>			
Current Liabilities			
Accounts Payable	P 356,105,583	P 726,517,234	P 433,745,030
Notes Payable - current portion	814,609,473	701,609,473	102,538,086
Income Tax Payable	5,621,409	5,196,280	4,518,637
Other Liabilities	-	39,389,605	107,436,687
Total Current Liabilities	P 1,176,336,465	P 1,472,712,592	P 648,238,439
Notes Payable - noncurrent portion	273,073,662	307,191,309	443,800,782
Deposit on long-term lease	38,246,310	8,101,480	31,884,198
Accrued retirement benefits costs	2,296,483	785,885	9,297,076
Deferred Income Tax Liability	2,714,414	3,891,064	21,913,988
Other Non-current Liabilities	209,756,085	180,459,767	237,004,918
Total Liabilities	P 1,702,423,419	P 1,973,142,097	P 1,392,139,401
Stockholders' Equity			
Capital Stock, authorized - 200,000,000 shares at P10 par value per share P2,000,000,000.			
Issued and outstanding, 150,000,000 shares	P 1,500,000,000	P 1,500,000,000	P 1,500,000,000
Fair value changes on financial assets through OCI	(178,990,590)	(174,278,934)	(109,197,139)
Remeasurement gain (loss) on defined benefit	2,058,144	1,460,042	449,165
Retained earnings			
Appropriated	P -	P -	-
Unappropriated	1,143,434,492	1,195,917,457	1,425,786,106
Total Retained Earnings	1,143,434,492	1,195,917,457	1,425,786,106
Total Equity Attributable to Equity Holders of Parent Company	2,466,502,046	2,523,098,565	2,817,038,132
Non-controlling interests	90,628,828	97,950,664	-
Total Stockholders' Equity	P 2,557,130,874	P 2,621,049,229	P 2,817,038,132
Total Liabilities & Stockholders' Equity	P 4,259,554,293	P 4,594,191,326	P 4,209,177,533

LIBERTY FLOUR MILLS, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF INCOME
For quarter ended March 31, 2023
(With comparative figures for the quarter ended March 31, 2022)

	<u>March 31, 2023</u>		<u>March 31, 2022</u>
Net Sales	P 422,339,739	P	282,535,092
Rental Income	<u>51,598,477</u>		<u>62,638,635</u>
Total Revenue	473,938,216		345,173,727
Cost of Sales	443,245,387		270,084,852
Cost of Services	<u>23,451,329</u>		<u>24,531,462</u>
Total Cost of sales and services	466,696,716 ①		294,616,314
Gross Profit	P 7,241,500	P	50,557,414
Operating expenses			
General and administrative expenses	29,925,696		34,163,442
Selling and marketing expenses	<u>6,462,495</u>		<u>5,436,775</u>
	36,388,191 ①		39,600,217
Other Income (Charges)			
Interest Income	3,233,492 ②		3,893,551
Dividend Income	1,818,563 ②		2,391,250
Interest expense	(22,701,907) ③		(10,183,083)
Other Income (charges), net	<u>(20,314,646) ② ③</u>		<u>(38,987,435)</u>
	(37,964,498)		(42,885,718)
Income (loss) before Income Tax	P (67,111,189)	P	(31,928,521)
Provision for Income Tax, current	<u>(1,542,999)</u>		<u>(5,183,654)</u>
Provision for Income Tax, Deferred			
Net Income (loss) for the period	P <u>(68,654,188)</u>	P	<u>(37,112,175)</u>
Net Income Attributable To:			
Equity holders of the Parent Company	(61,332,352)		-
Non-controlling interests	(7,321,836)		-
Earnings (loss) per share	P <u>(0.46)</u>	P	<u>(0.25)</u>

Legend:

- ① Gross Expense
- ② Non-operating income
- ③ Non-operating expense

LIBERTY FLOUR MILLS, INC. AND SUBSIDIARIES
STATEMENT OF CASH FLOWS
For quarter ended March 31,2023
(With comparative figures for the quarter ended March 31,2022)

	<u>January 1 to March 31, 2023</u>	<u>January 1 to March 31, 2022</u>
CASHFLOWS FROM OPERATING ACTIVITIES:		
Income before tax	P (67,111,189)	P (31,928,521)
Adjustment for:		
Depreciation	17,863,500	14,546,350
Fair Value changes of financial assets at FVPL	20,932,702	37,706,860
Retirement Benefit Cost	2,400,000	3,447,270
Interest income	(3,233,492)	(3,893,550)
Dividend Income	(1,818,563)	(2,391,250)
Interest expense	22,701,907	10,183,083
Loss (Gain) on the sale of AFS investments	-	1,480,610
Loss (Gain) on sale of FVPL investments	(17,926)	-
Operating Income before working capital changes	<u>(8,283,061)</u>	<u>29,150,852</u>
Decrease (Increase) in:		
Receivables	(7,659,896)	(48,178,581)
Inventories	312,411,170	(94,971,906)
Prepayments and other assets	(11,345,986)	(48,141,954)
Increase (Decrease) in:		
Trade Payables and other current liabilities	(9,006,560)	58,566,685
Deposit on long term lease	22,649,319	22,798,473
Unearned Rental Income	1,832,293	244,129
Liabilities for Retirement Fund	-	-
Cash generated (used) from operations	<u>300,597,279</u>	<u>(80,532,302)</u>
Income tax paid	(1,117,870)	(1,828,518)
Interest Received	3,233,492	3,893,550
Net cash provided by (used in) operating activities	<u>302,712,901</u>	<u>(78,467,270)</u>
CASHFLOWS FROM INVESTING ACTIVITIES:		
Proceeds from sale of FVPL	1,771,497	3,572,261
Dividends received	1,818,563	2,391,250
Proceeds from redemption of FVOCI	-	-
Acquisition of plant, property and equipment	(8,148,380)	(12,415,241)
Acquisition of investment properties	(4,853,859)	-
Acquisition of Investments-FVPL	(4,584,036)	(3,685,658)
Acquisition of Investments-FVOCI	-	-
Decrease(increase) in other non-current assets	(5,100,337)	(7,948,275)
Net cash used in investing activities	<u>(19,096,552)</u>	<u>(18,085,663)</u>
CASHFLOW FROM FINANCING ACTIVITIES		
Availment of Loans	197,179,747	3,000,000
Loan Payments	(485,003,381)	(37,117,647)
Interest paid	(22,701,907)	(10,183,083)
Payments of cash dividends	-	-
Net cash generated from financing activities	<u>(310,525,541)</u>	<u>(44,300,730)</u>
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		
	<u>(26,909,192)</u>	<u>(140,853,663)</u>
Add: Cash and cash equivalents:		
January 1	97,064,711	194,041,740
April 1		
CASH AND CASH EQUIVALENTS, END	<u>P 70,155,519</u>	<u>P 53,188,077</u>

LIBERTY FLOUR MILLS, INC. AND SUBSIDIARIES
NOTES TO UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS
AS OF MARCH 31, 2023

1. Basis of Financial Statement Preparation

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

Statement of Compliance

The consolidated financial statements of the Group are prepared in compliance with Philippine Financial Reporting Standards (PFRS).

Basis of Consolidation

The consolidated financial statements comprise the financial statements of the Parent Company and its subsidiaries as of March 31, 2022.

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

2. Significant Accounting Policies

Changes in Accounting Policies and Disclosures

The accounting policies adopted are consistent with those of the previous financial year, except for the adoption of new standards in 2022. 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 Group's financial statements.

- Amendments to PFRS 3, Reference to the Conceptual Framework
- Amendments to PAS 16, Property, Plant and Equipment: Proceeds before Intended Use
- Amendments to PAS 37, Onerous Contracts – Costs of Fulfilling a Contract
- Annual Improvements to PFRSs 2018-2020 Cycle

Standards Issued but not yet Effective

Pronouncements issued but not yet effective are listed below. The Group intends to adopt the following pronouncements when they become effective. Adoption of these pronouncements is not expected to have a significant impact on the Group's consolidated financial statements, unless otherwise indicated.

Effective beginning on or after January 1, 2023

- 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*

Effective beginning on or after January 1, 2024

- Amendments to PAS 1, *Classification of Liabilities as Current or Non-current*
- Amendments to PFRS 16, *Lease Liability in a Sale and Leaseback*

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*

3. Others

1. The same accounting policies and methods of computation are followed in the interim financial statements as of March 31, 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”

LIBERTY FLOUR MILLS, INC.

LIBERTY BLDG., 835 A. ARNAIZ AVE.
MAKATI CITY

STATEMENT OF CHANGES
IN STOCKHOLDER’S EQUITY
MARCH 31, 2023

LIBERTY FLOUR MILLS, INC.
STATEMENT OF CHANGES IN STOCKHOLDERS' EQUITY
For three months ended March 31, 2023 and 2022

	2023	2022
CAPITAL STOCK		
Authorized - 200 million shares at P10 par value per share <u>P2 billion</u>		
Issued and outstanding -150 million shares P	1,500,000,000	P 1,500,000,000
Fair value changes on financial assets through OCI	(169,543,101)	(109,197,139)
Accumulated Remeasurement on Retirement Benefits	1,460,042	449,165
RETAINED EARNINGS		
January `1	1,195,917,457	1,462,898,281
Net income for the period	(61,332,352)	(37,112,175)
Cash dividends declared and paid	-	-
	1,134,585,105	1,425,786,106
Non-Controlling Interest	90,628,828	-
	2,557,130,874	2,817,038,132

BASIS FOR THE COMPUTATION OF BASIC EARNINGS PER SHARE

		2023	2022
NUMERATOR:			
Net income (loss) for the first quarter	P	(68,654,188) P	(37,112,175)
DENOMINATOR:			
Outstanding shares		150,000,000	150,000,000
Treasury Stock		0	0
TOTAL WEIGHTED AVERAGE SHARES		150,000,000	150,000,000

LIBERTY FLOUR MILLS, INC. and Subsidiaries
Aging of Accounts Receivable
As of March 31, 2023

Type of Accounts Receivable	Total	Current	1 Month	2-3 Months	Over 3 Mos.
a) Trade Receivables					
Flour and Millfeed customers	P 1,191,250,009 P	P 548,838,088 P	P 119,410,814 P	P 156,662,585 P	366,338,522
Building Tenants	39,622,644	1,374,001	587,834	147,466	37,513,344
b) Non-Trade Receivables:					
Others	<u>34,459,847</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>34,459,847</u>
Total	P 1,265,332,500 P	P 550,212,089 P	P 119,998,648 P	P 156,810,050 P	438,311,713