SECURITIES AND EXCHANGE COMMISSION

SEC FORM 20-IS

INFORMATION STATEMENT PURSUANT TO SECTION 17.1(b) OF THE SECURITIES REGULATION CODE

1. Check the appropriate box:
   - ○ Preliminary Information Statement
   - ◉ Definitive Information Statement
2. Name of Registrant as specified in its charter
   Premiere Horizon Alliance Corporation
3. Province, country or other jurisdiction of incorporation or organization
   Philippines
4. SEC Identification Number
   147584
5. BIR Tax Identification Code
   002-727-376-000
6. Address of principal office
   Unit 1705, East Tower, Tektite Towers, Exchange Road, Ortigas Center, Pasig City
   Postal Code
   1605
7. Registrant's telephone number, including area code
   0286327715
8. Date, time and place of the meeting of security holders
   9 December 2026 at 10:00 AM to be held via remote communication or in absentia at: https://us02web.zoom.us/j/8834791898?omn=88657289797
9. Approximate date on which the Information Statement is first to be sent or given to security holders
   Nov 10, 2026
10. In case of Proxy Solicitations:

    Name of Person Filing the Statement/Solicitor
    Premiere Horizon Alliance Corporation

    Address and Telephone No.
    Unit 1705, East Tower, Tektite Towers, Exchange Road, Ortigas Center, Pasig City; Tel No. (02) 86327715

11. Securities registered pursuant to Sections 8 and 12 of the Code or Sections 4 and 8 of the RSA (information on number of shares and amount of debt is applicable only to corporate registrants):

Title of Each Class	Number of Shares of Common Stock Outstanding and Amount of Debt Outstanding
COMMON STOCK P 0.25 PAR VALUE	5,708,359,504

13. Are any or all of registrant's securities listed on a Stock Exchange?

(●) Yes ( ) No

If yes, state the name of such stock exchange and the classes of securities listed therein:

Philippine Stock Exchange - Common Shares

The Exchange does not warrant and holds no responsibility for the veracity of the facts and representations contained in all corporate disclosures, including financial reports. All data contained herein are prepared and submitted by the disclosing party to the Exchange, and are disseminated solely for purposes of information. Any questions on the data contained herein should be addressed directly to the Corporate Information Officer of the disclosing party.

Premiere Horizon Alliance Corporation
PHA

PSE Disclosure Form 17-5 - Information Statement for Annual or Special Stockholders' Meeting
References: SRC Rule 20 and Section 17.10 of the Revised Disclosure Rules

Date of Stockholders' Meeting	Dec 9, 2026
Type (Annual or Special)	Annual
Time	10:00 AM
Venue	Via remote communication or in absentia at: https://us02web.zoom.us/j/8834791898?omn=88657289797
Record Date	Nov 10, 2026

Inclusive Dates of Closing of Stock Transfer Books

Start Date	Nov 10, 2026
End date	Dec 9, 2026

Other Relevant Information
Deadline of Submission of Proxies- 27 November 2026 Validation of Proxies- 4 December 2026

Filed on behalf by:

Name	Geronimo Halili
Designation	Director/SEC Compliance Officer

COVER SHEET

1	4	7	5	8	4					

S.E.C. Registration Number

P	R	E	M	I	E	R	E		H	O	R	I	Z	O	N		A	L	L	I	A	N	C	E					
C	O	R	P	O	R	A	T	I	O	N																			

(Company's Full Name)

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O	R	T	I	G	A	S		C	E	N	T	E	R	,		P	A	S	I	G		C	I	T	Y	,			
M	E	T	R	O		M	A	N	I	L	A																		

(Business Address: No. Street City/Town/Province)

2	0	I	S

(Form Type)
Type, If Applicable

M	S	R	D

Department requiring the report

Secondary License

COMPANY INFORMATION

corpsec1@pha-corp.com	(02) 86327715	+63906454798
Company's email address	Company's Telephone Number	Mobile Number

145	June 28	2025
No. of Stockholders	Annual Meeting (Month/Day)	Fiscal Year

CONTACT PERSON INFORMATION

Jarodelyn N. Mabalot	corpsec1@pha-corp.com	n/a	+639064547985
Name of Contact Person	Email Address	Telephone Number	Mobile Number

CONTACT PERSON'S ADDRESS

8th Floor Pacific Star Building, Sen. Gil Puyat cor.
Makati Avenue, Makati City, Metro Manila

NOTICE OF ANNUAL STOCKHOLDERS' MEETING

To All Stockholders:

Please be advised that the Annual Meeting of the Stockholders of **PREMIERE HORIZON ALLIANCE CORPORATION** (the "Company" or "PHA") will be held on **9 December 2026, 10:00 a.m.** at Unit 1705, East Tower, Tektite Towers, Exchange Road, Ortigas Center, Pasig City 1605 via remote communication or *in absentia.*

As resolved by the Board of Directors ad referendum on **4 September 2026** and ratified during its Special Board Meeting held on 18 September 2026, the meeting will be conducted virtually and may be accessed through the following link https://us02web.zoom.us/j/8834791898?omn=88657289797, in compliance with SEC Memorandum Circular No. 6, Series 2020. The password to attend the meeting shall be provided by the Company to all stockholders of record as of **10 November 2026** or their proxies who have successfully registered to attend the meeting. Please refer to the registration procedure below.

The following is the agenda of the meeting:

1. Call to order
2. Proof of notice and certification of quorum
3. Approval of the Minutes of the Annual Stockholders' Meeting held on 24 November 2025
4. Presentation of the Annual Report and Ratification of the Audited Financial Statements for 2025
5. Approval and Ratification of all acts and resolutions of the Board of Directors, the Committees, and the Management from the date of the last annual stockholders' meeting to date as reflected in the books and records of the Company
6. Election of Directors
7. Appointment of Valdes Abad & Company, CPAs as External Auditor
8. Other Matters
9. Adjournment

Only stockholders of record as of **10 November 2026** or their proxies shall be entitled to attend and vote at the virtual meeting. Stockholders who wish to attend the meeting by remote communication or in absentia must email their request to attend to CorpSec1@pha-corp.com no later than the close of business on **27 November 2026, 5:00 p.m.**

For individual stockholders who do not own shares through their broker/s, and whose shares are not lodged with the Philippine Depositary Trust Corporation, who wish to personally attend the virtual meeting, they must submit their voting forms to PHA on or before the close of business on **27 November 2026, 5:00 p.m.** (i) by email to CorpSec1@pha-corp.com and gbhalili.pgdi@pha-corp.com, or (ii) by delivery or mail to the principal office address of the Corporation at Unit 1705 East Tower, Tektite Towers, Exchange Road, Ortigas Center, Pasig City. Should a voting form be emailed to the Company, the original signed copy thereof must also be received by the Company, either by delivery or mail, no later than the meeting schedule. Voting forms shall be validated on **4 December 2026, 3:00 p.m.** at the principal office address of the Company by the Company's Proxy Validation Committee.

For individual stockholders who wish to be represented at the virtual meeting by proxy, the proxy forms and supporting documents shall be submitted to PHA on or before the close of business on **27 November 2026, 5:00 p.m.** (i) by email to CorpSec1@pha-corp.com and gbhalili.pgdi@pha-corp.com, or (ii) by delivery or mail to the principal office address of the Company at Unit 1705 East Tower, Tektite Towers, Exchange Road, Ortigas Center, Pasig City. Should a proxy form be emailed to the Company within the specified deadline, the original signed copy thereof must likewise be received by the Company, either by delivery or mail, no later than the meeting schedule. Proxy forms shall be validated on **4 December 2026 3:00 p.m.** at the principal office address of the Company by the Company's Proxy Validation Committee. The Company shall send to the stockholders and/or proxy holders the password and instructions on how to access the virtual stockholders' meeting via email.

If a stockholder owns shares through its broker or its shares are lodged with the Philippine Depositary Trust Corporation, the stockholder must secure from its broker, bank, or other fiduciary allowed by law, a duly signed and accomplished proxy form, which the stockholder or its broker, bank, or other fiduciary must submit to the Company in the above manner and no later than **27 November 2026, 5:00 p.m.** In accordance with Rule 20.11.2.18 of the 2015 Implementing Rules and Regulations of the Securities and Regulation Code, proxies executed by brokers shall be accompanied by a certification under oath stating that before the proxy was given to the broker, he/she had duly obtained the written consent of the persons in whose account the shares are held.

Corporate stockholders shall likewise be required to submit a notarized secretary's certificate confirming the authority of their representative or proxy holder to attend and vote at the virtual stockholders' meeting. This certificate must be submitted to the Company in the manner described above no later than **27 November 2026, 5:00 p.m.** Failure to submit the required certificate may result in the stockholder not being recognized as a stockholder of record.

By registering to participate in the virtual meeting, a stockholder, a proxy, or a representative of the stockholder agrees that the Company and its service providers may process their personal and/or sensitive personal information necessary to verify their identity and authority. A stockholder who fails to comply with the registration requirement will not be able to participate in the virtual ASM.

For any questions about the meeting, you may email CorpSec1@pha-corp.com.

JARODELYN N. MABALOT
Corporate Secretary

Copies of the Notice, Proxy Form, Voting Form, Definitive Information Statement, Management Report, Audited Financial Statements of the Company, and Quarterly Reports, for the period ended 2025 and the third quarter ended 2026~~,~~ and other related materials for the Annual Stockholder's Meeting can be accessed through the following options:

1. Visit the Company's website at https://www.premierehorizon.com
2. Visit the PSE Edge portal
3. Request for copies by sending an email to CorpSec1@pha-corp.com

PREMIERE HORIZON ALLIANCE CORPORATION
ANNUAL STOCKHOLDERS' MEETING
9 December 2026

This proxy is being solicited on behalf of the Board of Directors and Management of PREMIERE HORIZON ALLIANCE CORPORATION (the "Company" or "PHA") for voting at the Annual Stockholders' Meeting ("ASM") to be held virtually via remote communication or *in absentia* on **9 December 2026, 10:00 a.m.** with **Record Date** on **10 November 2026.**

P R O X Y F O R M

I, the undersigned stockholder of the Company, do hereby appoint, name, and constitute either of the Company's **President**, **EUGENIO T. TAN,** or _____, as my attorney-in-fact and proxy, to represent me at the ASM of the Company to be held on 9 December 2026 and any adjournment(s) or postponement(s) thereof, as fully and to all intents and purposes as I might or could if present and voting in person, hereby ratifying and confirming any and all actions taken on matters which may properly come before such meeting or adjournment(s) or postponement(s) thereof.

In particular, I hereby direct my said proxy to vote on the agenda items below as I have expressly indicated by marking the same with an "**X**".

AGENDA ITEMS	ACTION		
Item 1. Call to Order	No action necessary.		
Item 2. Proof of notice and certification of quorum	No action necessary.		
	FOR	**AGAINST**	**ABSTAIN**
Item 3. Approval of the Minutes of the Annual Stockholders' Meeting ("ASM") on 24 November 2025			
Item 4. Presentation of the Annual Report and Ratification of the 2025 Audited Financial Statements			
Item 5. Approval and Ratification of all acts and resolutions of the Board of Directors, the Committees, and the Management from the date of the last ASM to date as reflected in the books and records of the Company			
Item 6. Election of Directors			
For Regular Director:			
Marian Peña			
Esteban Peña Sy			
Eugenio T. Tan			
Brandon P. Leong			
Geronimo B. Halili			
Ernest Sze Lok Yeung			
For Independent Director:			
Maria Clara A. Camacho			
Steven Cesar G. Virata			
Orlando S. Mercado			
Item 7. Appointment of Valdes, Abad & Company, CPAs as External Auditor			
Item 8. Other Matters *According to Proxy's Discretion*			
Item 9. Adjournment	No action necessary.		

IN CASE A PROXY FORM IS SIGNED AND RETURNED IN BLANK

If no instructions are indicated on a returned and duly signed proxy, the shares represented by the proxy will be voted:

FOR the approval of the Minutes of the ASM held on 24 November 2025;

FOR the approval of Company's Audited Financial Statements for the year ended 2025

FOR the approval of all acts and resolutions of the Board of Directors, the Committees, and the Management from the date of the last annual stockholders' meeting to date as reflected in the books and records of the Company;

FOR the election of the following directors: Marian Peña, Esteban Peña Sy, Eugenio T. Tan, Brandon P. Leong, Geronimo B. Halili, Ernest Sze Lok Yeung, Maria Clara A. Camacho (Independent Director), Steven Cesar G. Virata (Independent Director), and Orlando S. Mercado (Independent Director);

FOR the Appointment of Valdes Abad and Company, CPAs as External Auditor; and

To authorize the Company's President or other named authorized representative, as proxy, to vote at their discretion any matter that may be discussed under "Other Matters."

A Proxy Form that is returned without a signature shall not be valid.

INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED UPON

No member of the Board of Directors or executive officer since the beginning of the last calendar year, or nominee for election as director, or their associates, had any substantial interest, direct or indirect, by security holdings or otherwise, in any of the matters to be acted upon in the meeting, other than election to office.

VALIDATION OF PROXY FORMS

The proxy forms and supporting documents shall be submitted to PHA on or before close of business on **27 November 2026, 5:00 p.m.** (i) by email to CorpSec1@pha-corp.com and gbhalili.pgdi@pha-corp.com, or (ii) by delivery or mail to the principal office address of the Company at Unit 1705 East Tower, Tektite Towers, Exchange Road, Ortigas Center, Pasig City. Should a proxy form be emailed to the Company, the original signed copy thereof must likewise be received by the Company, either by delivery or mail, no later than the meeting schedule. Proxy forms shall be validated by the Stock Transfer Service, Inc. on **4 December 2026, 3:00 p.m.** at the principal office address of the Company

For partnerships, corporations, and associations, please provide a notarized Secretary's Certificate attesting to the authority of the representative to execute the proxy form with authority to designate the proxy holder(s) or representative(s) of the partnership, corporation, or association to be the actual proxy and for them to attend the relevant stockholders' meeting. This Secretary's Certificate may be specific to the virtual ASM on 9 December 2026 of the Company or a general authority.

REVOCATION OF PROXIES

A stockholder giving a proxy has the power to revoke it any time before the right granted is exercised. A proxy is also considered revoked if the stockholder attends the meeting in person and expresses his/her intention to vote in person.

Signed this _____2026 at _____.
(DATE) (PLACE)

_____	_____
Printed Name of Stockholder and/or Name of Authorized Signatory	***Signature of Stockholder and/or Authorized Signatory***

[N.B.: Partnerships, corporations and associations must attach certified resolutions or extracts thereof designating the Proxy/Representative and authorized signatory.]

PLEASE DATE AND SIGN YOUR PROXY FORM

PLEASE MARK, SIGN, AND RETURN YOUR PROXY FORM VIA EMAIL, DELIVERY, OR MAIL (IN TIME FOR IT TO REACH THE COMPANY) **ON OR BEFORE 27 NOVEMBER 2026, 5:00 pm.**

PREMIERE HORIZON ALLIANCE CORPORATION
ANNUAL STOCKHOLDERS' MEETING
9 December-2026

V O T I N G F O R M

This voting form is being solicited on behalf of the Board of Directors and Management of PREMIERE HORIZON ALLIANCE CORPORATION (the "Company" or "PHA") for voting at the Annual Stockholders' Meeting ("ASM") to be held virtually by remote communications or *in absentia* on **9 December 2026**, **10:00 a.m,** with **Record Date** on **10 November 2026.**

AGENDA ITEMS	ACTION		
Item 1. Call to Order	No action necessary.		
Item 2. Proof of notice and certification of quorum	No action necessary.		
	FOR	**AGAINST**	**ABSTAIN**
Item 3. Approval of the Minutes of the Annual Stockholders Meeting ("ASM") on 24 November 2025			
Item 4. Presentation of the Annual Report and Ratification of the 2025 Audited Financial Statements			
Item 5. Approval and Ratification of all acts and resolutions of the Board of Directors, the Committees, and the Management from the date of the last annual stockholders' meeting to date as reflected in the books and records of the Company			
Item 6. Election of Directors			
For Regular Director:			
Marian Peña			
Esteban Peña Sy			
Eugenio T. Tan			
Brandon P. Leong			
Geronimo B. Halili			
Ernest Sze Lok Yeung			
For Independent Director:			
Maria Clara A. Camacho			
Steven Cesar G. Virata			
Orlando S. Mercado			
Item 7. Appointment of Valdes, Abad & Company, CPAs as External Auditor			
Item 8. Other Matters			
Item 9. Adjournment	No action necessary.		

IN CASE A VOTING FORM IS SIGNED AND RETURNED IN BLANK

If no instructions are indicated on a returned and duly signed proxy, the shares represented by the proxy will be voted:

FOR the approval of the Minutes of the ASM held on 24 November 2025;

FOR the approval of Company's Audited Financial Statements for the year ended 2025

FOR the approval of all acts and resolutions of the Board of Directors, the Committees, and the Management from the date of the last annual stockholders' meeting to date as reflected in the books and records of the Company;

FOR the election of the following directors: Marian Peña, Esteban Peña Sy, Eugenio T. Tan, Brandon P. Leong, Geronimo B. Halili, Ernest Sze Lok Yeung, Maria Clara A. Camacho (Independent Director), Steven Cesar G. Virata (Independent Director), and Orlando S. Mercado (Independent Director);

FOR the Appointment of Valdes Abad and Company, CPAs as External Auditor; and

To approve any matter that may be discussed under "Other Matters". A

Voting Form that is returned without a signature shall not be valid.

INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED UPON

No member of the Board of Directors or executive officer since the beginning of the last calendar year, or nominee for election as director, or their associates, had any substantial interest, direct or indirect, by security holdings or otherwise, in any of the matters to be acted upon in the meeting, other than election to office.

VALIDATION OF VOTING FORMS

The voting forms and supporting documents shall be submitted to PHA on or before close of business on **27 November 2026, 5:00 p.m.** (i) by email to CorpSec1@pha-corp.com and gbhalili.pgdi@pha-corp.com, or (ii) by delivery or mail to the principal office address of the Company at Unit 1705 East Tower, Tektite Towers, Exchange Road, Ortigas Center, Pasig City. Should a voting form be emailed to the Company, the original signed copy thereof must also be received by the Company, either by delivery or mail, no later than the meeting schedule. Voting forms shall be validated by the Stock Transfer Service, Inc. on **4 December 2026, 3:00 p.m.** at the principal office address of the Company.

Signed this _____ 2026 at _____.
(DATE) (PLACE)

_____ _____
Printed Name of Stockholder and/or Name of Authorized Signatory ***Signature of Stockholder and/or Authorized Signatory***

[N.B.: Partnerships, corporations, and associations must attach certified resolutions or extracts thereof designating the authorized signatory.]

PLEASE DATE AND SIGN YOUR VOTING FORM

PLEASE MARK, SIGN AND RETURN YOUR VOTING FORM VIA EMAIL, DELIVERY, OR MAIL (IN TIME FOR TO REACH THE COMPANY) **ON OR BEFORE 27 NOVEMBER 2026, 5:00 p.m.**

SECURITIES AND EXCHANGE COMMISSION SEC FORM 20-IS
INFORMATION STATEMENT PURSUANT TO SECTION 20
OF THE SECURITIES REGULATION CODE

1. Check the appropriate box:

   [ ] Preliminary Information Statement

   [X] Definitive Information Statement

2. Name of Registrant as specified in its charter **Premiere Horizon Alliance Corporation**

3. *Philippines*
   Province, country or other jurisdiction of incorporation or organization

4. SEC Identification Number **147584**

5. BIR Tax Identification Code **002-727-376-000**

6. *Unit 1705, East Tower, Tektite Towers, Exchange Road, Ortigas Center, Pasig City* **1605**
   Address of principal office Postal Code

7. Registrant's telephone number, including area code **(02) – 8632-7715**

8. **9 December 2026, 10:00 A.M. to be held via remote communication or *in absentia*** at Unit 1705, East Tower, Tektite Towers, Exchange Road, Ortigas Center, Pasig City 1605 with zoom meeting link as follows: https://us02web.zoom.us/j/8834791898?omn=88657289797

   Date, time and place of the meeting of security holders

9. Approximate date on which the Information Statement is first to be sent or given to security holders **10 November 2026**

10. In case of Proxy Solicitations:

    Name of Person Filing the Statement/Solicitor: Christine Galita
    Address and Telephone No.: Unit 1705, East Tower, Tektite Towers, Exchange Road, Ortigas Center, Pasig City 1605; Tel. no. (02)-8632-7715

11. Securities registered pursuant to Sections 8 and 12 of the Code or Sections 4 and 8 of the RSA (information on number of shares and amount of debt is applicable only to corporate registrants):

Title of Each Class	Number of Shares of Common Stock Outstanding or Amount of Debt Outstanding
Common	*5,708,359,504 Shares*[1]

12. Are any or all of registrant's securities listed in a Stock Exchange?

[1] As of 30 September 2026

Yes _X_ No _____

If yes, disclose the name of such Stock Exchange and the class of securities listed therein: There are 2,254,117,253 common shares listed with the Philippine Stock Exchange ("PSE").

There are 726,475,102 issued and outstanding fully paid shares which have pending applications for listing with the PSE. There are 475,796,134 issued and outstanding common shares which have pending applications for listing with the PSE but were withdrawn from the application, pending verification that the underlying transactions are regular and duly substantiated.

There are also 2,184,017,129 issued, outstanding, and fully paid common shares on which applications for listing are pending with the PSE.

INFORMATION STATEMENT (SEC FORM 20-IS)

PART I.
INFORMATION REQUIRED IN INFORMATION STATEMENT

A. GENERAL INFORMATION

Item 1. Date, Time and Place of Meeting of Security Holders.

Premiere Horizon Alliance Corporation (the "Company" or "PHA") will be holding its Annual Stockholders' Meeting ("ASM") on **9 December 2026, 10:00 a.m.** at Unit 1705, East Tower, Tektite Towers, Exchange Road, Ortigas Center, Pasig City 1605 via remote communication or *in absentia.*

The By-Laws of the Company provides that the ASM shall be held in the month of May, on a day to be fixed by the Board of Directors ("Board"). Moreover, Section 25 of the Revised Corporation Code provides that the postponement of the ASM shall not be later than sixty (60) days from the date provided in the By-Laws. However, considering that the Company's last ASM was held only in November of 2025, the Board has determined that it would be more prudent to defer the ASM to a later date, when more substantial developments concerning the Company's status and operations since the last ASM may be reported to and discussed with the Stockholders.

Thus, it was resolved by the Board of Directors ad referendum on **4 September 2026** and ratified during its Special Board Meeting held on 18 September 2026, that the meeting will be held on 9 December 2026 . The meeting will be conducted virtually and may be accessed through the following link: https://us02web.zoom.us/j/8834791898?omn=88657289797.

The Company shall provide the password to attend the meeting to all stockholders of record as of **10 November 2026** or to their proxies, upon their successful registration for the meeting. Please refer to the registration procedure in the Notice of ASM.

The complete mailing address of the principal office is Unit 1705, East Tower, Tektite Towers, Exchange Road, Ortigas Center, Pasig City 1605.

The approximate date when the information statement will be first sent to security holders is on **10 November 2026.**

Item 2. Dissenters' Right of Appraisal

There are no matters to be taken up during the ASM with respect to which the law allows the exercise of the appraisal right by any dissenting stockholder. The Revised Corporation Code limits the exercise of the appraisal right only in the following instances:

a. In case any amendment to the articles of incorporation has the effect of changing or restricting the rights of any stockholder or class of share, or of authorizing preferences in any respect superior to those of outstanding shares of any class, or of extending or shortening the term of corporate existence (Section 80);
b. In case of the sale, lease, exchange, transfer, mortgage, pledge or other disposition of all or substantially all of the corporate property and assets (Section 80);
c. In case of merger or consolidation (Section 80);
d. In case of investment of corporate funds for any purpose other than the primary purpose of the corporation (Section 80).

Since the matters to be taken up do not include any of the foregoing, the appraisal right will not be

available.

However, if at any time after this Information Statement has been sent out, an action which may give rise to the right of appraisal is proposed at the meeting, any stockholder who votes against the proposed action and who wishes to exercise such right must make a written demand, within thirty (30) days after the date of the meeting or when the vote was taken, for the payment of the fair market value of his shares as of the day before the vote was taken, excluding any appreciation or depreciation in anticipation of said corporate action. The failure to make the demand within the thirty (30)-day period shall be deemed a waiver of the appraisal right.

If within sixty (60) days from the date of the meeting or when the vote was taken, the withdrawing stockholder and the Company cannot agree on the fair value of the shares, it shall be determined and appraised by three (3) disinterested persons, one of whom shall be named by the stockholder, another by the Company, and the third by the two (2) thus chosen. The findings of the majority of the appraisers shall be final, and their award shall be paid by the Company within thirty (30) days after such award is made. However, no payment shall be made to any dissenting stockholder unless the Company has unrestricted retained earnings in its books to cover such payment.

Upon payment, he must surrender his certificates of stock and the shares shall be transferred to the Company.

Item 3. Interest of Certain Persons in or Opposition to Matters to be Acted Upon

The directors, officers, nominees for directors, and their associates do not have a substantial interest, direct or indirect, whether through security holdings or otherwise, in any matter to be acted upon in the stockholders' meeting other than their re-election/election to their respective positions.

The Company has not been informed in writing by any person of any intention to oppose any action to be taken at the meeting.

B. CONTROL AND COMPENSATION INFORMATION

Item 4. Voting Securities and Principal Holders Thereof

The record date to determine the stockholders entitled to notice and to vote at the ASM is on **10 November 2026.**

Proxy is being solicited on behalf of the Board of Directors and Management of the Company for voting at the ASM with a record date of **10 November 2026**. Please refer to Part II. Information Required in Proxy Form.

As of 31 August 2026, there are 5,708,359,504 common shares entitled to notice and to vote at the meeting, of which 4,237,917,858 shares are registered under Filipinos and 1,470,440,646 shares are registered under foreign ownership. Each common share is entitled to one vote. The Company has 2,254,117,253 common shares listed and traded in the Philippine Stock Exchange ("PSE").

A stockholder entitled to vote at the meeting has the right to vote in person or by proxy. In cases of election of directors, the stockholders have the right to cumulate their votes in favor of their chosen nominees for director in accordance with Section 24 of the Revised Corporation Code. A stockholder may vote such number of shares registered in his/her name as of the record date for as many persons as there are directors to be elected or he/she may cumulate said shares and give one candidate as many votes as the number of directors to be elected multiplied by the number of his/her shares shall equal, or he/she may distribute them on the same principle among as many candidates as he/she shall see fit. The total number of votes cast by such stockholder should not exceed the number of shares owned by him/her as shown in the books of the Company multiplied by the whole number of directors to be

elected.

Security Ownership of Certain Record and Beneficial Owners and Management

(1) Security Ownership of Certain Record and Beneficial Owners of more than 5% of voting securities as of the record date

The following are the registered and beneficial owners of more than 5% of the voting securities as o**f 30 September 2026:**

Title of Class	Name, address of record owner and relationship with issuer	Name of Beneficial owner and relationship with record owner (direct)	Citizenship	No. of Shares	Percentage
Common	PCD Nominee Corporation G/F Makati Stock Exchange 6767 Ayala Avenue Makati City Stockholder	PCD Nominee Corp. is the record owner **The Company has no information of any beneficial owner holding more than 5% interest in shares lodged under PCD Nominee Corp. The Company has not been informed of the identities of the designated proxies authorized to vote the shares.	Filipino	2,854,562,151	50.01%
Common	Ernest Sze Lok Yeung, Unit 39E The Viridian at Greenhills, San Juan city, *Director*	Ernest Sze Lok Yeung	British	1,389,802,353	24.35%
Common	Marian Peña, 32 Wilson Street, West Greenhills, San Juan City, *Director*	Marian Peña	Filipino	794,214,976	13.91%

(2) ***Security Ownership of Management***

The following are the security ownership of the directors and executive officers of the Company as of **30 September 2026**:

Title of Class	Name of Beneficial Owner; Relationship with Issuer	Amount and Nature of Beneficial Ownership (direct & indirect)	Citizenship	Percentage held
Common	Ernest Sze Lok Yeung, Director	1,389,802,353 (D) 9,900 (I)	British	24.3 5%

Common	Marian Peña, Director	794,214,976 (D) 70,000,000 (I)	Filipino	13.91%
Common	Eugenio T. Tan, Director	20,100,000 (D)	Filipino	0.00%
Common	Brandon Benito P. Leong, Director	2,000 (D)	Filipino	0.00%
Common	Esteban G. Peña Sy, Director	10,000 (D)	Filipino	0.00%
Common	Geronimo B. Halili Director	10,000 (D)	Filipino	0.00%
Common	Maria Clara A. Camacho Director	10,000 (D)	Filipino	0.00%
Common	Orlando S. Mercado	10,000 (D)	Filipino	0.00%
Common	Steven Cesar G. Virata	10,000 (D)	Filipino	0.00%
TOTAL				**38.26%**

(3) ***Voting Trust Holders of 5% or More***

There are no persons holding five percent (5%) or more of a class under a voting trust or similar arrangement.

(4) ***Changes in Control***

There has been no change in control since the beginning of the last fiscal year.

Item 5. Directors and Executive Officers

For the information required of incumbent directors, officers and the nominees for directors, including their respective business experience in the last five years, please refer to **Annex "A.**"

Also attached as **Annex "B**" is a certification that no directors or officers are connected with any government agencies or its instrumentalities.

The Corporate and Executive officers of the Company are as follows:

Chairman	Esteban G. Peña Sy
President and Chief Executive Officer	Eugenio T. Tan
Executive Vice President	Marian Peña
Group Chief Financial Adviser	Ernest Sze Lok Yeung
Treasurer	Brandon Benito P. Leong
Assistant Treasurer	Helenita D. Ong

Chief Investment Officer	Christina P. Leong
Chief Information Officer	
Investor Relations Officer	
SEC Compliance Officer	Geronimo B. Halili
Senior Vice President	Mariflor M. Sandoval
Secretary	Jarodelyn N. Mabalot
Assistant Secretary	Nasha Jemimah R. Reyes-Ferrer
Data Privacy Officer	Ma. Wincel D. Chang
Financial Controller	Sally C. Uy

The nominees for the members of the Board of Directors of the Company for the current year are the following:

For Regular Director:	Marian Peña Esteban Peña Sy Eugenio T. Tan Brandon P. Leong Atty. Geronimo B. Halili Ernest Sze Lok Yeung
For Independent Director:	Maria Clara A. Camacho Steven Cesar G. Virata Orlando S. Mercado

The aforementioned nominees are expected to attend the ASM.

Please see **Annex "A"** for the biographical information on the foregoing nominees, including their respective business information in the last five years.

Nomination and Election of Independent Directors

The term of office of each director, including Independent Directors, is one year. The incumbent Independent Directors, all Filipino Citizens, are Ms. Maria Clara A. Camacho, Mr. Orlando S. Mercado and Mr. Steven Cesar G. Virata. Ms. Camacho has been an independent director since August 2024, while Mr. Mercado and Mr. Virata were newly elected as independent directors during the ASM held on 24 November 2025.

Directors Marian Peña and Geronimo B. Halili have nominated Ms. Camacho, Mr. Virata and Mr. Mercado for another term as independent directors of the Company. Ms. Peña and Mr. Halili have no existing relationship with the nominees.

The incumbent Independent Directors have certified that they possess all the qualifications and none of the disqualifications provided under the Securities and Regulation Code ("SRC"). Attached as **Annexes "C-1 , "C-2" and "C-3"** are their Certifications of Qualification of Independent Directors. Attached as **Annex B** is the certification of the compliance officer that none of the Corporation's regular directors, independent directors and officers are appointed or employed in any government agency.

The Corporate Governance Committee ("CGC") oversees the establishment of policies and guidelines relative to strengthening the composition, competence, and integrity of the members of the Board of Directors and of other officers whose appointments require the approval of the Board by reviewing and evaluating their respective qualifications. For this purpose, the CGC serves as the Company's ad hoc Nominations Committee whenever needed. The CGC (a) accepted and pre-screened the nominees for the election of the Board Directors as well as Independent Directors conformably with the criteria prescribed under existing Securities and Exchange Commission ("SEC") rules and the Company's

Revised Manual of Corporate Governance and Nominations Policy, and (b) prepared and made available to the SEC and the stockholders before this ASM a final list of candidates, among others.

The Company complies with the requirements of Rule 38 of the SRC on the nomination and election of Independent Directors. The CGC has determined certain criteria for nomination to the Board of Directors including the following guidelines: the nature of the businesses of the corporations which the nominee is a director, the age of the director, the number of directorship/active memberships and officerships in other organizations, and possible conflicts of interest.

The CGC's current members are the following: Orlando S. Mercado as Chairperson, Maria Clara A. Camacho, Steven Cesar G. Virata, Esteban G. Peña-Sy and Ernest Sze Lok Yeung as members.

Certain Relationships and Related Transactions

Family Relationship

There are no family relationships up to the fourth civil degree either by consanguinity or affinity among the directors or officers herein listed other than Ms. Marian Peña, Director, her son, Mr. Brandon Benito P. Leong, Director, and her daughter, Ms. Christina P. Leong, Chief Investment Officer and Investor Relations Officer.

The Company, in the regular and ordinary course of business, has entered into transactions with associates, affiliates, subsidiaries and other related parties principally consisting of cash advances and reimbursement of expenses, guarantees and inter-company charges.

Related Party Transactions

In the ordinary course of business, the Parent Company and its Subsidiaries (the "Group") have transactions with related parties which consist mainly of extension or availment of noninterest-bearing advances and interest-bearing short-term and long-term loans. Related party transactions amounting to 10% or higher of the Group's consolidated total assets are subject to the approval of the Board of Directors ("Board").

The Company, in the ordinary course of business, has entered into the following transactions with its related parties:

a. In December 2017, the Company sold its investment property located in Bacungan, Puerto Princesa, Palawan to WPPDC for a total consideration of Php 449 million which remain outstanding as at 31 December 31, 2023.

   At the special meeting of the Board of Directors of the Corporation held on 27 May 2024, the Directors approved the Rescission of the Contract to Sell, resulting to the reversal of the receivables.

b. In December 2017, the Board of Premiere Horizon Business Services, Inc. (PHBSI) and PH Agriforest Corporation (PHAC)declared cash dividends payable to its stockholders of record as of date. Dividends receivable of the Company from both subsidiaries amounted to Php 5.5 million as of 31 December 2024 and 2023.

   In 2024, the non-operating subsidiaries reversed the dividend declaration due to lack of funds.

c. The Company has extended a loan to CUBES. The loan is due and payable on demand and bears an interest of 8.00% per annum. The Company waived interest on this loan. In 2022, the Company provided the outstanding balance of Php 35.6 million with full impairment.

d. In 2024, the Company charged interest income on its due from related parties amounting to Php 10.5 million

For the years ended 31 December 2024, 2023, and 2022, the Group has not recorded any impairment of receivables relating to amounts owed by related parties. This assessment is undertaken each financial

period through examining the financial position of the related party and the market in which the related party operates. Settlement of the outstanding balances normally occurs in cash, unless otherwise stated.

See Note 17, Related Party Transaction disclosure, of the notes to the Financial Statements of Parent Company, PHA attached as **Annex "E".**

See Note 18, Related Party Transaction disclosure of the notes to the Consolidated Financial Statements of the Group attached as **"F".**

Involvement in Certain Legal Proceedings

The Group is involved in legal proceedings relating to transactions with stockholders and former officers, as well as compliance with corporate rules and regulations. As of 31 December 2025, the details of the legal proceedings are as follows:

a. *Augusto Antonio C. Serafica, Jr., Raul Ma. F. Anonas, and Andres A. Del Rosario vs. Premiere Horizon Alliance Corporation and Corporate Secretary.* MSRD PIR Case No. 2026-0001 For: Inspection and/or Reproduction of Corporate Records

   On 19 December 2025, petitioners and stockholders Messrs. Augusto Antonio Serafica, Raul Ma. F. Anonas and Andres A. Del Rosario ("Requesting Stockholders") sent the Corporation's Board a demand to inspect corporate books and records. The Board responded through the corporate secretary on 19 January 2026 affirming the right of the stockholders thereto and confirming that it will grant access to the corporation's books and records, subject to the execution of the Confidentiality and Non-Disclosure Agreement (CNDA) in order to protect the rights of the Corporation, as provided in Section 73 of the Revised Corporation Code. The petitioners objected to the CNDA. As a result, they have yet to exercise their right to inspection.

   On 14 March 2026, the petitioners filed a verified petition with the Securities and Exchange Commission alleging that respondents have violated their right to inspect the corporate books and records of PHA and praying that administrative sanctions be imposed upon its directors and officers for said violation.

   Petitioners submitted their Position Paper dated 18 September 2026 setting forth their arguments and reiterating their demand for inspection of corporate records as stated in their *Letter Request* dated 19 December 2025.

   PHA is exploring an amicable settlement of the dispute.

b. *Augusto Antonio C. Serafica, Jr. Vs. Premiere Horizon Alliance Corporation and Mr. Eugenio Tan.* Civil Case No. R-MKT-25-00902-CV. RTC Makati, Branch 237

   This is a civil case for collection of sum of money with damages filed by Mr. Augusto Antonio C. Serafica ("Mr. Serfica") against PHA and Mr. Eugenio Tan ("Mr. Tan") for the amount of Php 56,232,153.41, exclusive of damages, attorney's fees, and litigation expenses and costs. It was alleged by Mr. Serafica that, during his term as President of PHA, he had to make personal advances in favor of the corporation to allow it to continue its business pursuits and operations while dealing with liquidity issues.

   In response to the said allegations, PHA filed its *Answer with Counterclaims* dated 18 August 2025, interposing the defense that it does not owe any money to Mr. Serafica because the amounts allegedly advanced by the latter also came from the corporation itself. As part of its *Counterclaims,* PHA claimed Php113,000,000.00 as actual damages plus interests, broken down as follows: Php66,000,000.00 as fraudulent advances of Mr. Serafica; Php32,000,000.00 representing the amount he misappropriated; and Php15,000,000.00 representing the unpaid balance of his subscription in 2011.

In its *Resolution* dated 6 November 2025, RTC Makati, Branch 237, dismissed PHA's counterclaims on the ground that the same are permissive in nature and are best threshed out in a separate complaint so as not to dilute the present case.

Aggrieved, PHA filed a *Motion for Partial Reconsideration* dated 21 November 2025, essentially arguing that, contrary to the ruling and appreciation of the Honorable Court, the said counterclaims are intertwined with Mr. Serafica's claim. Moreover, even assuming that the counterclaims are permissive in nature, the court should not simply dismiss the case but rather order PHA to pay the necessary filing fees. However, the said *Motion* was denied by the court in its *Resolution* dated 26 January 2026.

Meanwhile, the pre-trial for this case has been terminated. Considering that the parties are currently discussing the possibility of amicable settlement, the initial presentation of plaintiff's evidence was initially set on 14 May 2026. After several postponements, plaintiff is scheduled to commence the presentation of its evidence on 24 September 2026.

c. *Carlos Cruz and Belina Cruz v. Premier Georesources and Development Inc., Premiere Horizon Alliance Corporation, Roberto B. Ortiz, Andres A. Del Rosario and Raul M. Anonas. Civil Case No. R-QZN-22-11507-CV*

This is a civil case for Damages with prayer for Temporary Restraining Order and/or Writ of Preliminary Injunction filed by Carlos C. Cruz and Belina Cruz [collectively, "Spouses Cruz"], against Premiere Georesources and Development Inc. (PGDI), PHA, as well as individual defendants Roberto Ortiz ("Ortiz"), in his capacities as the Chairman of PGDI's Board of Directors (BOD) and PHA's President, Andres A. Del Rosario, in his capacities as PGDI's Chief Finance Officer and PHA's Assistant Treasurer, and Raul Ma. M. Anonas, in his capacity as PHA's Executive Vice-President [collectively, the "Defendants"].

Spouses Cruz alleged that PHA and PGDI, together with the individual Defendants, caused them to suffer damages through unreasonable, irresponsible, false and malicious accusations and demands made by the latter in the Letters dated 22 April 2022, 04 May 2022 and 18 May 2022 ("PHA Letters") and Letters dated 31 August 2022, 06 October 2022, and 13 October 2022 ("PGDI Letters") (collectively, "PHA/PGDI Letters"), and as a consequence of what transpired during the Special Meeting of PGDI's BOD on 08 September 2022 (PGDI Meeting). These PHA/PGDI Letters refer to the various notices to explain issued against Spouses. Cruz relating to the unauthorized and irregular deposit of collections from Cagdianao Mining Corporation (CMC) to the old account of Redstone Construction & Development Corporation (RCDC) instead of the new account of PGDI.

In response to these allegations, PHA and PGDI, together with the individual defendants, insisted that none of the PHA/PGDI Letters were embarrassing or defamatory but instead, mere opportunities granted to Spouses Cruz to explain their side and offer documents or proof that they did not violate their duties as PGDI's president and director. Given that no damages can proceed from defendants' right to seek clarification and explanation regarding the issues tackled in the PHA/PGDI Letter, the Spouses. Cruz were not entitled to claim for damages. In addition, the defendants filed a *Counterclaim*, seeking to recover the damages suffered by PGDI/PHA.

The case is scheduled for continuation of the production of documents on 22 September 2026, while pre-trial will be scheduled immediately thereafter.

d. *Augusto Antonio C. Serafica, Jr. v. Premiere Horizon Alliance Corp. (PHA), Eugenio T. Tan, Raul Ma. F. Anonas, Andres A. Del Rosario, Brandon P. Leong, Geronimo B. Halili, Esteban G. Pena Sy, Gloria Victoria Y. Taruc, Ernest Sze Lok Yeung, and Marian Pena.* NPS Docket No. XV-14-INV-23H-01089Department of Justice – Manila (from: *Office of the City Prosecutor – Pasig City*)

This involves the alleged 25,000,000 PHA shares supposedly valued at Php 4,750,000,00.

In August of 2023, Mr. Augusto Antonio C. Serafica ("Mr. Serafica") filed a *Complaint* for Estafa

under par. 315 (b) of the Revised Penal Code against the officers and directors of the PHA in relation to the *Put Option Agreement* entered into by the corporation with LDA Capital Limited ("LDA"), a corporation based in the British Virgin Islands. This Put Option Agreement is intended to provide a safety net for the option holder (PHA) that there is a guaranteed buyer (LDA) for their asset at a certain price.

Mr. Serafica alleged that, in order to assist PHA in meeting the condition of the Put Option Agreement, he entered into a *Master Agreement for Share Collateral Transactions* with LDA where he undertook to provide freely and tradable listed shares to LDA as the investor. In relation thereto, Mr. Serafica claimed that he allowed up to a maximum of Fifty-Five Million (55,000,000) of his shares to be borrowed by PHA, until the authorized capital stock of PHA is increased, to allow the additional capital infusion by LDA. To effect this arrangement, Mr. Serafica entered into a *Share Lending Agreement* with PHA where he agreed to lend the said shares on behalf of PHA for a period of six (6) months, with the latter's obligation to return said shares to him after the indicated period.

In his *Complaint,* Mr. Serafica alleged that, out of the 35,000,000 shares (Subject Shares) that he delivered, only Ten Million (10,000,000) shares were returned to him, leaving a balance of Twenty-Five Million (25,000,000). However, despite demand, these shares were not returned to him.

In response to these allegations, the officers and directors of PHA collectively put forth several defenses, emphasizing that the present case is merely a harassment suit, as it was made in response to the estafa case filed by PHA against Mr. Serafica, and that they do not have any active participation in the transactions regarding the Subject Shares. In fact, most of the signatories to the contracts involving the same. Respondents also emphasized that there is sufficient justification for the non-return of the Subject Shares as the share listing application is still pending with the Philippine Stock Exchange (PSE) and that the return of the subject shares needs the approval of LDA.

The Office of the City Prosecutor of Pasig City (OCP-Pasig) dismissed the case filed by Mr. Serafica based on insufficiency of evidence. Pertinently, the OCP-Pasig held that there was no evidence presented to prove that the Subject Shares were not utilized in accordance with the pertinent contracts.

The *Complaint* as well as the subsequent *Motion for Reconsideration* filed by Mr. Serafica were both dismissed by the OCP-Pasig City. Mr. Serafica then filed a *Petition for Review* with the Department of Justice-Manila (DOJ) to assail such dismissal last August 2024.

In response thereto, the individual officers and directors of PHA have filed their respective *Comments/Opposition,* highlighting the fact that Mr. Serafica failed to raise any new substantial matter that will warrant the reversal of the case dismissal. The case is now deemed submitted for resolution.

e. People of the Philippines v. Augusto Antonio Serafica, Jr., Raul Ma. Anonas, & Andres Del Rosario Crim. Case No. R-PSG-26-00006-CR. Regional Trial Court Branch 167 – Pasig (RTC Pasig

This a criminal case for Estafa under Articles 315 (1) (b) filed against PHA's former officers, Messrs. Augusto Antonio C. Serafica, Jr. ("Mr. Serafica"), Raul Ma. F. Anonas ("Mr. Anonas"), and Andres A. Del Rosario ("Mr. Del Rosario") and is now pending before the RTC Pasig.

This criminal case stemmed from PHA's internal audit, which exposed certain anomalous transactions involving an elaborate scheme, where accused Mr. Serafica, with the indispensable cooperation of accused Messrs. Anonas and Del Rosario, siphoned money from PHA and used the same to purchase shares in his own name. The scheme involved the recording of check payments to PHA from third parties as advances or loans under accused Mr. Serafica's name. By making it appear that PHA was indebted to him, accused Mr. Serafica was able to obtain money, amounting to Php 66,000,000.00, which was done by issuing PHA checks in his favor, allegedly as payment for his advances or loans, and using the proceeds thereof as payment for his subscriptions.

The arraignment and pre-trial of the case was tentatively scheduled on 15 March 2026 at 8:30 in the morning, in view of the pendency of the *Petition for Review* filed by all of the accused.

In the same manner, all of the accused filed a *Motion to Defer Proceedings,* arguing that the matters raised in the collection case filed by Mr. Serafica before RTC Makati, specifically those pertaining to the Php 66,000,000 civil liability, constitute a prejudicial question that warrant the suspension of the instant proceedings. In response thereto, PHA filed a *Consolidated Opposition,* arguing that there is no prejudicial question to speak of considering that the RTC Makati already dismissed the counterclaims filed by PHA.

The RTC Pasig eventually denied both accused's *Motion to Defer Proceeding* on the ground of prejudicial question, as well as their subsequent *Motion for Reconsideration.* However, the RTC-Pasig, Branch 167 granted the *Motion for Voluntary Inhibition* filed by accused Messrs. Anonas and Del Rosario causing the case to be re-raffled to RTC-Pasig, Branch 155.

All accused were arraigned on 12 August 2026 before Hon. Presiding Judg Maria Garcia A. Cadiz-Casaclang of RTC-Pasig, Branch 155. Thereafter, the pre-marking of document was set on 29 September 2026 and 15 October 2026.

f. *People of the Philippines v. Raul Ma. Anonas & Andres Del Rosario.* Crim. Case No. R-PSG-26-00007-CR Regional Trial Court Branch 167 – Pasig (RTC Pasig)

This is a criminal case for Estafa under Articles 315 (2) (a) filed against PHA's former officers, Raul Ma. F. Anonas ("Mr. Anonas"), and Andres A. Del Rosario ("Mr. Del Rosario") which is also pending before the RTC Pasig.

This criminal case stemmed from PHA's internal audit, which exposed certain anomalous transactions involving an elaborate scheme, where accused Mr. Anonas, with the indispensable cooperation of accused Mr. Del Rosario, siphoned money from PHA by making it appear that PHA has a valid obligation to one Angelica San Luis in the amount of Php 12,300,000, despite the absence of any loan agreement or promissory note as proof of such obligation. Thereafter, accused Mr. Anonas used the check payment issued by PHA to Ms. San Luis as payment for his own subscriptions with the company.

The arraignment and pre-trial of the case was tentatively scheduled on 15 March 2026 at 8:30 in the morning, in view of the pendency of the *Petition for Review* filed by all of the accused.

In the same manner, all of the accused filed a *Motion to Defer Proceedings,* arguing that the matters raised in the collection case filed by Serafica before RTC Makati, specifically those pertaining to the Php 66,000,000 civil liability, constitute a prejudicial question that warrant the suspension of the instant proceedings. In response thereto, PHA filed a *Consolidated Opposition,* arguing that there is no prejudicial question to speak of considering that the RTC Makati already dismissed the counterclaims filed by PHA.

In view of the *Voluntary Inhibition* by the RTC-Pasig, Branch 167, the case was re-raffled to RTC-Pasig, Branch 155 together with Crim Case No. R-PSG-26-00006-CR.

On 12 August 2026, both accused were arraigned before Hon. Presiding Judg Maria Garcia A. Cadiz-Casaclang of RTC-Pasig, Branch 155. Thereafter, the pre-marking of document was set on 29 September 2026 and 15 October 2026. This case was consolidated and will be jointly tried with Crim Case No. R-PSG-26-00006-CR before RTC-Pasig, Branch 155.

g. *Premiere Horizon Alliance Corp. v. Augusto Antonio Serafica, Jr., Raul Ma. Anonas, & Andres Del Rosario.* NPS Docket No. XV-14-INV-25H-02476-02478. Department of Justice.

In relation to the above-mentioned cases, this is a *Petition for Review* filed by all of the accused, questioning the findings of the Office of the City Prosecutor-Pasig City (OCP-Pasig) which indicted accused Augusto Antonio C. Serafica, Jr. ("Mr. Serafica"), Raul Ma. F. Anonas ("Mr. Anonas"), and Andres A. Del Rosario ("Mr. Del Rosario") for the crime of Estafa under Article 315 (1) (b) and

accused Messrs. Anonas and Del Rosario for the crime of Estafa under Article 315 (2) (1) of the Revised Penal Code.

By way of summary, all of the accused argue that there was an apparent haste on the part of OCP-Pasig in resolving the present *Complaint-Affidavit* and that OCP-Pasig erred in finding that they are liable for the crimes charged against them. In response to the *Petition for Review* filed by accused Messrs. Anonas and Del Rosario, PHA filed its *Verified Comment* last 2 February 2026. Meanwhile, PHA also filed its *Comment* to the *Petition for Review* filed by accused Serafica on 18 February 2026. The case is now submitted for resolution.

h. *Premiere Horizon Alliance Corporation and People of the Philippines v. Hon. Ira Fritzie C. Cruz-Rojo, in her Capacity as Presiding Judge of the Regional Trial Court of Pasig City – Branch 67, Augusto Antonio C. Serafica, Jr. and Marvin C. Dela Cruz.* C.A. G.R. No. 182115 (formerly Crim. Case No. R-PSG-22-00208-C). Court of Appeals – Manila (from Regional Trial Court – Pasig Branch 67)

In relation to the above-mentioned cases, this is a *Petition for Certiorari* filed by the Corporation, assailing the *Orders* issued by the RTC Pasig, Branch 67 ("Dismissal Orders"), ordering the dismissal of the *Estafa* case against Messrs. Augusto Antonio C. Serafica ("Mr. Serafica") and Marvin C. Dela Cruz ("Mr. Dela Cruz"), citing as sole basis thereto the *Decision* issued by the Court of Appeals in CA-G.R. No. 183768, despite the fact that the same has yet to attain finality and tackles an entirely different issue regarding the determination of executive probable cause.

Based on the foregoing context, the Corporation has filed the present *Petition* based on the following grounds: (1) the public respondent gravely abused its discretion, tantamount to lack or excess of jurisdiction, when it issued the *First Assailed Order* based on its grossly erroneous reliance to the CA Decision that has yet to attain finality; (2) in issuing the *First Assailed Order*, the public respondent gravely abused her discretion in disregarding the requirements of what must be contained in an Order granting a Motion to Withdraw an Information; (3) in issuing the Assailed Orders, the public respondent blatantly disregarded existing law and jurisprudence mandating the court to adhere to its independent judicial finding of probable cause, especially considering that the CA Decision only affirmed the executive determination of lack of probable cause made by the OCP Pasig and the DOJ; (4) the public respondent gravely abused its discretion when it deferred to the ruling made in the CA Decision that the elements of misappropriation and damage required in Estafa by Misappropriation are not present in the case at bar; (5) assuming *arguendo* that the principle of judicial courtesy applies in this case, the public respondent still gravely abused her discretion in dismissing the instant case as the same principle only calls for the suspension of the proceedings, and not the dismissal of the case, and lastly, (6) the public respondent committed grave abuse of discretion amounting to lack or excess of jurisdiction when she perfunctorily expunged the Motion for Reconsideration filed by the Corporation. Both parties have already filed their respective *Memoranda* and the case is now submitted for Decision.

Management, in consultation with its legal counsels, believe that the outcome of these proceedings will not have a material adverse effect on the financial position and performance of the Company.

There are also other pending minor legal cases against the non-operating subsidiaries of the Group. Based on the facts of these cases, management believes that its positions have legal merits and the resolution thereof will not materially affect the Group's financial position and result of operations.

SUBSEQUENT EVENTS

Non- adjusting events

In 2025, Premiere Horizon Business Services, Inc., a subsidiary of the Company proposed the execution of a Management Services Contract with PHA to manage, preserve, enhance, and commercially develop the dormant film-related intellectual property (IP) owned by PHA, including the licensing, digitization,

and distribution of PHA's fully depreciated film library.

On 6 April 2026, the proposed arrangement was approved by the Company's Board of Directors and Officers. Key matters include the recitals and purpose, appointment and scope of management, related party transaction compliance, management fees and expenses, ownership, the authority and exclusivity of the Company in representing the Company in domestic and international business transactions were finalized as stated in the management agreement. The contract term of five (5) years, subject to renewal unless otherwise terminated by the Company's Board.

Adjusting events

Subsequent to the reporting period 31 December 2025, during the special meetings of the Board of the Company held on 23 February 2026 and 14 April 2026, it approved the loans and advances extended by one of its directors, Ms. Marian Peña, in favor of the Company from 2021 up to the present, in the total amount of Php 80,000,000.

Further, during the special meeting held on 14 April 2026, the Board of the Company approved the following related party transactions:

A. Advances of Php 11,611,111.11 from Goshen Land Capital, Inc. (GLCI);
B. Reclassification of Obligations - Transfer of Receivables from Pyramid Hill Mining & Industrial Corp. (PHMIC) and Palawan Star Mining Ventures to PGDI;
C. Recognition of Allowance for Impairment of Receivables from six related party companies in the aggregate amount of Php 2,388,205.21, broken down as follows:
    1. Concepts Unplugged: Business Environment Solutions, Inc. in the amount of Php 1,305,606.76
    2. Digiwaves Solutions, Inc. (DSI) in the amount of Php 8,133.61
    3. PHAC in the amount of Php 264,297.02
    4. PH Big Bounty Entertainment, Inc. in the amount of Php 236,201.34 5. PH Business Services Inc. in the amount of Php 27,343.16
    5. PH Mining & Devt Corp in the amount of Php 546,623.63

D. Recognition of Allowance for Impairment Loss of Investment from PH Big Bounty Entertainment, Inc. in the amount of Php 654,265.00

In all cases, the related party transactions were deliberated upon and approved by the Related Party Transactions Committee during its special meeting and endorsed to the Board.

Other than the matters disclosed above, no events occurred after the reporting date that would require adjustment to or disclosure in the financial statements.

Resignation of Directors

No director has declined to stand for re-election to the Board of Directors since the date of the last annual meeting because of disagreement with the Company on any matter relating to the Company's operations, policies or practices, and the required disclosures relevant to the existence thereof.

Significant Employees

The Company has no significant employees who are not executive officers but are expected to make a significant contribution to the business.

Item 6. Compensation of Directors and Executive Officers

Directors

Each director receives an average of Php 22,222.22 per meeting for their attendance at each board meeting.

Executive Officers

The annual compensation of the Company's executive officers for the last two (2) fiscal years and the ensuing year 2026 (estimate) are as follows:

Name	Position	Year	Salary (in million)	Bonus (in million)	Other Annual Compensation (in million)
Esteban Peña Sy	Chairman	2026 (estimate) 2025	0.36 1.44	-	0.02 0.36
Eugenio T. Tan (Appointed August 3, 2023)	President & CEO	2026 (estimate)	0.90	-	-
		2025			
		2024	3.60	0.30	0.40
Christina P. Leong (Appointed 20 May 2022, January 21, 2025, and April 14, 2025, respectively)	Chief Investment Officer/Investor Relations Officer/Chief Information Officer	2026 (estimate)	0.40	-	-
		2025	0.37	--	-
		2024	1.50	0.12	0.26
Mariflor M. Sandoval *(Appointed August 20, 2024)*	SVP/CFO GLCI	2026 (estimate)	1.20		
		2025	3.60	0.30	
		2024	1.20	0.20	0.24
Emmanuel G. Herbosa *(Relinquished from the position on August 13, 2025)*	Chairman	2025	-0.60	-	-
		2024	1.50	0.12	-
Raul Ma. F. Anonas *(Removed as EVP and replaced as COO/CIO April 14, 2025)*	EVP/COO/CIO	2025	0.45	-	-
		2024	1.80	0.15	0.40
Brandon Benito P. Leong	Treasurer	2026 (estimate)	0.38	-	-
		2025	1.50	0.12	
		2024	1.50	0.12	0.21
Ernest Sze Lok Yeung *(Appointed August 18, 2023)*	Chief Financial Adviser	2026 (estimate)	0.45	-	-
		2025	2.88	0.15	

		2024	3.60	0.30	0.08
Andres A. Del Rosario *(Replaced April 14, 2025)*	SVP/ Assistant Treasurer	2025	0.30	-	-
		2024	1.20	0.10	0.73
Sally C. Uy *(Appointed August 12, 2026)*	Financial Controller	2026(estimate)	0.22	-	-

Compensation of Directors

Under Section 30 of the Revised Corporation Code, in the absence of any provision in the By-Laws of the Company, the directors shall not receive any compensation as such directors, except for reasonable *per diem* allowance (an average of Php 22,222.22 per meeting for each director) for their attendance at each board meeting. Any such compensation, other than per diems, may be granted to directors by the vote of stockholders representing at least a majority of the outstanding capital stock at a regular or special meeting. Provided, further, that the total yearly compensation shall not be more than ten percent (10%) of the net income before income tax of the Company during the preceding year.

Since the date of their elections, the directors have served without compensation. The directors did not receive any amount or form of compensation for committee participation or special assignments. As of this date, no standard or other arrangements have been made in respect of director's compensation aside from the compensation received as herein stated.

There are no other arrangements pursuant to which any director of the Company was compensated, or is to be compensated, directly or indirectly, during the Company's last completed fiscal year and the ensuing year, for any service provided as a director.

For years 2024, 2025, and 2026 the directors received the following estimated compensation consisting of a per diem allowance for their attendance at each board meeting:

Name	Position	Year	Per Diem
Esteban Peña Sy	Director	2026(estimate)	66,666.66
		2025	222,222.22
		2024	155,555.56
Eugenio T. Tan	Director	2026	-
		2025	-
		2024	-
Geronimo B. Halili	Director	2026(estimate)	66,666.66
		2025	222,222.22
		2024	177,777.78
Maria Clara A. Camacho	Independent Director	2026(estimate)	77,777.77
		2025	222,222.22
		2024	44,444.44
Orlando Mercado	Independent Director	2026 (estimate)	66,666.66
Steven Cesar Virata	Independent Director	2026 (estimate)	66,666.66
Emmanuel G. Herbosa (Resigned on August 13, 2025)	Independent Director	2025	222,222.22
		2024	44,444.44
Arvin Eduard Cruz *(Resigned 20 August 2024)*	Director	2024	44,444.44

Employment Contracts and Termination of Employment and Change-in-Control Arrangements

The Company's executive officers are covered by employment contracts corresponding to their respective job descriptions. There are no arrangements for compensation or payment from the Company in the event of a resignation, retirement, or termination of the executive officer's employment or change in control of the Company.

There are no significant changes in the number of employees of the Company. The Company also does not expect any significant changes in the number of its employees in the next twelve (12) months.

Warrants and Options

There are no options and/or warrants held by the Company's directors and key executives.

Item 7. Independent Public Accountants

The Company's current independent public accountant is Valdes Abad and Company, CPAs ("**Valdes**"). Mr. Alfonso Cay-an is the engagement partner assigned by Valdes to lead the audit of the Company's financial statements. The appointment of Valdes was approved by the Board of Directors, by majority vote, at a Special Board Meeting held on 15 January 2025 and ratified by the stockholders consisting of at least two-thirds vote, at the Special Stockholders' Meeting (SSM) held on 31 July 2025. Valdes was likewise appointed as the Company's external auditor for the year ended 2025.

Prior to its appointment in 2025, Valdes had not previously served as the Company's external auditor. Mr. Alfonso Cay-an has served as the engagement/signing partner since Valdes' appointment. Accordingly, neither Valdes nor Mr. Cay-an has served as the Company's external auditor or engagement/signing partner, respectively, for any other prior consecutive years.

Duly authorized representatives of Valdes will be present at this year's ASM to present the Company's Annual Report and AFS for the year ended 2025.

The change from Reyes Tacandong & Co. to Valdes was effected to ensure full independence from Mr. Serafica and in the exercise of the Company's management prerogative as well as to prevent any perceived conflict of interest.

There was no event since the appointment of Valdes where the Company had any disagreements with regard to any matter relating to accounting principles or practices, financial statement disclosure or auditing scope or procedure.

In relation to this, the following are members of the Audit and Risk Oversight Committee:

Chairperson: Steven Cesar G. Virata (Independent Director)
Members :Maria Clara A. Camacho
Orlando S. Mercado
Eugenio T. Tan
Marian Pena

Item 8. Compensation Plans

No action is to be taken with respect to any plan pursuant to which cash or non-cash compensation may be paid or distributed.

C. ISSUANCE AND EXCHANGE OF SECURITIES

Item 9. Authorization or Issuance of Securities Other than for Exchange

No action is to be taken with respect to the authorization or issuance of any securities otherwise than for exchange for outstanding securities of the registrant.

Item 10. Modification or Exchange of Securities

No action is to be taken with respect to the modification of any class of securities of the registrant, or the issuance or authorization for issuance of one class of securities of the registrant in exchange for outstanding securities of another class.

Item 11. Financial and Other Information

The Audited Financial Statements, Statement of Management's Responsibility as of 31 December 2025, Management's Discussion and Analysis of Financial Condition and the Results of Operation for the last three years (required under Part IV (c) of Rule 48), and Market Price of Shares and Dividends are part of the **Management Report** attached as **Annex "D".**

Status of Operations and Management Plans

In 2026, GLCI acquired two horizontal development projects, with Sta. Cecilia-Basista currently under development and St. Benedict San Jose awarded to a contractor and pending contract signing. Ongoing projects include Stanford Residences, with substantial unit acceptance by owners, and New Clark Garden Residences, where construction and initial site development works are underway.

In 2025, GLCI completed the Stanford Residences and continued the strategy to explore new business opportunities beyond Baguio City. It kick-started the construction of the New Clark Garden Residences (NCGR) project, Phase 1 located in Aranguren, Capas, Tarlac consisting of 8 buildings with a total of 280 residential units.

In June 2025, PGDI's business was affected by continued decline of the global nickel price where PGDI generated a gross profit through tightened cost control measures. PGDI appointed external consultants to renew its mineral
production sharing agreements (MPSA).

The Management's objectives for 2026 are to:

- improve financial positions,
- strengthen core businesses,
- infuse the company with new ideas and talent, and
- enhance governance and investor relations,

Whereby, the Management is undertaking a combination of initiatives to meet the above-mentioned goals including:

- streamline management and reduce operating expenses;
- take advantage of the falling Peso rate trend to re-negotiate interest rates on loans and borrowings;
- give priority to projects with high growth potentials, and short payback period; and
- diversify new funding sources and partnerships.

Plan of Operations for Year 2026

West Palawan Premiere Development Corp. (WPPDC)

On the tourism and infrastructure side, WPPDC shall embark on developing its 17.84 hectares property and tourism estate. A portion of this land will be converted from agricultural land use to residential/commercial land use. Of the total land area, 4,297 square meters shall be developed into a 10-storey condominium and commercial building. The mobilization and construction period shall be within the period 2025 to 2030.

Premiere Georesources and Development Inc. (PGDI)

PGDI was granted a three (3) year limonite hauling contract with a minimum of 600,000 wmt for the mining period from March to October 2026, with Taganito Mining Corporation (TMC), a subsidiary of Nickel Asia Corp., in Claver, Surigao del Norte. However, as in the past 3 years, the weather had always been a continuing issue. At present, the company's operations have not fully started due to weather disturbance.

The contract will expire at the end of 2026 and PGDI is currently negotiating with TMC to extend the contract for another three-year term. The global nickel price rebounded by more than 15% in the first quarter of 2026 whereby PGDI is actively pursuing additional third-party ore-hauling opportunities. In addition, PGDI will continue to renew the two MPSAs for its limestone mines in Palawan.

Goshen Land Capital Inc. (GLCI)

GLCI will continue its expansion strategy outside of Metro Baguio. This includes the development of (1) the 280-units NCGR project located in Aranguren, Capas, Tarlac, and (2) the 179 residential lot Sta. Cecilia Village Calasiao project located in Buenlag, Calasiao, and (3) the 367 residential lot Sta. Cecilia Village Basista, located in Mapolopolo, Basista, in Pangasinan.

Other Developmental Business Activities/ Subsequent Events

The Group continues to identify other businesses that will generate more revenues. It is now looking at various business opportunities in energy and other tourism-related industries.

The management of PHA is exploring ways to rekindle and reintroduce more than three hundred (300) films in its library assets, recognizing their potential commercial viability alongside their profound heritage and cultural significance. PHA has appointed intellectual property and marketing consultants to analyze and select films that can be showcased commercially through cost-efficient restoration, digitization, and strategic distribution in the Philippines and abroad. Regarded as cultural treasures, these films embody the enduring nostalgia of classic Filipino cinema for audiences both locally and overseas. As this review advances, PHA is at the cusp of determining which titles could be sustainably positioned for licensing or distribution, guided by market relevance and long-term value. Any resulting financial returns will be directed toward supporting operations and reinvested into ongoing preservation and digitization efforts, in line with PHA's continued collaboration with the Film Development Council of the Philippines (FDCP) to safeguard and promote Philippine film heritage for future generations.

Item 12. <u>Mergers, Consolidations, Acquisitions and Similar Matters</u>

No action is to be taken with respect to any transaction involving the following:

a. the merger or consolidation of the Company into or with any other person or of any other person into or with the Company;
b. the acquisition by the Company or any of its security holders of securities of another person;
c. the acquisition by the Company of any other going business or of the assets thereof;
d. the sale or other transfer of all or any substantial part of the assets of the Company; or
e. the liquidation or dissolution of the Company.

Item 13. <u>Acquisition or Disposition of Property</u>

The Company has not purchased or sold any plant or significant equipment. However, it expects to purchase additional equipment in the next twelve (12) months to support anticipated new business opportunities.

Item 14. Restatement of Accounts

No action is to be taken with the restatement of any asset, capital, or surplus account of the Company.

D. OTHER MATTERS

Item 15. Action with Respect to Reports

The following items will be submitted to the stockholders for their approval or ratification:

1. Approval of the Minutes of the Annual Stockholders' Meeting held on November 24, 2025
2. Approval of the 2025 Audited Financial Statements; and
3. Approval and Ratification of all acts and resolutions of the Board of Directors, the Committees, and the Management from the date of the last annual stockholders' meeting to date as reflected in the books and records of the Company, specifically:

    a. Appointment of the authorized bank signatories for the Corporation's accounts with Eastwest banking corporation the organizational meeting of the Board held 24 November 2025

    b. Appointment of authorized bank signatories for the loan agreement with Bank of the Philippine Islands

    c. Appointment of new authorized signatories for deposits, withdrawals and other transactions pertaining to the funds of the corporation maintained in all depository banks

    d. Appointment of new authorized signatories for third party contracts and agreements

    e. Approval of the advances made by Ms. Marian Pena in favor of the corporation

    f. Authorization to permit inspection of the corporation's books and records by stockholders Augusto Antonio Serafica, Jr, Raul Ma Anonas and Andres del Rosario or their representatives

    g. Appointment of authorized signatories for any and all agreements in relation to the listing applications of stockholders including but not limited to the Philippine Stock Exchange contract for the listing of Ms. Marian Pena and Ernest Sze Lok Yeung

    h. Authorization to enter into a management contract with Premier Horizon Business Services Inc for the corporation's film assets, including motion pictures, film negatives, masters, archival copies and all related intellectual property right

    i. Ratification of the Corporation's request for extension to file SEC Form 17-A

    j. Approval of the Corporation's advances of Php11,600,000 from GLCI.

    k. Approval of the additional advances in the total amount of Php6,131,547,11 made by Ms. Marian Pena in favor of the Corporation

    l. Approval of the Loan Agreement for a principal amount of Php80,000,659.04 between the Corporation and Ms. Marian Pena.

    m. Approval of the reclassification of obligations-transfer of receivables from subsidiaries Pyramid

Hill Mining & Industrial Corp. and Palawan Star Mining in the amounts of Php 16,115,466.74 and Php 12,408,261.96, respectively, to PDGI.

n. Approval of the recognition of Allowance for impairment of receivables from related parties.

o. Approval of the recognition of Allowance for impairment loss of investment from PH Bounty Entertainment Inc in the amount of Php654,265.00

p. Ratification and approval of the AROC action to write-off items from the corporation's books of accounts.

q. Approval to reclassify the Corporation's fund in Guagua Rural Bank in the amount of Php5,000.00 from unrestricted to a restricted fund.

r. Approval to provide allowance for expected credit losses in the amount of Php8,384,439.97 from Unilink land.

s. Approval of the Loan Transaction with Ms. Marian Peña for the amount of Php 14,173,948.85

t. Ratification of the Ad Referendum Approval on the Resolutions for the case of E-MPA Fires Company (E-MPA) vs DSI

u. Approval of the General Authorization for Litigation Cases

Copies of the Company's Management Report, Audited Financial Statements of the Parent Company for the year ended 31 December 2025, Consolidated Audited Financial Statements for the year ended 31 December 2025 and Quarterly Reports filed as of 11 August 2026 are available on the website of the Company and attached as **Annexes "D**", "**E", "F", "G" and "H"** respectively.

Approval of the minutes of the ASM held on 24 November 2025-constitutes a ratification of the accuracy and faithfulness of the minutes to the events which transpired during the meeting. Copies of the minutes of the ASM held 24 November 2025 is available on the Company's website and attached herein as **Annex "I."**

On 4 September 2026, the Board approved ad referendum to postpone the ASM on 19 November 2026 and set the ASM to 9 December 2026, with the Record Date on 10 November 2026. This was ratified by the Board during its Special Board Meeting held on 18 September 2026. Please refer to the disclosure attached herein as **Annex "J".**

The approval and ratification of all acts and resolutions of the Board of Directors, the Committees, and the Management from the date of the last annual stockholders' meeting to date as reflected in the books and records of the Company. The disclosures of material information of such acts are likewise available on the website of the Company.

Item 16. Matters Not Required to be Submitted

All corporate actions to be taken up at the ASM will be submitted to the stockholders of the Company for their approval in accordance with the requirements of the Revised Corporation Code.

Matters not required to be submitted are the Call to Order and Certification of Notice and Quorum.

Item 17. Amendment of Charter, Bylaws or Other Documents

No action is to be taken with respect to an amendment of the Company's charter, bylaws or similar documents.

Item 18. Other Proposed Action

No action is to be taken with respect to any matter not specifically referred to above.

Item 19. Voting Procedures

i. Method of voting

In all items for approval, the favorable vote by stockholders representing at least a majority of the outstanding capital stock shall be sufficient.

For the election of directors, the nine (9) nominees receiving the most number of votes will be elected to the Board of Directors. Cumulative voting will apply.

During the election of directors, every stockholder entitled to vote shall have the right to vote the number of shares of stock registered in his own name in the stock and transfer book of the Corporation; and said stockholder may vote such number of shares for as many persons as there are directors to be elected or he may cumulate said shares and give one candidate as many votes as the number of directors to be elected multiplied by the number of shares shall equal, or he/she may distribute them on the same principle among as many candidates as he/she shall see fit: Provided, That the total number of votes cast by him/her shall not exceed the number of shares owned by him/her as shown in the books of the Corporation multiplied by the whole number of directors to be elected.

At least one-third (1/3) of the members of the Board of Directors shall allotted for the election of independent directors as required by the Corporation's Manual on Corporate Governance.

ii. Since the virtual meeting will be held by remote communication or *in absentia*, the votes of the stockholders shall be taken and counted based only on the proxy and voting forms (a) received by the Company on or before close of business day on 27 November 2026, 5:00 p.m. by (i) email to and gbhalili.pdgi@pha-corp.com with the original signed copies also received by the Company by delivery or mail not later than the meeting schedule, or (ii) delivery or mail to the principal office address of the Company at Unit 1705 East Tower, Tektite Towers, Exchange Road, Ortigas Center, Pasig City, and (b) validated on 4 December 2026, 3:00 p.m. at the principal office address of the Company.

PART II. INFORMATION REQUIRED IN PROXY FORM

Item 1. Identification

This proxy is solicited by the Board of Directors and Management of Premiere Horizon Alliance Company. The solicited proxy shall be exercised by Mr. Eugenio T. Tan, President of the Company, or the stockholder's authorized representative.

Item 2. Instruction

(a) For agenda items other than election of directors, the proxy form shall be accomplished by marking in the appropriate box either "FOR", "AGAINST" or "ABSTAIN" according to the stockholder's/proxy's preference.

If no instructions are indicated on a returned and duly signed proxy, the shares represented by the proxy will be voted:

FOR the approval of the Minutes of the ASM held on 24 November 2025;

FOR the approval of Company's Audited Financial Statements for the year ended 2025;

FOR the approval of all acts and resolutions of the Board of Directors, the Committees, and the Management from the date of the last annual stockholders' meeting to date as reflected in the books and records of the Company;

FOR the election of the following directors: Marian Peña, Esteban Peña Sy, Eugenio T. Tan, Brandon P. Leong, Geronimo B. Halili, Ernest Sze Lok Yeung, Maria Clara A. Camacho (Independent Director), Steven Cesar G. Virata (Independent Director), and Orlando S. Mercado (Independent Director); and

FOR the Appointment of Valdes, Abad & Company, CPAs as External Auditor

To authorize the Company's President or other named authorized representative, as proxy, to vote at their discretion any matter that may be discussed under "Other Matters."

A Proxy Form that is returned without a signature shall not be valid.

(b) The matters to be taken up in the meeting are enumerated opposite the boxes on the form.

(c) The proxy forms and supporting documents shall be submitted to PHA on or before close of business day p.m. at the principal office address of the Company.

PLEASE USE THE ATTACHED PROXY FORM

Item 3. Revocability of Proxy

A stockholder may revoke his proxy on or before the date of ASM. The proxy may be revoked by the shareholder's written notice to the Corporate Secretary advising the latter of the revocation of the proxy, or by a stockholder's personal attendance during the meeting.

Item 4. Persons Making the Solicitation

(a) The Solicitation will be done solely by the Company, through Ms. Christine Galita. No person or group of persons has informed the Company in writing or otherwise of his/her/their intention to solicit proxies with respect to any item/s to be taken up in the ASM.

(b) Solicitation of proxies will be done in person, by mail, and email or by telephone. Ms. Christine Galita, the BOD's executive assistant, will undertake the solicitation for the Company. She was not employed solely for this purpose, but is a regular and permanent employee of the Company. No other person/s will be employed to solicit proxies.

(c) The Company has not, will not, and has no intention to engage employees, representative or any other person/s specially for the purpose of undertaking solicitation on behalf of the Company.

(d) The estimated amount to be spent by the Company to solicit proxies for the BOD is Php30,000.00. The Company has yet to incur any expenditure in furtherance of, or in connection with the solicitation to date.

(e) The cost of solicitation will be borne solely by the Company.

(f) No solicitation was terminated pursuant to a settlement between the Company and by any other participant in such solicitation.

Item 5. Interest of Certain Persons in Matters to be Acted Upon

No member of the Board of Directors or executive officer since the beginning of the last calendar year, or nominee for election as director, or their associates, had any substantial interest, direct or indirect, by security holdings or otherwise, in any of the matters to be acted upon in the meeting, other than election to office.

The Company does not intend to bring any matter before the meeting other than those set forth in the Notice of the ASM and does not know of any matter to be brought before the meeting by others. If any other matter does come before the meeting, the proxy shall vote in the manner indicated by the stockholder, or if no such indication is made, in accordance with proxy's discretion.

Shareholders who wish to receive hard copies of the Information Statement may request the same by sending an email to CorpSec1@pha-corp.com and gbhalili.pgdi@pha-corp.com, courtesy of the Company.

Attention: Atty. Geronimo B. Halili
Premiere Horizon Alliance Corporation Unit 1705 East Tower, Tektite Towers, Exchange Rd., Ortigas Center, Pasig City Telephone No.: (02) 8632-7715

III. SIGNATURE PAGE

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this report is true, complete and correct. This report is signed in San Jose, California 5 November 2026.

PREMIERE HORIZON ALLIANCE CORPORATION

By: 

EUGENIO T. TAN
President and Chief Executive Officer

ANNEX A

PREMIERE HORIZON ALLIANCE CORPORATION BOARD OF DIRECTORS & MANAGEMENT TEAM

The following are the information required of the incumbent Directors and Officers and Nominees for Election to the Board of Directors

PHA Incumbent Board of Directors Nominees

	Name	Position
1	Marian Peña	Incumbent Director and Nominee
2	Esteban Peña-Sy	Incumbent Director and Nominee
3	Eugenio T. Tan	Incumbent Director and Nominee
4	Brandon P. Leong	Incumbent Director and Nominee
5	Geronimo B. Halili	Incumbent Director and Nominee
6	Mr. Ernest Sze Lok Yeung	Incumbent Director and Nominee
7	Maria Clara A. Camacho	Incumbent Independent Director and Nominee
8	Steven Cesar G. Virata	Incumbent Independent Director and Nominee
9	Orland S. Mercado	Incumbent Independent Director and Nominee

PHA Incumbent Officers

	Name	Position
1	Marian Peña	Executive Vice President
2	Esteban Peña-Sy	Chairman
3	Eugenio T. Tan	President & Chief Executive Officer
4	Mariflor M. Sandoval	Senior Vice President
5	Geronimo B. Halili	Compliance Officer
6	Sally C. Uy	Financial Controller
7	Mr. Ernest Sze Lok Yeung	Group Chief Financial Adviser
8	Christina P. Leong	Chief Investment Officer, Chief Information Officer, and Investor Relations Officer
9	Brandon P. Leong	Treasurer
10	Helenita D. Ong	Assistant Treasurer
11	Jarodelyn N. Mabalot	Corporate Secretary
12	Nasha Jemimah R. Reyes-Ferrer	Assistant Corporate Secretary

1. **Ms. Marian Pena**
   Incumbent Director and Nominee
   Executive Vice President

   Ms. Peña (age 75) has served as a Regular Director of PHA since August 03, 2023 and also currently serves as the Company's Executive Vice President. She is currently the Chairperson and Chief Executive Officer of Eastern Securities Development Corporation ("ESDC") and Nuovo Gran CT. She is an entrepreneur with more than 20 years of business experience in China, HK and the Philippines. She received her Bachelor's Degree Major in Business Administration from St. Theresa's College.

2. **Mr. Esteban Peña Sy**
   Incumbent Director and Nominee
   Chairman

   Mr. Peña Sy (age 78) has served as a Regular Director of PHA since January 2023. He is the incumbent Chairman of the Board, elected during the Organizational Meeting of the Board on 24 November 2025.

   He is currently also a Director and the President of Philippine Plaza Holdings Inc., the company behind Sofitel Philippine Plaza, and Mabuhay Holdings Corp., a publicly-listed company. Throughout his storied career, he has held key positions in various companies, including the Ayala Group of Companies. There, he was Assistant Vice President for the Bank of the Philippine Islands; Head of the Business Development Group for the Island Development Bank of Brunei; and Assistant Director for Ayala International Finance Ltd. (Hong Kong) and Ayala International (Hong Kong) Ltd.

   Mr. Peña Sy was also the Assistant Secretary General of the Federation of Filipino-Chinese Chambers of Commerce and Industry before becoming its Executive Director. Shortly after, Mr. Peña Sy co-founded the Pan Asian Management Group (Hong Kong).

   Over the past few decades, he served as Managing Director for its various subsidiaries, such as AI Financial Services Ltd., Pan Asian Management Ltd., and Pan Asian Oasis Telecom Ltd; and as Director for Jiangsu Pan Asian Cable Co. Ltd. Owing to his work with the group, he was accredited by the Hong Kong Securities and Futures Commission as an Investment Adviser. Prior to his work with PHA, he was the Director and Chairman of Philippine InfraDev Holdings, Inc. (formerly IRC Properties, Inc.) Mr. Peña Sy graduated from the University of the Philippines with a degree in Economics and completed the 43rd Program for Management Development at Harvard Business School.

3. **Mr. Eugenio T. Tan**
   Incumbent Director and Nominee
   President & CEO

   Mr. Tan (age 63) has served as a Regular Director of PHA since 2021. He has also been elected as the President & CEO of PHA since August 03, 2023. He was a former co-CEO of the Oriental Patron Asia Limited where he managed corporate finance, capital markets, M&A, sales and distribution businesses and private investment business lines of 28-year-old Greater China firm. He was previously the Co-CEO of Shanxi Securities International, where he was responsible for building the ECM/DCM/M&A and primary distribution for Shanxi Securities internationally.

   Mr. Tan also held senior management roles in the following companies: Managing Director and Head, Investment Banking and Equity Capital Markets – Asia of the Oppenheimer Investments Asia Limited, Managing Director, Greater China of Rothschild (Hong Kong) Limited. Managing Director of Argyle Street Management, Managing Director and Head, Financial Institutions Group – Asia, exJapan of HSBC Investment Bank), Managing Director and Head, Financial Institutions Group – Asia, ex-Japan of HSBC Investment Bank, Director and Head, Financial

Institutions Group—Asia, ex-Japan of Salomon Smith Barney, Director and Head, Equity Capital Markets of ING Barings, Associate/Vice President, Global Finance/Corporate Finance. (New York) of Goldman, Sachs & Co., Management Associate/Manager, Institutional Bank of Citibank, N.A. Mr. Tan is also currently the Industrial Zone Task Force Director of Hong Kong Trade and Development Council which advises the Hong Kong government on SME businesses. He was also the Independent Director of KGI Securities (Taiwan) Co. Ltd and KGI Securities (Thailand) Pcl, Independent Advisor of Power Sector Asset and Liabilities Management Corporation.

Mr. Tan holds a Business Administration and Accountancy degree, from the University of the Philippines where he graduated Summa Cum Laude. Mr. Tan obtained his Master of Business Administration degree in Stanford Graduate School of Business, Palo Alto, CA and graduated with distinction and was an Arjay Miller Scholar and Deloitte and Touche Accounting Awardee.

4. Mr. Brandon P. Leong

Incumbent Director and Nominee
Treasurer

Mr. Leong (age 41) has served as a Regular Director of PHA since December 2020. He is the incumbent Treasurer of the Company, elected on 24 November 2025. He is also a Director and Operations Head for Eastern Securities Development Corporation ("ESDC"), a proud member of the PSE, multi-generation, stalwart securities brokerage in continuous operation since 1977. ESDC is a full service, online brokerage with over 5 billion pesos in assets under management. Mr. Leong assists PHA in navigating its industry's increasingly complex regulatory landscape while maintaining a high level of business efficiency. He ensures financial innovation provides optimal shareholder value while never compromising core principles of the Parent Company, investor protections and values of the Philippine capital markets. Mr. Leong provides market education, financial literacy and fintech consultation for teams and organizations seeking to create their digital footprint in Philippines' financial landscape. Mr. Leong brings his unique background in both finance and technology to provide insights and solutions to the challenging interface between customers and the organizations aspiring to deliver innovative financial services. Mr. Leong is a graduate of the University of California Irvine with a degree in Sociology and Business.

5. Atty. Geronimo B. Halili

Incumbent Director and Nominee
Compliance Officer

Atty. Halili (age 56) has served as a Regular Director of PHA since 26 January 2023. An established lawyer, he is currently the Proprietor at G. B. Halili Law Office since 2015. Atty. Halili began his career as a law intern in the Office of Supreme Court Justice Jose A. R. Melo in 1993. Three years later, he passed the Philippine Bar Examinations in the Top 16. He went on to become a Senior Associate at Y. F. Busmente & Associates Law Offices, and then a Partner at Halili Certeza Matibag Law Offices.

Atty. Halili graduated from the Philippine School of Business Administration with a degree in Accountancy and from San Beda College with a degree in Commerce – Major in Business Management. He proceeded to obtain his Law Degree from the Ateneo de Manila School of Law.

6. Mr. Ernest Sze Lok Yeung

Incumbent Director and Nominee Group
Chief Financial Adviser

Mr. Ernest Yeung (age 57) has served as Regular Director of PHA since 3 August 2023. He is a veteran in corporate strategy, project finance, private equity and asset management whereby he held key positions at Changsheng Fund Management, Manulife Asset Management, DBS Bank, PSEG, HSBC, Nomura Securities, JP Morgan and the Swire Group in Hong Kong, Singapore and China. He received a master's degree in accounting and finance from the London School of Economics and Political Science, as well as bachelor's degrees in law and science from Beijing University and King's College, London respectively. He is also a Chartered Alternative Investment Analyst, a Chartered Fellow of the Chartered Institute of Securities and Investment of UK and a member of the Royal Society of Chemistry.

7. Ms. Maria Clara A. Camacho

Incumbent Independent Director and Nominee

Ms. Camacho (age 70) was elected as an Independent Director on November 24, 2025. She graduated from Radcliffe College, Harvard University in 1977 with a degree in AB Economics (cum laude) and earned her MBA from Harvard Business School in 1980. She briefly worked with Seagrams Latin America in New York in Marketing before returning to the Philippines in late 1981. She joined National Development Company where she handled the first commercial paper issuance by a Philippine company in the USA, worked on the rehabilitation of CDCP and was OIC of Marina Properties Corporation. She later founded and managed an award-winning fashion accessories manufacturing and exporting business. Ms. Camacho also worked in real estate development with Carmelray and Rockwell Land. She opened the Sotheby's office in the Philippines and was the country representative. She was a member of the Advisory Board of RCBC for ten years.

Ms. Camacho is an international art collector and a member of the Board of Trustees of the Yuchengco Museum and the Asia Pacific Acquisition Committee of the Tate Modern in London.

8. Mr. Steven Cesar G. Virata

Incumbent Independent Director and Nominee

Mr. Virata (68) was elected as an Independent Director of Premiere Horizon Alliance Corporation on November 24, 2025. He brings over three decades of professional and leadership experience in the aviation, aviation education and training, real estate, property management, business development, and consultancy sectors.

Since 2024, Mr. Virata has served as Executive Director of FEATI Schools Inc. and of the Philippine Association of Aviation Colleges & Institutions. He also serves as Trustee and President of the Equestrian Association of the Philippines and as a Channel Partner of Berde Renewables Inc. He provides consultancy services to Cavitex Holdings Inc. and C. Miller Aero Services Corp.

In the real estate and property sector, Mr. Virata has served as Director and President of ATAR IV Property Holdings Co. Inc. He has served as President and Principal Consultant of SG Virata Consult OPC, where he is engaged in business development and consultancy. He is also Director and Treasurer of Chilco Holdings Inc. and Treasurer of FEATI Aviation & University, positions he has held since 2012.

Mr. Virata's extensive and diverse experience in aviation, education, real estate, investment and holding companies, and business consultancy provides him with broad expertise in corporate management, business development, and strategic planning. He graduated from the University of the Philippines with a Bachelor's Degree in Architecture.

9. Mr. Orlando S. Mercado

Incumbent Independent Director and Nominee

Mr. Mercado (79) was elected as an Independent Director on 24 November 2025. He is a former Senator, Secretary of Defense, and Ambassador. He is a veteran broadcaster and professor of political science, communication, and business management.

He served as the Secretary General of the Eastern Regional Organization for Public Administration, based at the National College of Public Administration, University of the Philippines - Diliman.

He is currently a member of the faculty of the Ateneo School of Government, an Eminent Fellow and member of the Academic Council of the Development Academy of the Philippines (DAP) and teaches MBA courses at FEU Makati. In addition, he serves as a Board Member of The East Coast

Vulcan Mining Corporation, and writes a weekly column for The Manila Times. He earned his Bachelor of Arts in Political Science, Master of Arts in Communication, and Doctor of Philosophy in Political Science all from the University of the Philippines.

10. Mariflor Sandoval

Senior Vice President

Ms. Sandoval (65) is a Certified Public Accountant with more than 35 years of financial management experience gained in various sectors such as real estate, construction, property management, food manufacturing, healthcare and financing services. Prior to PHA, she held key positions including compliance officer, comptroller and chief accountant for Island Information and Technology Inc., Phinma Property Holdings Corporation, KL Siy & Associates, Engineering and Development Corporation of the Philippines (EDCOP), Symonds Travers Morgan and Y-L Finance Corporation

Ms. Sandoval received her Master of Business Administration degree from De La Salle University, Taft Manila, a Bachelor's Degree in Business Administration with a major in Accounting from University of the East, C.M. Recto, Manila, as well as a Bachelor's Degree in Psychology from University of the Philippines, Diliman, Quezon City.

11. Christina P. Leong

Chief Investment Officer/ Investor Relations Officer/Chief Information Officer

Ms. Leong (42) Joined PHA becomes the Corporation's Chief Investment officer and Investor Relations Officer in August 2023 and December 2024. Christina is also a vice president of Eastern Securities Development Corporation ("ESDC") and holding key positions of various start-up enterprises in the Philippines.

Ms. Leong received her Bachelor's Degree from Chapman University of the United States.

12. Sally C. Uy

Financial Controller

Ms. Uy (65) is a seasoned finance and accounting executive and Certified Public Accountant (CPA) with over 35 years of professional experience in finance, accounting, audit, treasury, commercial management, project management, business administration, and financial controls. She has held various senior leadership positions, including Senior Vice President–Finance, Vice President, Assistant Vice President and Controller, with extensive experience managing finance operations across multinational and Philippine corporations in the telecommunications, retail, manufacturing, technology, and other industries.

Her expertise includes financial planning and analysis, budgeting and forecasting, financial reporting, internal controls, tax and regulatory compliance, treasury, cost accounting, audit, process improvement, and strategic business partnering. She has also led finance teams, managed multi-company operations, supported ERP implementations, and worked closely with senior management on business planning, risk management, and profitability initiatives.

She holds a Bachelor of Science in Commerce, major in Accounting, from the University of Santo Tomas, where she graduated Cum Laude.

13. Jarodelyn N. Mabalot

Corporate Secretary

Atty. Mabalot (34) obtained her Juris Doctor degree from the University of Santo Tomas in 2016, where she ranked sixth in her class and her Legal Management degree from the same university where she graduated Magna Cum Laude.

She became a partner in Divina Law in January 2025. As a member of the Corporate and Special Project Groups, her key areas of practice are labor law compliance, corporate governance, regulatory practice, cross border transactions, and data privacy. She provides legal services to highly specialized industries, particularly healthcare, insurance, financial institutions, and food and beverage. Atty. Mabalot is a co-author of the Compendious Bar Reviewer on Labor Law (2023-2025 editions).

14. Nasha Jemimah R. Reyes-Ferrer

Assistant Corporate Secretary

Atty. Reyes-Ferrer (34) obtained her Juris Doctor degree in 2016, and bachelor's degree in Business Administration (Cum Laude) from the University of the Philippines-Diliman.

She became a partner at DivinaLaw in January 2024, and has been a key member of the Firm's Corporate and Special Projects Group since 2017. Her practice areas include corporate governance, regulatory compliance, corporate services, foreign investments, banking, estate planning, and mergers & acquisitions

Atty. Reyes-Ferrer is also a Certified Compliance Officer and a Chartered Trust and Estate Planner. Additionally, she is a co-author of the Compendious Bar Reviewer on Political Law and the Compendious Bar Reviewer on Legal and Judicial Ethics (2023-2025 Editions).

15. Helenita D. Ong
Assistant Treasurer

Ms. Ong (63) was appointed Group Assistant Treasurer of Premiere Horizon Alliance Corporation on 14 April 2025. She also serves as a consultant for Eastern Securities Development Inc., bringing with her decades of experience in the banking and finance industry. She began her career in 1984 with Metropolitan Bank and Trust Company as a Teller and, shortly after, moved to the Audit Group. In the succeeding years, she served as a Current Account Verifier and later joined the Reserve Pool Officers Program, successfully completing the Officers Development Program. This milestone opened the doors for her to take on progressive leadership roles, including Acting Assistant Cashier, Assistant Cashier, Officer-in-Charge, and Acting Manager, until her appointment as Manager in 2002.

As Branch Manager, Ms. Ong was entrusted with the supervision of two of Quezon City's major branches, where she provided strong operational leadership and guided teams to achieve branch goals. She later extended her expertise to support another branch, continuing her legacy of service and commitment.

A Certified Public Accountant, Ms. Ong earned her Bachelor of Science in Business Administration, major in Accounting, graduating with distinction from Philippine School of Business Administration. Her professional journey reflects not only her competence and dedication but also her steadfast pursuit of excellence in the field of finance and banking.

16. **Mary Zoelli R. Velasco**
Assistant Corporate Secretary Nominee

Atty. Velasco (35) obtained her Juris Doctor from the University of the Philippines - Diliman. She also obtained a Bachelor of Arts in Public Administration from UP Diliman where she graduated magna cum laude and college salutatorian.

Her practice areas are Corporate and Special Projects, Immigration & Naturalization, and Intellectual Property.

ANNEX B

CERTIFICATION

I, **Atty. Geronimo B. Halili**, Filipino, of legal age, with office address at Unit 1705, East Tower, Tektite Towers, Exchange Road, Ortigas Center, Pasig City, 1605, after having been duly sworn to in accordance with law, do hereby depose and state that:

1. I am the Compliance Officer of Premiere Horizon Alliance Corporation (the "Corporation"), a corporation duly organized and existing under the laws of the Philippines, with business address at Unit 1705, East Tower, Tektite Towers, Exchange Road, Ortigas Center, Pasig City, 1605.

2. I hereby certify that none of the Corporation's regular directors, independent directors and officers are appointed or employed in any government agency.

Geronimo B. Halili
Compliance Officer

SUBSCRIBED AND SWORN to before me this _____ day of 11 SEP 2026 2026 at PASIG CITY, affiant personally appeared before me and exhibited to me his valid government ID 011-7811-737-4 issued at Quezon City

Doc. No. 68;
Page No. 15;
Book No. IV;
Series of 2026.

ATTY. ROMEO MANUEL JOSHUA R. MOVIDO
Notary Public for Pasig City
Suite 07 Unit 606 West Tower, Tektite Towers,
Exchange Road, Pasig City
Roll of Attorney No. 66667
Appointment No. 116 (2025-2026) valid until 31 December 2026
IBP Member No. 539938 Pasig/ 28 February 2026
PTR No. 3039044; 09 Jan. 2025; Pasig City
MCLE Compliance No. VIII-0027774 valid until 14 April 2028

ANNEX C-1

CERTIFICATION OF INDEPENDENT DIRECTOR

I, Orlando S. Mercado, Filipino, of legal age, and with address LPL Mansions, LP Leviste St., Salcedo Village, Makati City, after having been duly sworn to in accordance with law do hereby declare that:

1. I am a nominee for independent director of PREMIERE HORIZON ALLIABNCE CORPORATION (the "Company").

2. I am affiliated with the following companies or organizations:

COMPANY/ORGANIZATION	POSITION/RELATIONSHIP	PERIOD OF SERVICE
East Coast Vulcan Mining Corporation	Member of the Board	2022-present
Ateneo de Manila University, School of Government	Professor	present
Development Academy of the Philippines	Eminent Fellow	present
Far Eastern University, Makati city	Professor, MBA	present
National College for public Administration & Governance, University of the Philippines	Secretary General, Eastern Regional Organization	2010-2021
Association of South East Asian Nations (ASEAN)	Ambassador	2009-2010
Department of National Defense	Secretary of Defense	1998-2001
Senate of the Philippines	Senator	1987—1998
Batasan Pambansa	Assemblyman	1984-1986

3. I possess all the qualifications and none of the disqualifications to serve as independent director of the Company as provided for in Section 38 of the Securities Regulation Code, its Implementing Rules and Regulations, and other Securities and Exchange Commission ("SEC") issuances.

4. I am NOT related to any director/officer/ substantial shareholder of the Company and its subsidiaries and affiliates.

5. To the best of my knowledge, I am not the subject of any pending criminal or administrative investigation or proceeding.

6. I am not in government service or affiliated with a government agency or a Government-Owned and Controlled Corporation as would require written permission or consent from the head of the agency/ department for me to be an independent director of the Company, pursuant to Office of the President Memorandum Circular No. 17 and Section 12, Rule XVIII of the Revised Civil Service Rules.

7. I shall faithfully and diligently comply with my duties and responsibilities as an independent director under the Securities Regulation Code and its Implementing Rules and Regulations, Code of Corporate Governance, and other SEC issuances.

8. I shall inform the Corporate Secretary of the Company of any changes in the abovementioned information within five days from its occurrence.

Done this 10 SEP 2026 day of _____ 2026 at PASIG CITY.

Orlando S. Mercado

SUBSCRIBED AND SWORN to before me this 10 SEP 2026 day of _____ 2026 at PASIG CITY, affiant personally appeared before me and exhibited to me her valid government ID issued at 4632-4918-7523-9510.

Doc No. 523;
Page No. 106;
Book No. CIII;
Series of 2026.

ATTY. ROMEO MANUEL JOSHUA R. MOVIDO
Notary Public for Pasig City
Suite 07 Unit G06 West Tower, Tektite Towers,
Exchange Road, Pasig City
Roll of Attorney No. 66667
Appointment No. 116 (2025-2026) valid until 31 December 2026
IBP Member No. 539938 Pasig/ 28 February 2026
PTR No. 3039044; 09 Jan. 2026; Pasig City
MCLE Compliance No. VIII-0027774 valid until 14 April 2028

ANNEX C-2

CERTIFICATION OF DIRECTOR

I, Maria Clara A. Camacho, Filipino, of legal age, and with address 14 Urdaneta Avenue, Urdaneta Village, Makati City, after having been duly sworn to in accordance with law do hereby declare that:

I am a nominee for independent director of PREMIERE HORIZON ALLIANCE CORPORATION (the "Corporation").

I am affiliated with the following corporations or organizations:

Company	Position	Period
RIZAL COMMERCIAL AND BANKING CORPORATION.	Advisory Board Member	2005-2015
SOTHEBY'S Manila	Country Manager and Philippine Representative	June 2001 to April 2005
ROCKWELL LAND CORPORATION	Philippines Director for Retail Center Development	June 1995 to May 1996
CARMELRAY DEVELOPMENT CORPORATION	Property Development Consultant	April 1995 to July 1995
DETALLES DE ROBERTA. INC..	President/Owner	February 1984 to December 1994
NATIONAL DEVELOPMENT COMPANY	Division Manager	November 1981 to February 1984
Marina Properties Corp	Officer-in-Charge and CFO	June 1983 to February 1984

I possess all the qualifications and none of the disqualifications to serve as an independent director of the Corporation as provided for in Section 38 of the Securities Regulation Code, its Implementing Rules and Regulations, other Securities and Exchange Commission ("SEC") issuances, and the Corporation's Revised Manual of Corporate Governance.

I am not in government service or affiliated with a government agency or a Government-Owned and Controlled Corporation as would require written permission or consent from the head of the agency/ department for me to be an independent director of the Corporation, pursuant to Office of the President Memorandum Circular No. 17 and Section 12, Rule XVIII of the Revised Civil Service Rules.

I shall faithfully and diligently comply with my duties and responsibilities as an independent director under the Securities Regulation Code and its Implementing Rules and Regulations, Code of Corporate Governance, and other SEC issuances.

I shall inform the Corporate Secretary of the Corporation of any changes in the abovementioned information within five (5) days from its occurrence.

Done this 23 day of Oct 2026 at Pasig City.

Maria Clara A. Camacho

Maria Clara A. Camacho

SUBSCRIBED AND SWORN to before me this 26 OCT 2026 day of _____ 2026 at PASIG CITY, affiant personally appeared before me and exhibited to me his/her valid government ID SC ID 100463.

FERDINAND D. AYARAO
Notary Public
For and in Pasig City and the Municipality of Pateros
Commission No. 122 (2026-2027) valid until 12/31/2027
MCLE Exemption No. VIII-IBP003234, until 04/14/28
Roll No. 45377; IBP LRN 02459; OR 538686; 06/21/2001
TIN 123-033-785; PTR 4018763AA; 01/09/26; Pasig City
Unit 5, West Tower PSE, Exchange Road
Ortigas Center, Pasig City, NCR, 1605 Philippines

Doc No. 127
Page No. 45
Book No. 123
Series of 2026.

ANNEX C-3

CERTIFICATION OF INDEPENDENT DIRECTOR

I, Steven Cesar G. Virata, Filipino, of legal age, and with address 308 Bougainvilla St., Ayala Alabang, Muntinlupa City, after having been duly sworn to in accordance with law do hereby declare that:

1. I am a nominee for independent director of PREMIERE HORIZON ALLIABNCE CORPORATION (the "Company").

2. I am affiliated with the following companies or organizations:

COMPANY/ORGANIZATION	POSITION/RELATIONSHIP	PERIOD OF SERVICE
FEATI UNIVERSITY	Trustee/Treasurer/ Deputy CEO	2026 - present
BERDE RENEWABLES	Channel Partner	2024 - present
PHILIPPINE ASSOCIATION OF AVIATION COLLEGES & INSTITUTION	Executive Director	2024 - present
FEATI SCHOOLS INC	Executive Director	2024 - present
ATAR IV PROPERTY HOLDINGS CO INC	Director & President	2023 - present
SG VIRATA CONSULT OPC	President & Principal Consultant	2022 - present
CHILCO HOLDINGS INC	Director & Treasurer	2012 - present
VICTORIA L. ARANETA INC	EVP/Director	2008 - present

3. I possess all the qualifications and none of the disqualifications to serve as independent director of the Company as provided for in Section 38 of the Securities Regulation Code, its Implementing Rules and Regulations, and other Securities and Exchange Commission ("SEC") issuances.

4. I am NOT related to any director/officer/ substantial shareholder of the Company and its subsidiaries and affiliates.

5. To the best of my knowledge, I am not the subject of any pending criminal or administrative investigation or proceeding.

6. I am not in government service or affiliated with a government agency or a Government-Owned and Controlled Corporation as would require written permission or consent from the head of the agency/ department for me to be an independent director of the Company, pursuant to Office of the President Memorandum Circular No. 17 and Section 12, Rule XVIII of the Revised Civil Service Rules.

7. I shall faithfully and diligently comply with my duties and responsibilities as an independent director under the Securities Regulation Code and its Implementing Rules and Regulations, Code of Corporate Governance, and other SEC issuances.

8. I shall inform the Corporate Secretary of the Company of any changes in the abovementioned information within five days from its occurrence.

Done this 14 day of 14 SEP 2026 2026 at PASIG CITY.

Steven Cesar G. Virata

SUBSCRIBED AND SWORN to before me this 14 SEP 2026 day of PASIG CITY 2026 at _____, affiant personally appeared before me and exhibited to me her valid government ID issued at P4413787B.

Doc No. 103;
Page No. 22;
Book No. LIV
Series of 2026

ATTY. ROMEO MANUEL JOSHUA R. MOVIDO
Notary Public for Pasig City
Suite 07 Unit 606 West Tower, Tektite Towers,
Exchange Road, Pasig City
Roll of Attorney No. 66667
Appointment No. 116 (2025-2026) valid until 31 December 2026
IBP Member No. 539938 Pasig/ 28 Febrauary 2026
PTR No. 3039044; 09 Jan. 2026; Pasig City
MCLE Compliance No. VIII-0027774 valid until 14 April 2028

ANNEX D

MANAGEMENT REPORT

See attached Audited Financial Statements for the year ended 31 December 2025 and the Unaudited Consolidated Financial Statements for the quarter ended 30 June 2026.

DESCRIPTION OF THE GENERAL NATURE AND SCOPE OF THE BUSINESS OF THE REGISTRATION AND ITS SUBSIDIARIES

Premiere Horizon Alliance Corporation ("PHA", "Company", or the "Parent Company"), was registered in the Philippines Securities and Exchange Commission ("SEC") on 13 January 1988 and listed in the Philippine Stock Exchange ("PSE") on 5 May 1997. The Parent Company's primary purpose was to engage in business activities relating to entertainment, gaming, hotel, and leisure. In 2011, the SEC approved the change in the Parent Company's secondary purpose and authorized the Parent Company to expand mining and real estate industries.

On 7 April 2016 and 26 May 2016, the Board of Directors ("Board") and stockholders, respectively, approved the amendments to the Articles of the Incorporation of the Parent Company to change its primary purpose to that of an investment holding company, and to relegate the primary purpose to one of the secondary purposes. The amendments to the Articles of Incorporation were approved by the SEC on 10 August 2016.

The Parent Company's registered address and principal place of business is at Unit 1705, East Tower, Tektite Towers, Exchange Road, Ortigas Center, Pasig City.

Below are the Parent Company's subsidiaries with their respective percentage ownership as at 31 January 2026.

	Percentage of Ownership	
	Direct	**Indirect**
West Palawan Premiere Development Corp. (WPPDC)	100	
Treasure Cove at Nagtabon Beach, Inc. (TCNBI)		100
Premiere Georesource and Development Inc. (PGDI)	69	
Pyramid Hill Mining & Industrial Corp. (PHMIC)		68
Palawan Star Mining Ventures, Inc. (PSMVI)		68
Goshen Land Capital, Inc. (GLCI)	55	
Premiere Entertainment Philippines, Corp. (formerly PHBSI)	100	
Concepts Unplugged Business Environment Solutions (CUBES), Inc.*	51	
PH Mining and Development Corporation (PHMDC)*	100	
PH Agriforest Corporation (PHAC)*	100	
PH Big Bounty Entertainment, Inc. (PBBEI)*	100	
Digiwave Solutions Incorporated (DSI)*	100	

**Non-operating subsidiaries*
(PHA along with the subsidiaries enumerated above shall be referred to as the "Group")

WPPDC

On 9 August 2016, the Parent Company established a 100% subsidiary, WPPDC, to subsidiarize the land holdings PHA owned. WPPDC has an authorized capital stock of Php 700 million, a subscribed capital of Php 440 million and a paid-up capital of Php 440 million.

WPPDC was incorporated for the purpose of acquiring by purchase, lease, donation or otherwise, and own, use, improve, develop, subdivide, sell, mortgage, exchange, lease, develop, and hold for investment or otherwise, real estate of all kinds.

PGDI

On 24 April 2012, the Parent Company obtained the approval of the Board to acquire 66.9% of PGDI (formerly "Redstone Construction and Development Corporation") and increase its ownership in PGDI to 80% in February 2015.

PGDI is primarily engaged in mining related services, such as hauling and excavation for mining companies.

GLCI.

On 4 June 2015, PHA bought 55% of GLCI for Php 440.0 million, Php 140 million secondary and Php 300 million primary.

GLCI is one of the biggest real estate developers in Northern Luzon and pioneered vertical condominium developments in Metro Baguio. GLCI develops innovative master planned communities of low to mid-rise residential and commercial condominiums. The company also develops residential housing subdivisions in Baguio City and in Central and Northern Luzon.

Management's Discussion and Analysis and Plan of Operation

Our discussions in the foregoing sections of this report may contain forward-looking statements that reflect our current views with respect to the Group's future plans, events, operational performance, and desired results. These statements, by their very nature, contain substantial elements of risks and uncertainties. Actual results may be different from our forecasts.

Furthermore, the information contained herein should be read in conjunction with the accompanying audited consolidated financial statements and related notes. Our financial statements, and the financial discussions below, have been prepared in accordance with Philippine Financial Reporting Standards.

The Group did not raise any additional capital nor divest any asset in 2025.

PHA did not purchase or sell any plant or significant equipment in 2025. On the other hand, one of its subsidiaries, PDGI, during the third quarter of 2026, has spent Php 11.54 million in acquiring hauling and lightning equipment for its mining operations.

PHA anticipates that it will be acquiring additional equipment within the next twelve (12) months in order to support new business opportunities. At present, the Group has no fixed plans or material commitments in relation to this or any other capital expenditures.

There are no significant changes in the number of employees of PHA. The Company also does not expect any significant changes in the number of its employees in the next twelve (12) months.

The Company does not have any formal product research and development activities planned for the term. However, it continues to monitor government policies and economic developments in mining, real estate, and power generation in Palawan and Baguio to identify potential investment and business opportunities for the Company.

In 2025, PHBSI, a subsidiary of the Company proposed the execution of a Management Services Contract with PHA to manage, preserve, enhance, and commercially develop the dormant film-related intellectual property (IP) owned by PHA, including the licensing, digitization, and distribution of PHA's fully depreciated film library. On 23 July 2026, the SEC approved the amended Articles of Incorporation (AOI) of PHBSI in connection with its conversion into an operating subsidiary. The amendments cover the change in the Company's corporate name to Premiere Entertainment Philippines Corp., the amendment of its primary and secondary purposes, increase in the number of directors, and the addition and/or deletion of certain provisions of its existing By-Laws.

In 2023, the Group had undertaken the following initiatives:

- PHA called for payment on the remaining unpaid shares and authorized the sale of the delinquent shares at a public auction on 11 May 2023. 1,389,802,253 shares out of total unpaid shares of 1,457,756,139 were sold and fully collected on 7 July 2023.
- The Group reduced its loans (short-term, long-term, and callable loans) by Php 337.94 million.
- The Group was able to collect from its subscription receivables the amount of Php 537.14 million.
- The Group availed of short-term and long-term loans.

In 2022, the Group undertook the following initiatives:

- PHA raised additional capital by issuing 70,835,000 million shares to LDA Capital Limited with a par value of Php 25 per share and a share price of Php 1.01 per share. The share issuance was paid in cash for a total consideration of Php 71.54 million.
- PHA also reduced its current liabilities by converting part of the convertible notes payable to equity effectively
- PHA raised additional funding through borrowings from its shareholder
- WPP sold part of its land held in inventory
- GLCI was able to generate substantial income from its ongoing residential subdivision projects and from its 19th residential condominium development in Baguio City

Other initiatives included:

- Negotiating principal payment extensions and deferrals with creditors; and
- Securing loans with the Group assets.

With these initiatives, the Group has been able to improve its financial position and expects that it will be able to improve its financial performance as well. Accordingly, the Group has prepared its financial statements on a going-concern basis.

The Company expects to satisfy its cash requirements for its short and long-term (5 years) goals.

To meet its short-term goals and satisfy the immediate cash requirements of operations, the Company intends to raise additional funds financing through loans and advances from shareholders.

To achieve its long-term goals over the next five years, the Company plans to sell assets, infuse equity, and attract new investors through share issuance. These measures will be implemented as approved by the Board.

Status of Operations and Management Plans

In 2023 and 2022, the Group reported a liquidity gap in currently maturing liabilities amounting to Php 238.7 million and Php 751.90 million, respectively. The liquidity gap on currently maturing liabilities is the excess of current financial liabilities against current financial assets. These events and conditions indicate that a material uncertainty existed that may cast significant doubt on the Group's ability to continue as a going concern, and therefore, the Group may not be able to realize its assets and discharge its liabilities in the normal course of business.

The year 2023 marked the start of the operations of PGDI as a Corporation. PGDI inked a new 3-year hauling contract with Cagdianao Mining Corporation (CMC) in Valencia, in the island province of Dinagat. The operation was delayed due to documentary requirements that must be complied with due to the change in name to PGDI. As a consequence, the revenue was not reached due to lower tonnage and lower rates as well, which caused a loss for this year.

In 2023, Management undertook a combination of initiatives to address the above-mentioned going concern issue, to wit:

- reduction and efficient management of operating expenses;
- negotiate interest reduction and/or principal payment extensions and deferrals;
- secure all the unsecured loans with the assets of the Group;
- Divestment of a portion of the Group's assets and investments to generate cash;
- obtain financial support from shareholders and/or officers for gap funding of operations; and
- sought partnerships and new investors as a way of generating funds.

The year 2024 was a continuation of the projects that GLCI started in 2021 and 2022. The construction of the Stanford Residences was completed in 2024. The residential

lot subdivisions have also been mostly sold out, and land development has started with a projected turnover for the following year. GLCI has also expanded its reach with the establishment of sales branches in Pangasinan and Tarlac.

2024 and 2025 Operation Plans for the Subsidiaries

WPPDC

On the tourism and infrastructure side, WPPDC shall embark on developing its 17.84 hectares property and tourism estate. A portion of this land will be converted from agricultural land use to residential/commercial land use. Of the total land area, 4,297 hectares shall be developed into a 10- story condominium and commercial building. The mobilization and construction period shall be before 2030.

PGDI

For the year 2024, PGDI terminated the remaining two (2) year contract with CMC due to decreased tonnage and continued lower rates, which is not profitable to pursue. Moreover, the mine is good for two to three years as per the mine report. PGDI negotiated a three (3)-year limonite hauling contract with Taganito Mining Corporation (TMC), a subsidiary of Nickel Asia Corp., in Claver, Surigao del Norte.

For the first year, the contract was to haul a minimum 1,000,000 WMT of limonite ore.
The plan is to refurbish the old equipment used at CMC and utilize for the TMC contract. All of the non-refurbishable equipment would be sold as scrap and excess usable equipment would be sold as used equipment.

Initial evaluation of the TMC mine operation showed that the refurbished equipment was not capable to meet the tonnage target. Acquiring new trucks is under review for immediate purchase.

GLCI

In 2025, GLCI completed the Stanford Residences and continued the strategy to explore new business opportunities beyond Baguio City. It kick-started the construction of the New Clark Garden Residences (NCGR) project, Phase 1 located in Aranguren, Capas, Tarlac consisting of 8 buildings with a total of 280 residential units.

In 2026, GLCI acquired two horizontal development projects. Sta. Cecilia-Basista Phase 1 is currently under development and St. Benedict San Jose was awarded to a contractor and is currently pending contract signing. Ongoing projects include Stanford Residences, with substantial unit acceptance by owners, and New Clark Garden Residences, where construction and initial site development works are underway.

Other Developmental Business Activities/ Subsequent Events.

The proposed arrangement for PHBSI, now Premiere Entertainment Philippines, Corp., to manage and develop PHA's film library was approved by the Company's Board and Officers in April 2026. Key matters include the recitals and purpose, appointment and scope of management, related party transaction compliance, management fees and expenses, ownership, the authority and exclusivity of the Company in representing the Company in domestic and international business transactions were finalized as stated in the management agreement. The contract term of five (5) years, subject to renewal unless otherwise terminated by the Company's Board.

The Group continues to identify other businesses that will generate more revenues. It is now looking at various business opportunities in energy and other tourism-related industries.

Discussion and analysis of the Group and its majority-owned subsidiaries' top five (5) key performance indicators, including the manner by which the Group calculates or identify the indicators on a comparative basis.

The Group, with its subsidiaries, use the following key performance indicators:

1) Revenues
2) Net Income (Loss) From Continuing Operation
3) Debt- to- Equity Ratio
4) Current Ratio
5) Return on Assets

Note that there were no seasonal aspects that had a material effect on the Financial Statements.

Presented below is the comparative table of the Group's performance for the 2nd Quarter of 2026 and preceding years 2025 and 2024, 2023, respectively.

		Formula		
			As of June 30, 2026 (Unaudited)	**As of December 31, 2025 (Audited)**
1	Revenues	-	29,535,001	106,311,225
2	Net Income (Loss)	-	(86,935,224)	31,067,522
3	Debt – to – Equity Ratio	Total Liabilities/ Total Stockholders' Equity	0.82:1.00	0.81:1.00
4	Current Ratio	Current Assets/ Current Liabilities	0.98:1.00	1.16:1.00
5	Return on Assets	Net Income/ Total Assets	(0.02:1.00)	0.01:1.00

		Formula	For the year ended December 31	
			2024 (Audited)	2023 (Audited)
1	Revenues	-	225,136,322	534,347,017
2	Net Income (Loss)	-	336,251,738	6,928,472
3	Debt – to – Equity Ratio	Total Liabilities/ Total Stockholders' Equity	0.76:1.00	0.78:1.00
4	Current Ratio	Current Assets/ Current Liabilities	2.16:1.oo	2.08:1.00
5	Return on Assets	Net Income/ Total Assets	0.06:1.00	0.001:1.00

Results of Operation (For the second quarter of 2026)

A comparative review of the Company's financial operations for the year-to-date ending 30 June 2026 vis- à-vis the same period last year showed the following (material changes - increase/ decrease of 5% or more):

- **Revenues** - The Group's revenue for the year-to-date 30 June 2026 pertains to the real estate sales and mining-related services which posted an increase of Php 16.11 million or 120.16%, primarily due to the resumption of ore-hauling activities. The decrease in real estate revenue in the second quarter was due to the adjustments to reflect the adjusted year-to-date (YTD) figures in accordance with PFRS 15.

- **Cost of sales and services-** increased by Php 5.36 million or 30.26% due to higher operating costs associated with real estate sales and ore-hauling activities.

- **Gross Profit-** increased by Php 10.76 million or 251.11% primarily due to improved revenue from ore-hauling operation.

- **General and administrative expenses** - decreased by Php 18.18 million or 22.84% mainly due to lower professional fees, transportation and travel costs and entertainment, amusement and recreation costs.

- **Other income (charges)** – decreased by Php 6.60 million or 17.11% primarily attributable to lower net benefits from financing activities, as interest expense on loans declined during the per

PREMIERE HORIZON ALLIANCE CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
For the six-months period ended June 30, 2026 and 2025
(All amounts in Philippine Peso)

		For the period Apr 1–June 30		For the period Jan 1–June 30	
	Note	**2026**	2025	**2026**	2025
REVENUES		**(UNAUDITED)**	(UNAUDITED)	**(UNAUDITED)**	(UNAUDITED)
Real estate sales		**(43,695,516)**	1,962,625	**7,703,917**	95,193,120
Mining-related services		**20,923,132**	8,896,980	**21,831,084**	2,358,024
Service income		**-**	-	**-**	-
		(22,771,384)	10,859,606	**29,535,001**	13,415,475
COSTS OF SALES AND SERVICES					
Cost of real estate sales		**(22,700,733)**	428,247	**5,066,474**	428,247
Cost of services		**10,599,517**	10,619,974	**17,991,827**	17,273,295
		(12,101,216)	11,048,221	**23,058,300**	17,701,542
GROSS PROFIT		**(10,670,168)**	(188,615)	**6,476,701**	(4,286,067)
GENERAL AND ADMINISTRATIVE EXPENSES	7	**29,263,325**	39,850,936	**61,428,837**	79,612,659
OTHER INCOME (CHARGES)					
Interest expense		**(15,530,530)**	(26,182,810)	**(33,151,785)**	(46,473,884)
Interest income		**162,235**	769,394	**363,687**	779,018
Others – net		**189,243**	6,137,819	**805,010**	7,110,385
		(15,179,052)	(19,275,597)	**(31,983,088)**	(38,584,481)
INCOME (LOSS) BEFORE INCOME TAX		**(55,112,545)**	(59,315,148)	**(86,935,224)**	(122,483,207)
PROVISION FOR (BENEFIT FROM) INCOME TAX		**-**	-	**-**	-
NET INCOME (LOSS)		**(55,112,545)**	(59,315,148)	**(86,935,224)**	(122,483,207)
OTHER					

COMPREHENSIVE INCOME (LOSS) *Not to be reclassified to profit or loss in subsequent years- Remeasurement gains (losses) on retirement liability - net of deferred tax*				
TOTAL COMPREHENSIVE INCOME (LOSS)	**(55,112,545)**	(59,315,148)	**(86,935,224)**	(122,483,207)

Net income (loss) attributable to:				
Equity holders of the Parent Company	**(34,954,541)**	(47,555,719)	**(61,074,505)**	(95,838,784)
Noncontrolling interests	**(20,158,004)**	(11,759,429)	**(25,860,719)**	(26,644,423)
	(55,112,545)	(59,315,148)	**(86,935,224)**	(122,483,207)
Total comprehensive income (loss) *attributable to:*				
Equity holders of the Parent Company	-	-	-	-
Noncontrolling interests	-	-	-	-
	-	-	-	-

Results of Operations (For the last three years)

31 December 2025 (Audited)
In 2025, the Group posted a net income of Php 31.0 million as compared to Php 336.2 million in 2024, which resulted to a material decrease of Php 305.1 million or 91%.

Material Changes - Increase/ Decrease of 5% or more (2025 versus 2024)

- **Revenues** slumped by Php 118.8 million or 53%, primarily attributable to the following:
  - GLCI - decrease in real estate due to the absence of new project completions during the year
  - PDGI- minor decrease in revenue was due to lower services rendered for the period
  - Among the companies, only PGDI and GLCI had active operations. WPPDC, while active, was dependent on the availability of the market for its property sales.

- **Cost of Sales and Services** decreased by Php 60 million, or 43%, mainly due to followings:

- for GLCI, the cost of real estate sold fell due to the fewer units sold during the year.
- for PGDI, there was a significant decrease in the cost of services due to the reduction in personnel costs, depreciation, repairs, and maintenance expenses.
- for WPPDC, relative to no sale of real estate property occurred, there was no cost of sales allocated during the period.

- **Gross Profit** decreased by Php 58.81 million or 68.09% due to reduction of revenue.
  - **General and administrative expenses** increased by Php 166.6 million or 107.58% mainly due to the following:

    - Provision of expected credit losses increased by Php 146.7 million or 100% attributed to the recognition of allowance for long outstanding and/or unsubstantiated balances for receivables and due from related parties.
    - Professional and legal fees increased by Php 18.2 million or 32.08% primarily due to increase in legal fees.
    - Taxes and licenses increased by Php 3.2 million or 30.42% primarily from the payment of documentary stamp tax of GLCI from bank loan availments and transfer of titles for their on-going projects.

  - **Other Income (Charges)** recorded a net decrease of Php 178.3 million, or 29.20%.
    Key changes on the account are as follows:
    - Gain on fair value of investment property decreased by Php 276.8 million, or 37.31%, as compared to the prior year, due to lower results of valuation of the investment properties of the Group, specifically for WPPDC, PHA, and GLCI.
    - The increase in other charges by Php 106.3 million or 283.69%, was primarily attributable to the recognition of a loss on disposal of investment property in 2024.

  - **Income before tax** amounted to Php 138.6 million compared to Php 542.4 million in the prior year, representing a material decrease of Php 403.7 million or 74.44%. primarily due to slump on revenue and lower gain on investment property valuation during the year.

PREMIERE HORIZON ALLIANCE CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
As of December 31, 2025 and December 31, 2024
(All amounts in Philippine Peso)

	December 31, 2025 (Audited)	December 31, 2024 (Audited)	Variance (In amount)	Variance (In %)
REVENUES				
Real estate sales	**64,990,750**	179,324,177	114,333,426	-63.76%
Mining-related services	**41,320,475**	45,812,146	4,491,671	-9.80%
Service income	**-**	-	-	-
	106,311,225	225,136,322	(118,825,097)	-52.78%
COSTS OF SALES AND SERVICES	**40,076,567**	54,747,535	(14,670,968)	-26.80%
Cost of real estate sales	**38,672,056**	84,012,637	(45,340,580)	-53.97%
Cost of services				
	78,748,623	138,760,171	(60,011,548)	-43.25%
GROSS PROFIT	**27,562,602**	86,376,151	(58,813,549)	-68.09%
GENERAL AND ADMINISTRATIVE EXPENSES	**321,464,774**	154,862,646	166,602,128	-107.58%
OTHER INCOME (CHARGES)				

Unrealized gain on fair valuation of investment properties	**465,207,700**	742,078,385	(276,870,685)	-37.31%
Interest expense	**(102,840,067)**	(94,878,977)	(7,961,090)	8.39%
Interest income	**1,290,465**	1,125,352	165,113	14.67%
Bank interest income	**29,985**	60,793	(30,808)	-50.68%
Others – net	**68,858,022**	(37,486,005)	106,344,027	-283.69%
	432,546,105	610,899,548	(178,353,443)	-29.20%
INCOME (LOSS) BEFORE INCOME TAX	**138,643,933**	542,413,053	(403,769,120)	-74.49%
PROVISION FOR (BENEFIT FROM) INCOME TAX	**107,576,400**	206,161,315	(98,584,915)	-47.82%
NET INCOME (LOSS)	**31,067,533**	336,251,738	(305,184,205)	-90.76%
OTHER COMPREHENSIVE INCOME (LOSS)				
Not to be reclassified to profit or loss in subsequent years - Remeasurement gains (losses) on retirement liability - net of deferred Tax	**(489,805)**	-	(489,805)	-
TOTAL COMPREHENSIVE INCOME (LOSS)	**30,577,728**	336,251,738	(305,674,010)	-90.91%

31 December 2024 (Audited)

The Group sustained a comprehensive income during the year amounting to Php 336.3 million which has increased by Php 329.3 million as compared to the prior year.

The material changes in the financial statements from period to period are primarily due to a reduction in revenue, recognition of receivables from former officers, an increase in working capital, appreciation of investment properties and increase in borrowings.

A comparative review of the Company's financial operations for the year ended 31 December 2024 vis- à-vis the same period in 2023 showed the following (material changes - increase/ decrease of 5% or more):

- **Revenues -** decreased by Php 309.2 million or 58%. This is primarily attributable to the decrease in sales of real estate for GLCI, as there was only one project (Stanford) sold during the year. For PGDI, the minor decrease in revenue was due to delay on operation resulting from relocation to new mining area . Only PGDI and GLCI have active operating activity, WPPDC's sale of property depends on the availability of the market.

- **Cost of sales and services –** decreased by Php 188.9 million or 58% due to the following:

  - Decrease in the cost of real estate sold for GLCI, as only one property (Stanford) was sold in the current year.
  - Significant decrease in the cost of services for PGDI due to reduction in personnel cost, depreciation, and repairs and maintenance.

- **Gross Profit –** decrease in revenue naturally decreased gross profit by Php 120.28 million or 58.20%

- **General and administrative expenses –** decreased by Php 39.7 million or 20.40% due to the following:

  1. Commissions decreased by Php 2.1 million or 19.10%. This is relative to the completion of the **GLCI** real estate units and only one property was sold during the year.
  2. Entertainment and representation decreased by Php 2.2 million or 33.69% primarily attributable to the decrease in expenditure of the account for PGDI.
  3. Taxes and licenses net decrease by Php 3.4 million or 24%, attributable to the following:
     - **GLCI's** taxes and licenses increased by Php 4.2 million which is due to higher revenue recognized in the prior year resulting to higher assessment of business permit for the current year.

     - **WPPDC's** taxes and licenses decreased by Php 2.4 million due to lower assessment of business permit and related fees for the current year.
     - **DSI's** taxes and licenses decreased by Php 4.5 million as DSI paid tax assessment for the year 2023.
     - **PGDI** taxes and licenses decreased by Php 1.1 million due to lower assessment of business permit and related fees for the current year.

  4. Commitment fees decreased by Php 12.5 million or 100%. This amount pertains to the fee paid to LDA Capital Limited (LDA) in 2023 relative to the Put Option Agreement executed by the Group in 2021.
  5. Arranger fee decreased by Php 17.2 million or 100%. This amount pertains to cost incurred for the auction of shares (PHA shares sold to Mr. Ernest Yeung)
  6. Impairment loss decreased by Php 3 million or 88% as no additional allowance was provided for other assets during the year. Impairment loss in 2023 pertains to write-off for the receivables in PAGCOR of DSI and impairment of film rights of PHA – Parent.
  7. Other expenses decreased by Php 4.1 million or 33.65% primarily attributable to the loss on settlement incurred by DSI in 2023.

- **Unrealized gain on fair valuation of investment properties**- increased by Php 462.63 million or above 100% primarily due to the yearly changes in the fair valuation of Group's investment properties in Palawan and Baguio.

- **Other Income (Charges) –** net has a net increase of Php 587.8 million or 1,440% as compared to prior year. Key changes on the account are as follows:

  1. Gain on fair value change of investment property increased by Php 603.6 million or 436% as compared to prior year due to higher result of the valuation of the investment properties of the Group (for WPPDC, PHA, GLCI).
  2. Increase in other charges by Php 23 million or 160% as a result of (net effect):
     a. loss on disposal of investment property (unaccounted property) of PHA amounting to
     b. Php 110.3 million.
     c. sale of heavy equipment and reversal of liabilities for PGDI resulting to income of Php 33.6 million.
     d. reversal of long outstanding payable, forfeited sales, and income from repairs and installation yield Php 31.8 million increase for GLCI's other income.

- **Net other income (charges) -** increased by Php 23.05 million. The amount is mainly attributable to prior year adjustments in 2024.

PREMIERE HORIZON ALLIANCE CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
As of December 31, 2024 and December 31, 2023
(All amounts in Philippine Peso)

	December 31, 2024 (Audited)	December 31, 2023 (Audited)	Variance (In amount)	Variance (In %)
REVENUES				
Real estate sales	179,324,177	472,498,374	293,174,197	-62.05%
Mining-related services	45,812,146	61,848,643	16,036,498	-25.93%
Service income	-	-	-	-
	225,136,322	534,347,017	(309,210,695	-57.87%
COSTS OF SALES AND SERVICES	54,747,535	100,983,786	(46,236,251)	-45.79%
Cost of real estate sales Cost of services	84,012,637	226,704,988	(142,692,351)	-62.94%
	138,760,171	327,688,774	(188,928,603)	-57.65%
GROSS PROFIT	86,376,151	206,658,243	(120,282,092)	-58.20%
GENERAL AND ADMINISTRATIVE EXPENSES	154,862,646	194,560,644	(39,697,998)	-20.40%
OTHER INCOME (CHARGES)				
Unrealized gain on fair valuation of investment properties	742,078,385	138,438,000	603,640,385	436.04%
Interest expense	(94,878,977)	(102,027,886)	7,148,909	-7.01%
Interest income	1,125,352	973,545	151,807	15.59%
Bank interest income	60,793	165,581	(104,788)	-63.29%
Others – net	(37,486,005)	(14,436,731)	(23,049,274)	159.66%
	610,899,548	23,112,509	587,787,039	2543.16%
INCOME (LOSS) BEFORE INCOME TAX	542,413,053	35,210,108	507,202,945	1440.50%
PROVISION FOR (BENEFIT FROM) INCOME TAX	206,161,315	14,140,818	177,879,680	628.96%
NET INCOME (LOSS)	336,251,738	6,928,473	329,323,265	4753.19%
OTHER COMPREHENSIVE INCOME (LOSS)				
Not to be reclassified to				

profit or loss in subsequent years - Remeasurement gains (losses) on retirement liability - net of deferred Tax	-	30,685,364	(30,685,364)	-100.00%
TOTAL COMPREHENSIVE INCOME (LOSS)	336,251,738	37,613,837	298,637,901	793.96%

Results of Operations (For the last three years):

December 31, 2023

The Group reported a revenue of Php 534.35 million and a net income of Php 6.93 million for the year 2023.

Material Changes - Increase/ Decrease of 5% or more (2023 versus 2022)

- **Real estate sales** posted an increase of Php 139.55 million or 41.91% brought by the higher percentages of completion met for construction projects in 2023 relative to 2022.

- **Revenue from mining-related services decreased by Php 50.30 million or 44.85%,** primarily due to lower tonnage hauled in 2023.

- **Cost of real estate sales** posted an increase of Php 79.52 million or 54.03% brought by the higher percentage of completion met for construction projects in 2023 relative to 2022.

- **Cost of services** decreased by Php 51.94 million due to lower operating costs resulting from production volume.

- **General and administrative expenses** decreased by Php 20.93 million or 9.53% mainly because of the lower costs incurred in the current year related to personnel costs, entertainment costs, and commitment fees.

- **Unrealized gain on fair valuation of investment properties** decreased by Php 184.58 million primarily due to the yearly changes in the fair valuation of the Group's investment properties in Palawan. Price per square meter in 2023 was Php 420.00, while the price per square meter in 2022 and 2021 was Php 393.00 and Php 330.00, respectively.

- **Impairment losses** pertain to the provision for impairment of intangible assets.

- **Interest expense** decreased by Php 11.57 million, primarily coming from the lower interest charges due to the repayment of the principal.

- **Others under other income and expenses** for the year 2023 mainly pertain to the loss on a stock transaction as a result of the acquisition of listed shares, which were subsequently sold.

PREMIERE HORIZON ALLIANCE CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
As of December 31, 2023 and December 31, 2022
(All amounts in Philippine Peso)

	December 31, 2023 (Audited)	December 31, 2022 (Audited)	Variance (In amount)	Variance (In %)
REVENUES				
Real estate sales	**472,498,374**	332,947,784	(139,550,590)	41.91%
Mining-related services	**61,848,643**	112,144,168	50,295,525	-44.85%
Service income	**-**	445,030	445,030	-100.00%
	534,347,017	445,536,982	88,810,035	19.93%
COSTS OF SALES AND SERVICES	**100,983,786**	149,473,632	(48,489,846)	-32.44%
Cost of real estate sales Cost of services	**226,704,988**	147,183,575	79,521,413	54.03%
	327,688,774	296,657,207	31,031,567	10.46%
GROSS PROFIT	**206,658,243**	148,879,775	57,778,468	38.81%
GENERAL AND ADMINISTRATIVE EXPENSES	**194,560,644**	248,774,916	(54,214,272)	-21.79%
Unrealized gain on fair valuation of investment properties	**138,438,000**	323,022,000	(184,584,000)	-57.14%
Interest expense	**(102,027,886)**	(113,595,767)	11,567,881	-10.18%
Interest income	**973,545**	1,658,462	(684,917)	-41.30%
Bank interest income	**165,581**	52,627	112,954	214.63%
Others – net	**(14,436,731)**	26,871,322	(41,212,511)	-153.73%
	23,112,509	237,913,102	(214,800,593)	-90.29%
INCOME (LOSS) BEFORE INCOME TAX	**35,210,108**	138,017,961	- 102,807,853	-74.49%
PROVISION FOR (BENEFIT FROM) INCOME TAX	**28,281,635**	89,183,676	- 60,902,041	-68.29%
NET INCOME (LOSS)	**6,928,473**	48,834,285 -	41,905,812	-85.81%
OTHER COMPREHENSIVE INCOME (LOSS)				
Not to be reclassified to profit or loss in subsequent years - Remeasurement gains (losses) on retirement liability - net of deferred Tax	**30,685,364**	(2,039,063)	32,724,427	-1604.88%
TOTAL COMPREHENSIVE INCOME (LOSS)	**37,613,837**	46,795,222	(9,181,385)	-19.62%

Financial Condition (For the Interim Report 30 June 2026)

The Company employed total assets of Php 5,485,830,159 financed by total liabilities of Php2,471,523,058 and total stockholders' equity of Php3,014,307,101. Non- current assets amounted to Php 4,264,942,718 consisting of deferred exploration costs, investment properties, property and equipment, goodwill and intangible assets, right-of-use assets, deferred tax assets and other noncurrent assets. Current assets stood at Php1,220,887,441.

PREMIERE HORIZON ALLIANCE CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
As of June 30, 2026 and December 31, 2025
(All amounts in Philippine Peso)

	Note	June 30, 2026 (Unaudited)	December 31, 2025 (Audited)
ASSETS			
CURRENT ASSETS			
Cash	2	9,769,690	31,032,699
Receivables - net	3	154,394,338	188,312,688
Contract assets - current		422,251,068	481,004,251
Real estate for sale	4	431,505,309	436,571,783
Other current assets - net	5	202,967,036	193,062,885
Total Current Assets		1,220,887,441	1,329,984,306
NON-CURRENT ASSETS			
Non-current receivables - net		79,863,206	79,863,206
Deferred exploration costs		436,348,658	436,189,548
Investment properties		3,667,156,458	3,667,156,458
Property and equipment - net		47,486,424	53,523,768
Intangible assets - net		1,419,257	1,622,007
Right-of-use assets - net		1,246,759	1,246,758
Other noncurrent assets - net		31,421,956	31,411,226
Total Non-Current Assets		4,264,942,718	4,271,012,971
TOTAL ASSETS		**5,485,830,159**	**5,600,997,277**
LIABILITIES AND EQUITY			
CURRENT LIABILITIES			
Trade and other payables	6	696,250,552	666,775,473
Short-term loans		128,962,025	201,571,532
Contract liabilities		6,475,160	6,549,777
Lease liability - current portion		1,847,182	1,847,182
Loans payable - current portion		310,291,696	167,131,174
Convertible loans - current portion		100,000,000	100,000,000
Total Current Liabilities		**1,243,826,615**	**1,143,875,138**
NON CURRENT LIABILITIES			
Non-current payables		226,579,578	226,579,578
Loans payable - net of current portion		212,960,183	341,143,553
Pension liabilities		12,327,952	12,327,952
Deferred tax liabilities		775,828,730	775,828,730
Total Non-Current Liabilities		**1,227,696,443**	**1,355,879,813**
TOTAL LIABILITIES		**2,471,523,058**	**2,499,754,951**

EQUITY		
Share capital	1,414,348,522	1,414,348,522
Additional paid-in capital	629,410,181	629,410,181
Retained earnings	425,623,858	486,698,364
Remeasurement gain on retirement plan	30,776,193	30,776,193
Total equity attributable to Parent Company's shareholders	2,500,158,754	2,561,233,260
Equity attributable to non-controlling interest	514,148,347	540,009,066
Total Equity	**3,014,307,101**	**3,101,242,326**
TOTAL LIABILITIES AND EQUITY	**5,485,830,159**	**5,600,997,2**

Material Changes - Increase/ Decrease of 5% or more (30 June 2026 vs. 31 December 2025)

- ***Cash*** - As of 30 June 2026 and 31 December 2025, this account amounted to Php 9.77 million and Php 31.03 million, respectively, representing a decrease of Php 21.26 million or 68.52% change. Cash used in operation activities amounted to Php 36.64 million; cash used in investing activities amounted to Php 0.268 million; while cash used in financing activities amounted to Php 57.63 million. The said cash flows collectively represent the net decrease in cash during the financial reporting period.
- ***Receivables - net*** - As of 30 June 2026 and 31 December 2025, this account amounted to Php 154.39 million and Php 188.31 million, respectively, representing a decrease of Php 33.9 million or 18.01% primarily due to collections of receivables.
- ***Contract assets***- As of 30 June 2026 and 31 December 2025, this account amounted to Php 422.25 million and Php 481.00 million, respectively, representing a decrease of Php 58.75 million or 12.21%. primarily due to collection of receivables.
- ***Other Current Assets*** - As of 30 June 2026 and 31 December 2025, this account amounted to Php 202.97 million and Php 193.06 million, which shows an increase of Php9.9 million or 5.13%. The increase was primarily attributable to higher input VAT, creditable withholding taxes, and other advances during the period.
- ***Property and equipment,*** **net**- As of 30 June 2026 and 31 December 2025, this account amounted to Php 47.49 million and Php 53.52 million, respectively, representing a decrease of Php 6.04 million or 11.28%, primarily due to depreciation recognized during the period.
- ***Intangible assets-*** As of 30 June 2026 and 31 December 2025, this amounted to Php 1.42 million and Php 1.62 million respectively, representing a decrease of Php 0.20 million or 12.50%, primarily due to impairment of intangible assets.
- ***Short-term loans*** - As of 30 June 2026 and 31 December 2025, this account amounted to Php 128.96 million and Php 201.57 million respectively, representing a decrease of Php 72.61 million or 36.02% due to partial settlement of outstanding loans.
- ***Loans payable – current portion*** - As of 30 June 2026 and 31 December 2025, this account amounted to Php 310.29 million and Php 167.13 million respectively, representing an increase of Php 143.16 million or 85.66%. The increase was mainly due to the availment of additional loans for business development and working capital requirements.
- ***Loans payable – net of current portion*** - As of 30 June 2026 and 31 December 2025, this account amounted to Php 212.96 million and Php 341.14 million, respectively, representing a decrease of Php 128.18 million or 37.57%, primarily due to the partial settlement of long-term loans and the reclassification of certain loan balances to current liabilities.
- ***Retained Earnings***- As of 30 June 2026 and 31 December 2025, retained earnings amounted to Php 425.62 million and Php 486.70 million, respectively, representing a decrease of Php 61.07 million or 12.55%, primarily due to the net loss incurred during the period.

Financial Condition (For the Year Ended Report 31 December 2025 (Audited)

The Parent Company's Financial Position as of 31 December 2025 was as follows: total assets of Php 5,600,977,277 financed by total liabilities of Php 2,499,754,951 and total stockholders' equity of Php 3,101,242,326. The non-current assets amounted to Php 4,271,012,971 consisting of deferred exploration costs, investment properties, property and equipment, goodwill and intangible assets, right-of-use assets, deferred tax assets and other non-current assets. On the other hand, current assets stood at Php 1,329,984,306.

PREMIERE HORIZON ALLIANCE CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

As of December 31, 2025 and December 31, 2024

(All amounts in Philippine Peso)

	December 31, 2025 (AUDITED)	**December 31,** 2024 (AUDITED)	Variance (Amount)	Variance (In percentage)
ASSETS				
Current Assets				
Cash	**31,032,699**	60,351,442	(29,318,743)	-48.58%
Receivables - net	**188,312,688**	496,466,563	(308,153,875)	-62.07%
Contract assets - net	**481,004,251**	438,890,717	42,113,534	9.60%
Real estate for sale	**436,571,783**	262,253,238	174,318,545	66.47%
Other current assets - net	**193,062,885**	183,576,161	9,486,724	5.17%
Total Current Assets	**1,329,984,306**	1,441,538,121	(111,553,815)	-7.74%
Noncurrent Assets				
Investment properties	**3,667,156,458**	3,201,948,758	465,207,700	14.53%
Deferred exploration costs	**436,189,548**	433,502,973	2,686,575	0.62%
Property and equipment-net	**53,523,768**	65,278,494	(11,754,726)	-18.01%
Non-current receivables - net	**79,863,206**	167,278,387	(87,415,181)	100.00%
Other noncurrent assets - net	**34,279,991**	35,350,685	(1,070,694)	-3.03%
Total Noncurrent Assets	**4,271,012,971**	3,903,359,297	367,653,674	9.42%
	5,600,997,277	5,344,897,418	256,099,859	4.79%
LIABILITIES AND EQUITY				
Current Liabilities				
Trade and other payables	**666,775,473**	513,881,282	152,894,191	29.75%
Short-term loans	**201,571,532**	160,468,862	41,102,670	25.61%
Lease liability- current portion	**1,847,182**	2,788,383	(941,201)	-33.75%
Loans payable- current portion	**167,131,174**	123,085,010	44,046,164	35.79%
Convertible loans- current portion	**100,000,000**	100,000,000	-	0.00%
Contract liabilities	**6,549,777**	6,251,941	297,836	4.76%
Total Current Liabilities	**1,143,875,138**	906,475,478	237,399,660	26.19%
Noncurrent Liabilities				
Noncurrent portion of:				
Loans payable- net of current portion	**341,143,553**	457,214,810	(116,071,257)	-25.39%
Deferred tax liabilities	**775,828,730**	722,604,412	53,224,318	7.37%
Non-current payables	**226,579,578**	178,779,578	47,800,000	26.74%
Pension liabilities	**12,327,952**	10,421,135	1,906,817	18.30%
Total Noncurrent Liabilities	**1,355,879,813**	1,369,019,935	(13,140,122)	-0.96%
Total Liabilities	**2,499,754,951**	2,275,495,413	224,259,538	9.86%

Equity Attributable to Equity Holders of the Parent Company				
Capital stock	**1,414,348,522**	1,414,348,522	-	0.00%
Additional paid-in capital	**629,410,181**	629,410,181	-	0.00%
Retained earnings	**486,698,364**	499,941,670	(13,243,306)	-2.65%
Remeasurement gain on retirement plan	**30,776,193**	31,265,998	(489,805)	-1.57%
Attributable to Parent Company's shareholders	**2,561,233,260**	2,574,966,371	(13,733,111)	-0.53%
Noncontrolling Interests	**540,009,066**	494,435,634	45,573,432	9.22%
Total Equity	**3,101,242,326**	3,069,402,005	31,840,321	1.04%
	5,600,997,277	5,344,897,418	256,099,859	4.79%

Material Changes - Increase/ Decrease of 5% or more (December 31, 2025 vs. December 31, 2024)

- **Cash** decreased by Php 29.3 million or 48.58%, mainly due to a decrease in the total Group revenue, in addition to the Company's long term borrowings.

- **Receivables** including contract assets, decreased by Php 266 million or 52.47%, due to the following:
  - Recognition of allowances for expected credit losses
  - Reclassification of certain balances to contract assets; and
  - Improvement of GLCI's collection drive during the period.

- **Contract assets - net** increased by Php 42.1 million or 9.60%, mainly attributable to the recognition of revenue from real estate projects.

- **Real Estate** for Sale increased by Php 174.3 million or 66.47%, mainly due to on-going development of GLCI's new projects in New Clark and Basista, Pangasinan.

- **Other currents assets** increased by Php 9.5 million or 5.17%, mainly due to the increase in input VAT and creditable withholding tax.

- **Investment Properties** increased by Php 465.2 million or 14.53%, due to higher property valuation rates in 2025. No new investment property purchases were made during 2025.

- **Property and equipment - net** decreased by Php 11.8 million or 7.37%, primarily attributable to the clean-up and closure of PPE accounts, as well as depreciation expense recognized on equipment in 2025.

- **Trade and other payables** increased by Php 152.8 million or 29.75% primarily attributable to the recognition of the GLCI's accrued expenses for the development of its on-going projects.

- **Short-Term Payables** increased by Php 41.1 million or 25.61%, mainly due to loan availments from officers, shareholders, and third parties to finance the working capital of the group.

- **Loans Payable**, both Current & Non-Current, decreased by Php 72 million or 10.40%, attributed to the payments made during the year.

- **Lease Liability Payable- current portion**, decreased by Php 0.94 million or 33.75%, mainly attributable to lease payments made during the year, which reduced the outstanding lease obligations.

- **Contract Liabilities**, increased by Php 0.30 million or 24.76%, primarily attributable to collections from real estate customers during the year, partially offset by the recognition of revenue from satisfied performance obligations.

- **Non-current payables** increased by Php 47.8 million or 26.74%, mainly due to additional long-term obligations incurred during the year, with settlement expected beyond the next twelve months.

- **Pension liabilities** increased by Php 1.9 million or 18.30%, primarily came from the remeasurement loss on defined benefit obligation incurred in 2025.

- **Deferred Tax Liabilities** increased by Php 53.2 million or 7.37%, due to recognition of the tax effects on investment property revaluation.

- **Non-Current Receivables** decreased by Php87.4 million, or 5.01%, from Php167.28 million in 2024 to Php 79.86 million in 2025. The decrease was attributable to the recognition of additional expected credit losses during the year.

Financial Condition (For the Year Ended Report December 31, 2024 (Audited))

The Parent Company employed total assets of Php 5,406,783,645 financed by total liabilities of Php 2,337,381,640 and total stockholders' equity of Php 3,005,029,282. Noncurrent assets amounted to Php 3,274,738,079 consisting of contract assets (net of current), deferred exploration costs, investment properties, property and equipment, goodwill and intangible assets, right-of-use assets, deferred tax assets and other noncurrent assets. Current assets stood at Php 2,132,045,566.

PREMIERE HORIZON ALLIANCE CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
As of December 31, 2024 and December 31, 2023
(All amounts in Philippine Peso)

	December 31, 2024 (AUDITED)	**December 31,** 2023 (AUDITED)	Variance (Amount)	Variance (in percentage)
ASSETS				
Current Assets				
Cash	**60,351,442**	136,418,577	-76,067,135	-55.76%
Receivables	**663,744,950**	523,833,047	139,911,905	26.71%
Current portion of contract assets	**438,890,717**	384,356,917	54,533.80	14.19%
Real estate for sale	**785,482,296**	739,020,978	46,461,318	6.29%
Other current assets	**183,576,161**	193,634,303	-10,058,142	-5.19%
Total Current Assets	**2,132,045,566**	1,977,263,820	154,781,746	7.83%
Noncurrent Assets				
Investment properties	**2,678,719,700**	2,161,998,400	516,721,300	23.90%
Deferred exploration costs	**433,502,973**	426,268,084	7,234,889	1.70%
Property and equipment-net	**65,509,860**	28,341,348	37,168,512	131.15%
Contract assets - net of current portion	-	3,615,315	-3,615,315	-100.00%
Deferred tax assets	**61,886,227**	71,818,005	-12,523,405	-17.44%
Goodwill and intangible assets-net	**2,027,508**	2,433,010	-405,502	-16.67%
Right-of-use assets	**1,911,951**	186,614	1,725,337	924.55%
Other noncurrent assets	31,411,226	16,879,943	14,531,283	86.09%
Total Noncurrent Assets	**3,274,738,079**	2,711,540,719	563,197,360	20.77%
	5,406,783,645	P4,688,804,539	717,979,106	15.31%

LIABILITIES AND EQUITY				
Current Liabilities				
Trade and other payables	**561,310,860**	545,785,912	15,524,947	2.84%
Short-term loans	**191,818,862**	140,468,862	51,350,000	36.56%
Lease liability- current portion	**2,788,383**	239,478	2,548,905	1,064.36%
Loans payable- current portion	**123,085,010**	95,862,137	27,222,873	28.40%
Convertible loans- current	**100,000,000**	100,000,000	-	0.00%

portion				
Contract liabilities	**6,251,941**	10,722,842	(4,470,901)	-41.70%
Capital gains tax payable	-	26,940,000	(26,940,000)	-100.00%
Dividend payable	-	39,800,000	(39,800,000)	-100.00%
Total Current Liabilities	**985,255,056**	959,819,231	25,435,824	2.65%
Noncurrent Liabilities				
Noncurrent portion of:				
Loans payable	**457,214,810**	389,033,460	68,181,350	17.53%
Deferred tax liabilities	**784,490,639**	599,283,878	185,206,761	30.90%
Advances from third parties	**100,000,000**	100,000,000	-	0.00%
Retirement liability	**10,421,135**	10,421,135	-	0.00%
Total Noncurrent Liabilities	**1,352,126,584**	1,098,738,473	253,388,111	23.06%
Total Liabilities	**2,337,381,640**	2,058,557,704	278,823,935	13.54%

Equity Attributable to Equity Holders of the Parent Company				
Capital stock	**1,414,348,522**	1,414,348,522	-	0.00%
Additional paid-in capital	**629,410,181**	629,410,181	-	0.00%
Retained earnings Cumulative gains on	**499,941,670**	132,711,701	367,229,969	276.71%
Remeasurement retirement liability	**31,265,998**	31,265,998	-	0.00%
	2,574,966,371	2,207,736,403	367,229,969	16.63%
Noncontrolling Interests	**494,435,634**	422,510,433	71,925,202	17.02%
Total Equity	**3,069,402,005**	2,630,246,835	439,155,171	16.70%
	5,406,783,645	4,688,804,539	717,979,106	15.31%

Material Changes - Increase/ Decrease of 5% or more (December 31, 2024 vs. December 31, 2023)

- ***Cash*** decreased by Php 76 million or 56% primarily due to financing of operations, as recorded sales/receivables are not immediately collected. Net cash used in operating activities amounted to Php 172.95 million while cash flow used in investing activities amounted to Php48.42 million. Cash flows generated by financing activities amounted to Php 145.30 million. Lower cashflow due to revenue slump.

- **Receivable** (including contract assets) have a net increase of Php 139.9 million or 26.71% due to recognition of receivable from old management officers (clean-up adjustments) and remaining receivable from customers of Stanford Project.

- **Contract assets (current)** was an increase of Php 54.53 million or 14.19%. Contract assets represent the right to consideration for assets already delivered by the Company in excess of the amount recognized as contracts receivable. Contract assets are reclassified to contracts receivable when monthly amortization of customer is due for collection.

- **Real estate for sale** increased by Php 46.46 million or 6.29% as compared to prior year. This increase is primarily attributable to the valuation gain on inventory remeasurement for GLCI. GLCI is in the development of existing land holdings and has yet to construct new buildings for sale. Other current assets as of 31 December 2024 and 31 December 2023, this account amounted to Php 183.58 million and Php 193.63 million, respectively, which shows a decrease of Php 10.06 million or 5.19%. The net decrease primarily came from the Input VAT and impairment losses recognized during the period.

- **Other current assets** was a decrease of Php 10.06 million or 5.19%. The net decrease primarily came from the Input VAT and impairment losses recognized during the period.

- ***Property and equipment, net*** have a net increase of Php 36.9 million or 130%. This is attributable to the purchase of heavy equipment by PGDI amounting to Php 42.7 million and land improvements of WPPDC amounting to Php 13.3 million, net of depreciation recognized during the period.

- **Good will and intangible assets** decreased by Php 0.41 million or 16.67%, primarily due to impairment of intangible assets.

- **Right-of-use assets** increased by Php 1.73 million or 924.55%, primarily due to the recognition of new lease agreements during the period.

- **Other noncurrent assets** increased by Php 14.53 million or 86.09%, primarily due to increase in Input VAT.

- **Investment properties** increased by Php 516.7 million or 24% as a result of higher valuation made for the year 2024. There were no purchases of investment property during the year. Accordingly, deferred tax liabilities increased by Php 185.2 million or 31% relative to the recognition of the tax effect of the valuation of the investment property.

- ***Short-term loans*** was increased by Php 51.3 million or 36.56% primarily attributable to availment of loans from officers and shareholders, and third-parties to finance the working capital requirements of the Group.

- ***Contract liabilities*** was a decrease of Php 4.47 million. The net decrease was brought mainly by the decrease in real estate buyers' deposits from January to December of 2024.

- **Lease Liability Payable- current portion**, was a decreased of Php 2.55 million or above 100%, primarily attributable to the recognition of new lease agreements or the remeasure ement of existing lease liabilities during the period.

- **Deferred Tax Liabilities** was increased by Php 185.21 million or 30.90%, primarily attributable to recognition of the tax effects on investment property revaluation
- **Loans payable (current)** increased by Php 95.4 million or 19.67% due to additional availment made during the year, primarily to finance the operating requirements of the Group.

- **Long-term loans** was increased by Php68.18 million or 17.53%, mainly brought by the availment of loan to finance the real estate development projects of the Group in 2024.

- **Retained Earnings** was increased by Php 367.23 million because of the net income incurred for the period ended 31 December 2024.

- **Dividends payable** was decreased by Php 39.8 million and Php 26.9 million, respectively, or 100% from prior years. This is due to the reversal of the dividend declaration of the Parent Company, and reversal of the contract to sell real property between PHA and WPPDC, from which the CGT payable arose.

Financial Condition (For the last three years)

31 December 2023

The financial position of PHA as of December 31, 2023, showed total assets of Php4,678,546,931. Non-current assets were Php2,702,555,380. The non-current assets consist of investment properties, deferred exploration costs, property and equipment, contract assets (net of current portion), deferred tax assets and other assets. Current assets as of December 31, 2023 stood at Php1,975,991,551.

PREMIERE HORIZON ALLIANCE CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
As of December 31, 2023 and December 31, 2022
(All amounts in Philippine Peso)

	December 31, 2023 (Audited)	December 31, 2022 (Audited)	Variance (In amount)	Variance (In Percentage)
ASSETS				
Current Assets				
Cash	**136,418,577**	69,729,594	66,688,983	95.64%
Receivables	**523,833,045**	442,327,680	81,505,365	18.43%
Current portion of contract assets	**384,356,917**	34,842,065	349,514,852	1003.14%
Real estate for sale	**739,020,978**	811,694,228	-72,673,250	-8.95%
Creditable withholding taxes	**122,072,660**	117,005,107	5,067,553	4.33%
Other current assets	**71,561,643**	62,826,569	8,735,074	13.90%
Total Current Assets	**1,977,263,820**	1,538,425,243	438,838,577	28.53%
Noncurrent Assets				
Contract assets - net of current Portion	**3,615,315**	69,581,924	-65,966,609	-94.80%
Investment properties	**2,161,998,400**	2,023,560,400	138,438,000	6.84%
Property and equipment	**28,341,348**	71,903,816	-43,562,468	-60.58%
Deferred exploration costs	**426,268,084**	418,042,647	8,225,437	1.97%
Deferred tax assets	**71,818,005**	27,580,919	44,237,086	160.39%
Other noncurrent assets	**19,499,567**	26,826,426	-7,326,859	-27.31%
Total Noncurrent Assets	**2,711,540,719**	2,637,496,132	74,044,587	2.81%
	4,688,804,539	4,175,921,375	512,883,164	12.28%

LIABILITIES AND EQUITY				
Current Liabilities	**240,468,862**	428,754,632	-188,285,770	-43.91%
Short-term loans				
Current portion of long-term loans	**95,862,137**	251,892,401	-156,030,264	-61.94%
Trade and other payables	**572,965,390**	583,342,905	-10,377,515	-1.78%
Contract liabilities	**10,722,842**	25,107,618	-14,384,776	-57.29%
Dividend payable	**39,800,000**	39,800,000	0	0.00%
Total Current Liabilities	**959,819,231**	1,328,897,556	-369,078,325	-27.77%
Noncurrent Liabilities				
Noncurrent portion of:				
Long-term loans	**389,033,460**	127,986,999	261,046,461	203.96%
Lease liabilities	–	192,720	0	0.00%
Advances from third parties	**100,000,000**	100,000,000	0	0.00%
Retirement liability	**10,421,135**	45,059,876	-34,638,741	-76.87%
Deferred tax liabilities	**599,283,878**	518,195,465	81,088,413	15.65%
Total Noncurrent Liabilities	**1,098,738,473**	791,435,060	307,303,413	38.83%
Total Liabilities	**2,058,557,704**	2,120,332,616	-61,774,912	-2.91%
Equity Attributable to Equity Holders of the Parent Company				
Capital stock	**1,414,348,522**	1,007,496,826	406,851,696	40.38%
Additional paid-in capital	**629,410,181**	499,217,638	130,192,543	26.08%
Retained earnings	**132,711,701**	165,473,971	-32,762,270	-19.80%
Cumulative remeasurement gains on retirement Liability	**31,265,998**	9,792,086	21,473,912	219.30%
	2,207,736,402	1,681,980,521	525,755,881	31.26%
Noncontrolling Interests	**422,510,433**	373,608,238	48,902,195	13.09%
Total Equity	**2,630,246,835**	2,055,588,759	574,658,076	27.96%
	4,688,804,539	4,175,921,375	512,883,164	12.28%

Material Changes - Increase/ Decrease of 5% or more (2023 versus 2022)

- **Cash** increased by Php66.82 million from Php69.73 million of 2022. Net cash used in operating activities amounted to Php378.66 million while cash flow used in investing activities amounted to Php9.24 million. Cash flows generated by financing activities amounted to Php454.73 million.

- **Receivables** increased by Php81.51 million mainly because of the upward movement in contract receivables which arose from sale of real estate properties. These receivables are collectible in monthly installment over a period of one to 10 years and bear annual effective interest rates ranging from 8.00% to 16.00%.

- **Contract assets (current portion)** posted an increase of Php349.51 million. Contract assets represent the right to consideration for assets already delivered by PHA in excess of the amount recognized as contracts receivable. Contract assets are reclassified to contracts receivable when monthly amortization of customer is due for collection.

- **Real estate for sale** decreased by Php72.67 million primarily due to the higher percentage of completion met for construction projects in 2023.

- **Other current assets** increased by 11.48% mainly because of the upward movement in the input VAT from Php47.81 million in 2022 to Php55.12 million of the current year.

- **Noncurrent assets** increased by Php65.06 primarily due to the material upward movement in investment properties from Php2.02 billion in 2022 to Php2.16 billion in 2023 because of the yearly changes in the fair valuation of the Group's investment properties in Palawan. However, contract assets (net of current portion) decreased by Php65.97 million which countered the material increase of investment properties.

- **Short-term loans** decreased by 43.53% from Php428.75 million of prior year as a result of principal loan repayment in 2023.

- **Long-term loans** increased by Php105.02 million or 27.64% mainly brought by the availment of loans to finance the real estate development projects of the Group in 2023.

- **Contract liabilities** declined by Php14.38 million. The contract liabilities mainly pertain to the payments received by the Group from the real estate customers for which revenue recognition has not yet commenced and payments in excess of percentage of completion.

- **Noncurrent liabilities** increased by Php307.30 million mainly because of the long-term loan availments and increase in deferred tax liabilities.

- **Capital stock** increased by Php406.85 million or 40.38% as a result of the collection of subscription receivables.
- **Additional paid-in capital** increased by Php130.19 million brought by the collection of subscription receivables.

- **Retained earnings** decreased by 19.97% as a result of the net loss attributable to equity holders of PHA

Information on Independent Auditor and Other Related Matters

(1) External Auditor's Fees and Services

a) **Audit Fees**

PHA engaged Valdes Abad & Company, CPA's ('Valdes') as external auditor for the year 2024- 2025. For the year 2023, the company engaged Reyes Tacandong & Co. (RT) as its group external auditor to conduct the financial audit of the group, which includes the Parent Company and its subsidiaries, both operating and non-operating.

The annual billings for the service of the auditors were Php 2.15 million, Php 2.00 million, and Php 2.11 million, VAT exclusive, for the years 2025, 2024, and 2023, respectively.

RT was disengaged effective 31 January 2025. Ms. Grace M. Albunian was the handling partner.

As, a background, RT was appointed as PHA's external auditor in the Annual Stockholder's Meeting on 28 June 2024. PHA's Audit and Risk Oversight Committee (AROC) found that RT subsequently became the external auditor of Marcventures Holdings Inc., and Bright Kindle Resources & Investments Inc., companies where Mr. Serafica, an individual currently entangled in litigation with the Company, is President. To PHA, this poses a potential conflict of interest, considering that RT will be in possession of documents and sensitive information from both opposing parties. In the interest of maintaining the highest standards of oversight and corporate governance, and as a preventive measure, the Board, upon the recommendation of the AROC, resolved to replace RT with an equally competent and independent external auditor.

The change was effected to ensure full independence from Mr. Serafica and in the exercise of the Company's management prerogative as well as to prevent any perceived conflict of interest.

The reason for such change of external auditor is the perceived conflict of interest, which resulted in the loss of trust and confidence by the new management, as previously reported to the SEC and PSE.

b) **Tax Fees**

No tax-related services were engaged during the year.

c) **All Other Fees**

In 2025, PHA engaged the forensic services of Navarro Amper & Co. (Deloitte Philippines) to conduct an independent investigation in support of the Company's application with the PSE concerning the trading of shares. The fees paid for the engagement amounted to Php 5 million.

In 2024, RT was engaged for the special audit of the Company in relation to the validation of payments for subscription of shares, and of WPPDC in relation to payment in its capital investments and sale of land. PHA and WPPDC were billed in the aggregate amounts of P400,000.00 and P300,000.00, respectively.

d) **Audit Committee's Approval Policies and Procedures**

- Review the financial reporting and disclosures
- Ensure accounting policies and principles are adhered to
- Review the internal control process used
- Ensure regulatory requirements have been complied with

(2) Market Information

The common shares of the Company are traded on PSE under the symbol "PHA".

The following table indicates the quarterly high and low sale price of the Company's common shares for the last three fiscal years, and the first three quarter of 2026:

Quarter	2026		2025		2024		2023	
	High	Low	High	Low	High	Low	High	Low
First	0.1750	0.1710	0.1830	0.1700	0.234	0.161	0.420	0.280
Second	0.1480	0.1470	0.2480	0.1720	0.222	0.168	0.305	0.236
Third	0.158	0.151	0.2900	0.1900	0.205	0.165	0.242	0.186
Fourth			0.3750	0.2110	0.209	0.17	0.208	0.160

Stock Prices as of the following latest trading date:
- December 29, 2024 - Common share Php 0.174
- December 27, 2025 - Common share Php 0.2370
- August 28,2026 - Common share Php0.1600

Holder

PHA has an authorized capital stock of Php 1,500,000,000.00 divided into 6,000,000,000 common shares with par value of Php 0.25 per share. As of 31 August 2026, or within 90 days from the date of filing this report, the Company has One Hundred Thirty-Five (138) common stockholders. Each common share has a par value of Php 0.25.

The top 20 stockholders as of 31 August 2026 are as follows:

Rank	Name	Nationality	Shareholdings	Percentage
1	PCD Nominee Corporation – (Filipino)	Filipino	2,855,797,149	50.03%
2	Ernest Sze Lok Yeung	British	1,389,802,353	24.35%
3	Marian Pena	Filipino	794,214,976	13.91%
4	Augusto Antonio C. Serafica, Jr.	Filipino	200,000,000	3.50%

Rank	Name	Nationality	Shareholdings	Percentage
5	Kenneth See	Filipino	101,930,830	1.79%
6	PCD Nominee Corporation – (Non-Filipino)	Filipino	80,638,293	1.41%
7	LDA Capital Limited	Filipino	70,835,000	1.24%
8	Raul Ma. F. Anonas	Filipino	32,272,728	0.65%
9	S Capital Corp.	Filipino	36,000,000	0.63%
10	Roberto B. Ortiz	Filipino	33,986,943	0.60%
11	Augusto M. Cosio, Jr.	Filipino	33,976,943	0.60%
12	Kathryn Yu Cheng See	Filipino	25,303,030	0.44%
13	Andres A. Del Rosario	Filipino	25,303,030	0.44%
14	Paul David P. Jamlang	Filipino	15,151,516	0.03%
15	Antonio Ong	Filipino	1,500,000	0.02%
16	Renato Y. Chua	Filipino	1,050,000	0.60%
17	Monaco Holdings, Inc.	Filipino	1,000,000	0.02%
18	Raul A. Alon	Filipino	500,000	0.01%
19	Lily Rose De Leon	Filipino	475,000	0.01%
20	Shirley Y. See	Filipino	300,000	0.01%

The Company did not undertake any acquisition, business combination, or or other reorganization

Dividends

The Parent Company did not declare dividends in the years 2023, 2024, and 2025.

PHA declared a 22.1% property dividend of PGDI to stockholders of record as of 15 May 2018 equivalent to 268 million shares at the new par value of Php 0.10 per share and a cash dividend of Php 0.001482 per share or a total of Php 2.95 million to be applied to the payment of applicable taxes. The dividend came from the unrestricted retained earnings as of 31 December 2017. The property dividend ratio will be at 1,346 shares of PGDI for every 10,000 PHA shares.

On 11 December 2024, the Board approved to cancel the declaration of the property dividends consisting of 268 million shares of stock at the new par value of Php0.10 per share of PGDI for lack of regulatory approvals. The disclosure is available through the PSE Edge website:

https://edge.pse.com.ph/openDiscViewer.do?edge_no=18cd96d06f3c7d51abca0fa0c5b4e4d0

Under the By-Laws of the Company, dividends shall be declared only from surplus profits and shall be payable at such time and in such amounts as the Board shall determine as they deem proper; provided, however, that no stock dividends shall be issued without the approval of the stockholders representing not less than two-thirds (2/3) of all stock then outstanding and entitled to vote at a general meeting of the Parent Company or at a special meeting called for the purpose. No dividends shall be declared that impair the capital of PHA. Other than the aforesaid, there are no other restrictions that would limit or would likely to limit in the future the ability of the company to pay dividends on common equity.

The Company has no recent sales of unregistered or exempt securities, nor recent

issuance of securities constituting an exempt transaction.

A. CORPORATE GOVERNANCE

PHA recognizes the need to ensure that it is directed, supervised, and supported with accountability, impartiality and transparency.

The Board and the Management of PHA also recognize good corporate governance is essential to performing its obligations to its stockholders. To this end, PHA aims to strengthen its corporate governance to accomplish the corporate goals along with its guarantee to increase stockholder value.

PHA Corporate Governance Manual

The original Manual of Corporate Governance was adopted on 1 July 2002. Pursuant to SEC Memorandum No. 6, PHA revised its Manual of Corporate Governance on 30 May 2017. In a special meeting of the Board held on 5 June 2025, the Board approved another revision of the Company's Manual of Corporate Governance.

The Parent Company accomplished and submitted its Corporate Governance Scorecard Survey for Publicly Listed Companies. In compliance, the Board and Key Management officers of PHA have attended Corporate Governance seminars and will continue to do so on an annual basis.

To measure the extent of compliance with the Manual, PHA conducted self-assessment and submitted its first Governance Self Rating, which reported no significant deviation, to SEC and PSE on 25 July, 2003. The Parent Company conducted a self-assessment in 2011 when it participated in the Corporate Governance Scorecard for Publicly Listed Companies, which was administered by the Institute of Corporate Directors, SEC and PSE. The Scorecard was submitted on 25 November 2011. Additionally, the Company submitted its Corporate Governance Guidelines Disclosure Survey on 28 March 2012 to the PSE. It has continued to accomplish and submit the same disclosure template survey every year. The company filed its latest Integrated Annual Corporate Governance Report ("I- ACGR") on 28 May 2026 for the year 2025.

On 25 November 25, 2025, 9 Directors and 5 Key Officers of the Company attended a Corporate Governance Training conducted by ROAM Inc.

The Parent Company has also established an evaluation system to measure or determine the level of compliance of the Board and top-level management with its Revised Manual of Corporate Governance that included the continuous monitoring of the Board members' attendance in its board meetings and various committee meetings. The Certification on the Attendance of the individual members of the Board is submitted annually to the SEC and the PSE. Moreover, the attendance and participation of the members of the Board and the senior management of the Company in seminars and trainings on Corporate Governance are also monitored and submitted to the SEC and PSE.

The Board and Management, employees and shareholders, believe that corporate governance is a necessary component of sound strategic business management and will therefore undertake every effort necessary to continuously create awareness within the organization.

Board Committees

To further comply with the leading practices on good Corporate Governance, the Company, through its Board, adopted and approved its Charters of the Audit Committee, Nominations Committee and Compensation Committee. During the special meeting of the Board on 6 February 2018, the Audit Committee was renamed as the Audit and Risk Oversight Committee, while the Nominations and Compensation Committees have been joined together and renamed as the Corporate Governance Committee. The establishment of the Related Party Transactions Committee was also approved on even date.

The Corporate Governance Committee was constituted to accept and to pre-screen nominees for election as independent directors conformably with the criteria prescribed under existing SEC rules and the Company's Code of Corporate Governance; to prepare and to make available to the SEC and the stockholders before the stockholders' meeting a final list of candidates; to establish a formal and transparent procedure for developing a policy on executive remuneration, and for fixing the remuneration packages of corporate officers and directors.

Executive Committee

Chairperson	Eugenio T. Tan
Members	Marian Peña
	Ernest Sze Lok Yeung
	Brandon Benito P. Leong
	Geronimo B. Halili

Audit and Risk Oversight Committee

Chairperson	Steven Cesar G. Virata
Members	Maria Clara A. Camacho
	Orlando S. Mercado
	Eugenio T. Tan
	Marian Peña

Corporate Governance Committee and Related Party Transactions Committee

Chairperson	Orlando S. Mercado
Members	Maria Clara A. Camacho
	Steven Cesar G. Virata
	Esteban G. Peña Sy
	Ernest Sze Lok Yeung

Code of Business Conduct and Ethics

The Parent Company also adopted a Code of Ethics last September 16, 2009. The Company revised its Code of Ethics on January 4, 2016. Under this Code, the Board, officers, management and staff committed themselves to conduct business in accordance with the highest ethical standards and shall discharge their duties with utmost responsibility,

integrity, transparency, competence, loyalty and will uphold corporate interest over personal gains.

Corporate Social Responsibility –
Premiere Leadership and Countryside Engagement Series (PLACE)

The Parent Company is one of the sponsors for the 69th Annual National Mine Safety and Environment Conference in Baguio City held in November 2023. Then, in 2024 and 2025, PHA sponsored a program wherein the proceeds were used to the community beneficiaries of the Rotary Club of Mandaluyong.

ANNEX E

COVER SHEET

for

AUDITED FINANCIAL STATEMENTS

SEC Registration Number

					1	4	7	5	8	4

COMPANY NAME

PREMIERE HORIZON ALLIANCE CORPORATION

PRINCIPAL OFFICE *(No./Street/Barangay/City/Town/Province)*

Unit 1705, East Tower, Tektite Towers,
Exchange Road, Ortigas Center, Pasig
City

Form Type	Department requiring the report	Secondary License Type, If Applicable
AAFS	CRMD	N/A

COMPANY INFORMATION

Company's Email Address	Company's Telephone Number/s	Mobile Number
premierehorizon@gmail.com	(02) 8632-7715	0906 573 0465

No. of Stockholders	Annual Meeting (Month / Day)	Calendar Year (Month / Day)
145	May	12/31

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
Geronimo B. Halili	premierehorizon@gmail.com	(02) 8632-7715	0906 573 0465

CONTACT PERSON'S ADDRESS

Unit 1705, East Tower, Tektite Towers, Exchange Rd., Ortigas Center, Pasig City

NOTE 1: *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.*

2: *All Boxes must be properly and completely filled-up. Failure to do so shall cause the delay in updating the corporation's records with the Commission and/or non-receipt of Notice of Deficiencies. Further, non-receipt shall not excuse the corporation from liability for its deficiencies.*

Premiere Horizon
Invigorating the Countryside

STATEMENT OF MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL STATEMENTS

The management of **Premiere Horizon Alliance Corporation (the Parent)** is responsible for the preparation and fair presentation of the financial statements, including the schedules attached therein, for the years ended December 31, 2025 and 2024 in accordance with the prescribed financial reporting framework indicated therein, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company to cease operations, or has no realistic alternative but to do so.

The Board of Directors is responsible for overseeing the Company's financial reporting process.

The Board of Directors reviews and approves the financial statements, including the schedules attached therein, and submits the same to the stockholders.

Valdes Abad & Company, CPA's, the independent auditor appointed by the stockholders, have audited the financial statements of the Company in accordance with Philippine Standards on Auditing, and in their report to the stockholders, have expressed their opinion on the fairness of presentation upon completion of such audit.

Esteban Pena Sy
Chairman of the Board

Eugenio T. Tan
President & CEO

Brandon Benito P. Leong
Treasurer

Signed this 14th day of April 2026

SUBSCRIBED AND SWORN TO BEFORE ME
AFFIANT EXHIBITING HIS/HER _____
ID WITH NO. _____ THIS
20 APR 2026 _____ AT PASIG CITY

ATTY. ROMEO MANUEL JOSHUA R. MOVIDO
Notary Public for Pasig City.
Unit 701 Manila Luxury Condominium, Pearl Drive
cor. Gold Loop, Ortigas Center Pasig City
Roll of Attorney No. 66667
Appointment No. 116 (2025-2026) valid until 31 December 2026
IBP Member No. 104666 Q.C./June 23, 2024
PTR No. 3963771; Jan 8, 2026; Pasig City
MCLE Compliance No. VIII-0027774/valid until 14 April 2028

Doc. No 283
Page No 57
Book No XXXIX
Series of 2026

Valdes Abad & Company
(Formerly: Valdes Abad & Associates)
certified public accountants

CJV Building 108 Aguirre Street, Legaspi Village, Makati City, Philippines

Branches:
Cebu and Davao

Phone: (632) 8892-5931 to 35
(632) 8519-2105
Fax: (632) 8819-1468
Website: www.vacpa.ph
BOA/PRC Reg. No. 0314
SEC Accreditation No. 0314-SEC

gmni member
an association of legally independent accounting firms
partnering for success

INDEPENDENT AUDITOR'S REPORT

The Board of Directors and Stockholders
PREMIERE HORIZON ALLIANCE CORPORATION
Unit E-1705, 17F, East Tower, Philippine Stock Exchange Center, Exchange Road,
Ortigas Center, Pasig City

Opinion

We have audited the financial statements of **PREMIERE HORIZON ALLIANCE CORPORATION** (the "Company") which comprise the statements of financial position as of December 31, 2025 and 2024, and the related statements of comprehensive income and statements of changes in equity, and statements of cash flows for the years then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2025 and 2024 and of its financial performances and its cash flows for the years then ended in accordance with Philippine Financial Reporting Standards (PFRS).

Basis for Opinion

We conducted our audit in accordance with Philippine Standards on Auditing (PSAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the Philippines, the *Code of Ethics for Professional Accountants in the Philippines (Philippine Code of Ethics)* and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the Philippine Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with PSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with PSAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error; to design and perform audit procedures responsive to those risks; and to obtain audit evidence that is sufficient and appropriate to provide a basis for the auditor's opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. In circumstances when the auditor also has a responsibility to express an opinion on the effectiveness of internal control in conjunction with the audit of the financial statements, the auditor shall omit the phrase that the auditor's consideration of internal control is not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If the auditor concludes that a material uncertainty exists, the auditor is required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify the opinion. The auditor's conclusions are based on the audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may be reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Bureau of Internal Revenue Requirement

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information on Note 24 to the financial statements are presented for purposes of filing with the Bureau of Internal Revenue and are not a required part of the basic financial statements. Such information is the responsibility of management. The information has been subjected to the auditing procedures applied in our audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

VALDES ABAD & COMPANY, CPAs
BOA/PRC Reg. No. 0314
Issued on July 15, 2024, Valid until July 14, 2027
SEC Accreditation No. 0314 - SEC, Group A
Valid for 2022 – 2026 audit periods
BIR Accreditation No. 08-002126-000-2024
Issued on April 05, 2024, Valid until April 04, 2027

For the firm:

ALFONSO L. CAY-AN
Partner
CPA Registration No. 99805, Valid until December 14, 2026
TIN No. 213-410-741-000
PTR No. 10777156, Issued Date: January 13, 2026, Makati City
BOA/PRC Reg. No. 0314 / P-004
Issued on July 15, 2024, Valid until July 14, 2027
SEC Accreditation No. 99805 - SEC, Group A
Valid for 2022 – 2026 audit periods
BIR Accreditation No. 08-002126-005-2024
Issued on April 05, 2024, Valid until April 04, 2027

Makati City, Philippines
April 15, 2026

PREMIERE HORIZON ALLIANCE CORPORATION

SEPARATE STATEMENTS OF FINANCIAL POSITION

(In Philippine Peso)

		December 31	
ASSETS	**Note**	**2025**	2024
CURRENT ASSETS			
Cash	5	**1,043,530**	1,940,389
Receivables - net	6	**150,990**	142,333
Prepayments and other current assets	7	**18,449,602**	16,021,436
Total Current Assets		**19,644,122**	18,104,158
NON-CURRENT ASSETS			
Non-current receivables - net	8	**158,893,948**	167,278,387
Due from related parties - net	17	**94,960,574**	92,236,349
Investment in subsidiaries - net	11	**1,451,089,545**	1,451,743,810
Investment in property	10	**2,599,695,000**	2,499,707,700
Property and equipment - net	9	**669,729**	1,192,013
Other noncurrent assets	12	**17,331,429**	17,736,930
Total Non-Current Assets		**4,322,640,225**	4,229,895,189
TOTAL ASSETS		**4,342,284,347**	4,247,999,347
LIABILITIES AND EQUITY			
CURRENT LIABILITIES			
Accounts and other payables	13	**279,009,686**	268,310,045
Short-term loans	14	**145,071,532**	148,968,862
Total Current Liabilities		**424,081,218**	417,278,907
NON-CURRENT LIABILITIES			
Non-current payables	15	**72,966,721**	73,166,721
Due to related parties	17	**485,547,031**	446,839,309
Retirement liability	16	**557,197**	1,207,985
Deferred tax liability	19	**547,852,692**	525,448,546
Total Non-Current Liabilities		**1,106,923,641**	1,046,662,561
EQUITY			
Capital stock	20	**1,414,348,522**	1,414,348,522
Additional paid-in capital	20	**582,882,377**	582,882,377
Retained earning		**812,663,630**	786,047,596
Cumulative remeasurement gains on retirement liability	16	**1,384,959**	779,384
Total Equity		**2,811,279,488**	2,784,057,879
TOTAL LIABILITIES AND EQUITY		**4,342,284,347**	4,247,999,347

See Separate Notes to Financial Statements

PREMIERE HORIZON ALLIANCE CORPORATION

SEPARATE STATEMENTS OF COMPREHENSIVE INCOME

(In Philippine Peso)

For the Years Ended December 31,	Notes	2025	2024
EXPENSES			
Provision for expected credit losses	8, 17	**10,772,645**	-
Professional and legal fees		**50,747,401**	25,433,998
Representation expense		**6,198,333**	3,050,000
Personnel costs		**2,503,968**	3,578,046
Transportation and travel		**2,100,665**	2,726,307
Taxes and licenses	25	**1,444,974**	1,171,481
Utilities		**1,035,780**	987,698
Impairment loss on investment in subsidiaries		**654,265**	-
Depreciation	9	**603,445**	1,832,584
Rent		**435,622**	586,397
Communication		**410,932**	600,265
Impairment loss on film rights	12	**405,501**	405,501
Office supplies		**183,590**	227,301
Repairs and maintenance		**131,943**	17,154
Insurance		**99,254**	128,731
Trainings and seminar		**48,229**	127,536
Success and commitment fees		**-**	8,409,294
Miscellaneous		**1,716,055**	136,507
		79,492,602	49,418,800
OTHER INCOME (CHARGES) - NET			
Gain on change in fair value of investment property	10	**99,987,300**	2,100,755,000
Interest income on related party	17	**3,492,873**	-
Unrealized gain on foreign exchange		**13,345**	-
Bank interest income	5	**870**	14,969
Interest expense on loans and share lending agreement	14	**(38,504,924)**	(35,791,022)
Other income	18	**62,058,868**	10,570,245
Loss on sale of property	10	**-**	(110,354,878)
		127,048,332	1,965,194,314
INCOME BEFORE INCOME TAX		**47,555,730**	1,915,775,514
INCOME TAX EXPENSE	19	**22,202,289**	525,188,750
NET INCOME		**25,353,441**	1,390,586,764
OTHER COMPREHENSIVE INCOME			
Remeasurement gain on defined benefit obligation, net of tax	16	**605,575**	-
TOTAL COMPREHENSIVE INCOME		**25,959,016**	1,390,586,764
BASIC EARNINGS PER SHARE	20	**0.005**	0.244

See Separate Notes to Financial Statements

PREMIERE HORIZON ALLIANCE CORPORATION

SEPARATE STATEMENTS OF CHANGES IN EQUITY

(In Philippine Peso)

For the Years Ended December 31,	Notes	2025	2024
CAPITAL STOCK	20		
Balance at beginning and end of the year		**1,414,348,522**	1,414,348,522
ADDITIONAL PAID-IN CAPITAL	20		
Balance at beginning and end of the year		**582,882,377**	582,882,377
DEFICIT			
Balance at beginning of the year		**786,047,596**	(638,889,168)
Prior period adjustment	20	**1,262,593**	(5,450,000)
Reversal of dividend declaration	20	**-**	39,800,000
As restated balance		**787,310,189**	(604,539,168)
Net income during the year		**25,353,441**	1,390,586,764
Balance at end of the year		**812,663,630**	786,047,596
CUMULATIVE REMEASUREMENT GAINS ON RETIREMENT LIABILITY	16		
Balance at beginning of the year		**779,384**	779,384
Net remeasurement gain		**605,575**	-
Balance at end of the year		**1,384,959**	779,384
EQUITY		**2,811,279,488**	2,784,057,879

See Separate Notes to Financial Statements

PREMIERE HORIZON ALLIANCE CORPORATION

SEPARATE STATEMENTS OF CASH FLOWS

(In Philippine Peso)

For the Years Ended December 31,	Note	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES			
Income before income tax		**47,555,730**	1,915,775,514
Adjustments for:			
Prior period adjustments	20	**1,262,593**	548,250
Interest expense	14	**38,504,924**	35,791,022
Interest income	5	**(3,493,743)**	(14,969)
Depreciation	9	**603,445**	1,832,584
Impairment on investment in subsidiaries		**654,265**	-
Impairment on film rights	12	**405,501**	405,501
Retirement benefits cost		**156,645**	-
Written-off payables	18	**(54,508,868)**	-
Unrealized gain on property valuation	10	**(99,987,300)**	(2,100,755,000)
Operating loss before working capital changes		**(68,846,808)**	(146,417,098)
Changes in assets and liabilities:			
Receivables	6	**8,375,782**	(92,487,103)
Prepayments and other current assets	7	**(24,630,455)**	(126,086)
Deferred tax asset		**(2,794,537)**	-
Accounts and other payables	13	**26,503,585**	59,464,425
Deferred tax liability		**24,996,825**	-
Net cash generated from operations		**(36,395,608)**	(179,565,862)
Interest received	5	**3,493,743**	14,969
Net Cash from Operating Activities		**(32,901,865)**	(179,550,893)
CASH FLOWS FROM INVESTING ACTIVITIES			
Payment of advances to related parties	17	**(2,724,225)**	(3,682,847)
Acquisitions of property and equipment	9	**(81,161)**	(312,053)
Net Cash from Investing Activities		**(2,805,386)**	(3,994,900)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from:			
Availment of short-term loans	14	**1,500,000**	15,000,000
Due to related parties	17	**38,707,722**	125,134,964
Payments of short-term loans	14	**(5,397,330)**	-
Net Cash from Financing Activities		**34,810,392**	140,134,964
NET DECREASE IN CASH		**(896,859)**	(43,410,829)
CASH AT BEGINNING OF YEAR	5	**1,940,389**	45,351,218
CASH AT END OF YEAR	5	**1,043,530**	1,940,389

See Separate Notes to Financial Statements

PREMIERE HORIZON ALLIANCE CORPORATION

NOTES TO SEPARATE FINANCIAL STATEMENTS
December 31, 2025 and 2024

NOTE 1 – GENERAL INFORMATION

PREMIERE HORIZON ALLIANCE CORPORATION (PHA or the "Company"), was registered with the Philippine Securities and Exchange Commission (SEC) on January 13, 1988 and listed in the Philippine Stock Exchange (PSE) on May 5, 1997. The Company's primary and secondary purpose is to engage in business activities relating to entertainment, gaming, hotel, and leisure and to expand to mining and real estate industries, respectively.

On August 10,2016, the SEC approved the change in the Company's primary purpose to that of an investment holding company and the secondary purpose to engaging in business activities relating to entertainment, gaming, hotel, and leisure.

The Company's registered address and principal place of business is at Unit E-1705, 17F, East Tower, Philippine Stock Exchange Center, Exchange Road, Ortigas Center, Pasig City.

As at December 31, 2025 and 2024, the subsidiaries of the Company, which are all incorporated in the Philippines, are as follows:

		Percentage of Ownership		
Subsidiary	**Industry**	**Direct**	**Indirect**	**Total**
West Palawan Premiere Development Corp. (WPP)	Real estate	100	-	100
Treasure Cove at Nagtabon Beach, Inc (TCNBI)	Real estate	-	100	100
Premiere Georesources and Development Inc. (PGDI)	Mining	69	-	69
Pyramid Hill Mining & Industrial Corp. (PHMIC)	Mining	-	68	68
Palawan Star Mining Ventures, Inc (PSMVI)	Mining	-	68	68
Goshen Land Capital, Inc (GLCI)	Real estate	55	-	55
Concepts Unplugged: Business Environment Solutions (CUBES), Inc.	Management investment and/or technical solutions	51	-	51
Premiere Horizon Business Services, Inc. (PHBSI)	Human resources management	100	-	100
PH Mining and Development Corporation (PHMDC)	Mining	100	-	100
PH Agriforest Corporation (PHAC)	Forestry	100	-	100
PH Big Bounty Entertainment, Inc (PBBEI)	Amusement	100	-	100
Digiwave Solutions Incorporated (DSI)	Information Technology	100	-	100
Premiere e-Teleservices, Inc. (PeTI) * Non-operating	Entertainment	100	-	100

Corporate Developments

In 2021, a new investor group subscribed to 2,803,030,303 shares, equivalent to 55% ownership in PHA at ₱0.33 a share for ₱925 million. PHA received ₱371.1 million of the subscription as at December 31, 2022 (see Note 20). Part of the arrangement was the infusion of the shares of SquidPay Technology, Inc. (SPTI) with the intention of making SPTI a subsidiary.

On October 13, 2022, the BOD decided it will no longer pursue the acquisition of SPTI. In February 2023, the BOD approved a call for payment on all unpaid subscriptions.

On May 11, 2023, of the 1,457,756,130 shares considered delinquent after a 30 days compliance period, 1,389,802,253 were sold to a private investor for ₱344.8 million (see Note 20).

NOTE 2 – SUMMARY OF MATERIAL ACCCOUNTING POLICY INFORMATION

Basis of preparation and statement of compliance

The separate financial statements of the Company have been prepared in compliance with Philippine Financial Reporting Standard (PFRS). This financial reporting framework includes PFRS, Philippine Accounting Standards (PAS) and Philippine Interpretations from International Financial reporting Interpretations Committee (IFRIC).

The Company also prepares and issues consolidated financial statements for the same period in accordance with PFRS. In the consolidated financial statements, the subsidiary undertakings have been fully consolidated. Users of these separate financial statements should read them together with the consolidated financial statements in order to obtain full information on the consolidated financial position, consolidated financial performance and consolidated cash flows of PHA and its subsidiaries. The consolidated financial statements may be obtained at the Company's registered office address and at the SEC.

Measurement bases

The separate financial statements are presented in Philippine Peso (Peso), the Company's functional currency. All amounts are rounded to the nearest Peso unless otherwise stated.

The separate financial statements of the Company have been prepared on a historical cost basis except for retirement liability which measured at the present value of defined benefit obligation.

Historical cost is generally based on the fair value of the consideration given in exchange of assets and fair value of the consideration received in exchange for incurring a liability.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The Company uses market observable data to a possible extent when measuring the fair value of an asset or a liability. Fair values are categorized into different levels in a fair value hierarchy based on inputs used in the valuation techniques as follows:

- Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

If the inputs used to measure the fair value of an asset or a liability might be categorized in different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognizes transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values are included in Note 3, Financial Instruments

Going concern assumption

The preparation of the accompanying condensed separate financial statements of the Company is based on the premise that the Company operates on a going concern basis, which contemplate the realization of assets and settlement of liabilities in the normal course of business. The management does not intend to liquidate.

Use of judgment and estimates

The preparation of the Company's separate financial statements requires management to make judgments, estimates and assumptions that affect the amounts reported in the Company's separate financial statements and accompanying notes.

Judgments are made by management in the development, selection and disclosure of the Company's significant accounting policies and estimates and the application of these policies and estimates.

The estimates and assumptions are reviewed on an on-going basis. These are based on management's evaluation of relevant facts and circumstances as of the reporting date. Actual results could differ from such estimates.

Revision to accounting estimates is recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

The areas where significant judgments and estimates have been made in preparing the separate financial statements and their effects are disclosed in Note 4.

Adoption of new and revised accounting standards

The accounting policies adopted in the preparation of the Company's separate financial statements are consistent with those of the previous financial year except for the adoption of the following new and amended standards and interpretations. The adoption of these new and amended standards and interpretations did not have significant impact on the Company separate financial statements unless otherwise stated.

Effective beginning on or after January 1, 2025

Amendments to PAS 21 - Lack of Exchangeability. An entity is impacted by the amendments when it has a transaction or an operation in a foreign currency that is not exchangeable into another currency at a measurement date for a specified purpose. A currency is exchangeable when there is an ability to obtain the other currency (with a normal administrative delay), and the transaction would take place through a market or exchange mechanism that creates enforceable rights and obligations.

Standards and Interpretations Issued but not yet Effective

Pronouncements issued but not yet effective are listed below. Unless otherwise indicated, the Company does not expect that the future adoption of the said pronouncements will have a significant impact on the financial statements. The Company intends to adopt the following pronouncements when they become effective.

Effective beginning on or after January 1, 2026

Amendments to PFRS 9 and PFRS 7, Classification and Measurement of Financial Instruments PFRS 9 and PFRS 7

The standard provides a robust and transparent framework for classifying, measuring, and disclosing financial instruments in Philippine financial reporting. The amendments enhance clarity, improve alignment with PFRS, and strengthen investor confidence through better disclosure of risks and valuation practices.

- Amendments to PFRS 9 and PFRS 7, *Classification and Measurement of Financial Instruments*
- Annual Improvements to PFRS Accounting Standards - Volume 11
    - Amendments to PAS 7, *Cost Method*
    - Amendments to PFRS 1, *Hedge Accounting by a First-time Adopter*
    - Amendments to PFRS 7, *Gain or Loss on Derecognition*
    - Amendments to PFRS 9, *Lessee Derecognition of Lease Liabilities and Transaction Price*
    - Amendments to PFRS 10, *Determination of a "De Facto Agent"*

Volume 11 provides targeted, minor amendments to improve clarity, consistency, and cross-references across PFRS standards without introducing substantive new requirements. Compliance ensures alignment with contemporary PFRS interpretations and reduces the risk of misapplication.

The Company is currently assessing the impact of adopting these standards on its financial statements.

Effective beginning on or after January 1, 2027

PFRS 18, Presentation and Disclosure in Financial Statements
The new standard impacts the classification of profit or loss items (i.e. into operating, investing, and financing categories) and the presentation of subtotals in the statement of profit or loss (i.e. operating profit, and profit before financing and income taxes). The new standard also changes the aggregation and disaggregation of information presented in the primary financial statements and in the notes. It also introduces required disclosures about management-defined performance measures.

PFRS 19, Subsidiaries without Public Accountability.

The standard allows eligible subsidiaries to apply PFRS accounting principles with significantly reduced disclosure requirements, offering practical and cost relief while maintaining transparency for users. It is particularly relevant for subsidiaries whose parents report publicly under PFRS, allowing consistent financial reporting across the group with a streamlined, user-focused disclosure approach

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 amendments address the conflict between PFRS 10 and PAS 28 in dealing with the loss of control of a subsidiary that is sold or contributed to an associate or joint venture. The amendments clarify that a full gain or loss in recognized when a transfer to an associate or joint venture involves a business as defined in PFRS 3. Any gain or loss resulting from the sale or contribution of assets that does not constitute a business, however, is recognized only to the extent of unrelated investors' interests in the associate of joint venture.

On January 13, 2016, the Financial Reporting Standards Council deferred the original effective date of January 1, 2026 of the said amendments until the IASB completes its broader review of the research project on equity accounting that may result in the simplification of accounting for such transactions and of other aspects of accounting for associates and joint ventures.

The revised, amended, and additional disclosures or accounting changes provided by the standards and interpretations will be included in the financial statements in the year of adoption, if applicable.

NOTE 3 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Date of recognition. The Company recognizes a financial asset or a financial liability in the separate statements of financial position when it became a party to the contractual provisions of a financial instruments. In the case of a regular way purchase or sale of financial assets, recognition and derecognition, as applicable is done using settlement date accounting.

Initial recognition. Financial instruments are recognized initially at fair value, which is the fair value of the consideration given (in case of an asset) or received (in case of a liability). The initial measurement of financial instruments, except for those designed at fair value through profit and loss (FVPL), includes transaction cost.

Classification of financial instruments. The Company classifies its financial assets at initial recognition under the following categories: (a) Financial assets at FVPL, (b) financial assets at amortized cost and, (c) financial assets at fair value through other comprehensive income (FVOCI). The classification of a financial asset largely depends on its contractual cash flow characteristics and the Company's business model for managing them.

The Company reclassifies its financial assets when, and only when, it changes its business model for managing those financial assets. The reclassification is applied prospectively from the first day of the first reporting period following the change in the business model (reclassification date).

There were no reclassifications of financial assets in 2025 and 2024.

Financial liabilities, on the other hand, are classified as either financial liabilities at FVPL or financial liabilities at amortized cost.

As at December 31, 2025 and 2024, the Company does not have financial assets and liabilities at FVPL and financial assets at FVOCI.

Financial assets at amortized cost. A financial asset shall be measured at amortized cost if both of the following conditions are met:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortized cost are subsequently measured at amortized cost using the effective interest method, less allowance for impairment, if any. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees that are an integral part of the effective interest rate. Gains and losses are recognized in profit or loss when the financial assets are derecognized and through amortization process.

Classified under this category are the Company's cash, receivables (excluding advances to officers and employees), dividends receivable, due from related parties, note receivable and security deposits (presented as part of "Other current assets" account).

Financial liabilities at amortized cost. Financial liabilities are categorized as financial liabilities at amortized cost when the substance of the contractual arrangement results in the Company having an obligation either to deliver cash or another financial asset to the holder, or to settle the obligation other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of its own equity instruments.

These financial liabilities are initially recognized at fair value less any directly attributable transaction costs. After initial recognition, these financial liabilities are subsequently measured at amortized cost using the effective interest method. Amortized cost is calculated by taking into account any discount or premium on the issue and fees that are an integral part of the effective interest rate. Gains and losses are recognized in profit or loss when the liabilities are derecognized or through the amortization process.

As at December 31, 2025 and 2024, classified under this category are the Company's short-term loans, accounts and other payables (excluding statutory payables), due to related parties, and dividend payable.

Impairment of financial assets at amortized cost

The Company records an allowance for expected credit loss (ECL) on financial assets at amortized cost based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive. The difference is then discounted at an approximation to the asset's original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

The Company measures loss allowances at an amount equivalent to the 12-month ECL for financial assets on which credit risk has not increased significantly since initial recognition or that are determined to have low credit risk at reporting date. Otherwise, impairment loss will be based on lifetime ECL.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition, the Company compares the risk of a default occurring on the financial instrument as at reporting date with the risk of a default occurring on the financial instrument on the date of initial recognition and consider reasonable and supportable information, that is available without undue cost or effort. In addition, the Company considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Company may also consider a financial asset to be in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Company.

If, in a subsequent year, the amount of the estimated impairment loss decreases because of an event occurring after the impairment was recognized, the previously recognized impairment loss is reduced by adjusting the allowance account. Any subsequent reversal of an impairment loss is recognized in profit or loss to the extent that the carrying amount of the asset does not exceed its amortized cost at reversal date.

A financial asset is written-off when there is no reasonable expectation of recovering the financial asset in its entirety or a portion thereof. This is generally the case when the Company determines that the counterparty does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off.

Derecognition of financial assets and liabilities

Financial assets. A financial asset (or, where applicable a part of a financial asset or part of a group of similar financial assets) is derecognized when:

- the right to receive cash flows from the asset has expired;
- the Company retains the right to receive cash flows from the asset, but has assumed an obligation to pay them in full without material delay to a third party under a "pass-through" arrangement; or
- the Company has transferred its right to receive cash flows from the asset and either: (a) has transferred substantially all the risks and rewards of the asset, or (b) has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its right to receive cash flows from an asset and has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the asset is recognized to the extent of the Company's continuing involvement in the asset. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Financial liabilities. A financial liability is derecognized when the obligation under the liability is discharged, cancelled or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in profit or loss.

Offsetting financial assets and liabilities

Financial assets and liabilities are offset and the net amount is reported in the separate statement of financial position if, and only if, there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the assets and settle the liabilities simultaneously. This is not generally the case with master netting agreements, and the related assets and liabilities are presented gross in the separate statement of financial position.

Classification of financial instrument between liability and equity

A financial instrument is classified as a liability if it provides for a contractual obligation to:

- Deliver cash or another financial asset to another entity;
- Exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavorable to the company; or
- Satisfy the obligation other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of own equity shares.

If the Company does not have an unconditional right to avoid delivering cash or another financial asset to settle its contractual obligation, the obligation meets the definition of a financial liability.

Cash

Cash includes cash on hand and in banks which are measured at face value.

Cash funds are set aside for current purposes such as petty cash fund. Cash in banks include demand deposits which are unrestricted as to withdrawal.

Receivables

Receivables are amounts due from officers and employees. If collection is expected in one year or less (or in the normal operating cycle of the business longer), they are classified as current assets. Otherwise, they are presented as non-current assets. Receivables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest rate (EIR) method, less provision for impairment.

Other current assets

This account mainly consists of excess of input value-added tax (VAT) over output VAT, creditable withholding taxes (CWT), and prepayments.

VAT. Revenues, expenses, and assets are recognized net of the amount of VAT, except:

- Where the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case the tax is recognized as part of the cost of acquisition of the asset or as part of the expense item, as applicable; and
- Receivables and payables that are stated with the amount of tax included.

The net amount of tax recoverable from the taxation authority is included as part of the "Other current assets" account in the separate statement of financial position.

CWTs. CWTs represent the amount withheld by the company's customers in relation to its income. CWTs can be utilized as payment for income taxes, provided that these are properly supported by certificates of creditable tax withheld at source, subject to the rules on Philippine income taxation. CWTs are stated at their net realizable amount.

Property and equipment

Property and equipment are stated at cost less accumulated depreciation and accumulated impairment losses, if any.

The initial cost of property and equipment consists of its purchase price, including import duties, nonrefundable taxes, and any directly attributable costs in bringing the asset to its working condition and location for its intended use. Such cost includes the cost of replacing part of such property and equipment when that cost is incurred, if the recognition criteria are met.

Expenditures incurred after the property and equipment have been put into operation, such as repairs and maintenance, are normally charged to profit or loss in the period when the costs are incurred. In situations where it can be clearly demonstrated that the expenditures have resulted in an increase in the future economic benefits expected to be obtained from the use of an item of property and equipment beyond its originally assessed standard of performance, the expenditures are capitalized as additional cost of property and equipment.

Each part of the property and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately.

Depreciation is computed on the straight-line basis over the estimated useful lives of the depreciable assets. The depreciation periods for property and equipment, based on the above policies, are as follows:

Assets	Useful life (years)
Office space	10
Office space improvements	5
Furniture and fixtures	5
Office equipment	5
Transportation equipment	5

The estimated useful lives and depreciation method are reviewed periodically to ensure that the periods and method of depreciation are consistent with the expected pattern of economic benefits from items of property and equipment.

An item of property and equipment is derecognized upon disposal or when no future economic benefits are expected from its use. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the year the asset is derecognized.

Fully depreciated assets are retained in the accounts until these are no longer in use.

Investment properties

Investment properties comprise of land for future development held by the Company for capital appreciation. Investment properties are measured initially at cost, including transaction costs.

Subsequent to initial recognition, investment properties are stated at fair value, which reflects market conditions at the reporting date, as determined by independent appraisers. Gains and losses arising from changes in the fair values of investment properties are included in the profit or loss in the period in which these arise.

Transfers are made to investment properties when, and only when, there is a change in use evidenced by ending of owner occupation, commencement of an operating lease to another party or ending of construction or development. Transfers are made from investment properties when, and only when, there is a change in use evidenced by commencement of owner occupation or commencement of development with a view to sale.

Investment properties are derecognized when they have either been disposed of or when the investment properties are permanently withdrawn from use and no future benefit is expected from their disposal. Any gains or losses on the retirement or disposal of investment properties are recognized in profit or loss in the year of retirement or disposal.

Film rights

Film rights include the unamortized cost of completed theatrical films and television projects, as well as film rights acquired. Film rights principally consist of direct production costs, production overhead, development and pre-production costs, and are stated at cost less accumulated amortization and any impairment in value.

Amortization of film and television production costs starts when a film is released and revenues on that film are recognized. Amortization is made in proportion to the actual income earned during the year as against total estimated income. The total estimated income is subject to periodic evaluation by management based on actual income generated from those films.

Investments in subsidiaries

Investments in subsidiaries are accounted for using the cost method. A subsidiary is an entity controlled by the company. The Company controls a subsidiary when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. The company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to elements evidencing control.

Under the cost method, the company recognizes income from the investment only to the extent that the Company received distributions from accumulated profits of the investee arising after the date of acquisition. Distributions received in excess of such profits are regarded as a reduction of the cost of the investment.

An assessment of the carrying amount of the investment is performed when there is an indication that the investment has been impaired.

Impairment of nonfinancial assets

Nonfinancial assets are reviewed for impairment when events or changes in circumstances indicate that the carrying amount may not be recoverable. If any such indication exists, or when annual impairment testing for an asset is required, the company makes an estimate of the asset's recoverable amount. An asset's recoverable amount is the higher of an assets or cash-generating unit's fair value less costs of disposal and its value in use, and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the

estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

An assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the recoverable amount is estimated. A previously recognized impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognized. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increased amount cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in profit or loss. After such a reversal, the depreciation charge is adjusted in future periods to allocate the asset's revised carrying amount, less any residual value, on a systematic basis over its remaining useful life.

Trade and other payables

Trade and other payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Payables are classified as current liabilities if payment is due within one year or less (or within the normal operating cycle of the business if longer); otherwise, they are presented as noncurrent liabilities.

Accrued expenses are liabilities to pay for goods or services that have been received or supplied but have not been paid, invoiced or formally agreed with supplier including amounts due to employees. It is necessary to estimate the amounts of accruals; however, the uncertainty is generally much less than for provision.

Government dues and remittances include withholding income taxes which represent taxes retained by the Company for an item of income required to be remitted to the Bureau of Internal Revenue (BIR). The obligation of the Company to deduct and withhold the taxes arises at the time the income payment is paid or payable, or the income payment is accrued or recorded as an expense or asset, whichever comes first. The term “payable” refers to the date the obligation becomes due, demandable, or legally enforceable.

Trade and other payables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest rate method.

Borrowings

Borrowings are initially recognized at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortized cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognized in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognized as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that is probable that some or all of the facility will be drawn down, the fee is capitalized as a prepayment for liquidity services and amortized over the period of the facility to which it relates.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any noncash assets transferred or liabilities assumed, is recognized in profit or loss as other income or finance costs.

Where the terms of a financial liability are renegotiated and the entity issues equity instruments to a creditor to extinguish all or part of the liability (debt for equity swap), a gain or loss is recognized in profit or loss, which is measured as the difference between the carrying amount of the financial liability and the fair value of the equity instruments issued.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

Capital stock and additional paid-in capital

Capital stock is measured at par value for all shares issued or subscribed. Proceeds and/or fair value of considerations received in excess of par value, if any, are recognized as additional paid-in capital. The equity component of convertible instruments is also included in additional paid-in capital.

Incremental costs directly attributable to the issue of new capital stock are recognized as a deduction, net of tax, from the equity under the "Stock issuance costs" account.

Subscriptions receivable

Subscriptions receivable pertains to the uncollected consideration from the subscribed shares.

Deficit

Deficit represents the cumulative balance of the Company's results of operations, net of dividends declared to date.

Cumulative remeasurement gains on retirement liability

This pertains to accumulated remeasurement gains on retirement liability, which are not recognized in profit or loss. Remeasurement gains or losses earned or incurred during the year are classified as other comprehensive income or loss and presented after net income in the separate statement of comprehensive income. The cumulative remeasurement gains or losses are separately presented in the equity section of the separate statement of financial position.

Revenue recognition

Revenue from contracts with customers is recognized when control of the goods or services is transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services.

The Company also assesses its revenue arrangements to determine if it is acting as a principal or as an agent. The company has generally concluded that it is the principal in its revenue arrangements.

The following specific recognition criteria must also be met before revenue is recognized:

- *Interest income*. Interest income is recognized as the interest accrues using the effective interest rate.
- *Other income.* Income from other sources is recognized when earned.

Expense recognition

Costs and expenses are decreases in economic benefits during the accounting period in the form of outflows or depletions of assets or incurrence of liabilities that result in a decrease in equity, other than those relating to distributions to equity participants.

General and administrative expenses. General and administrative expenses constitute costs of administering the business. These are expensed as incurred.

Other Charges. Other charges include other expenses, which are incidental to the Company's business operations, and are recognized in the separate statement of comprehensive income when incurred.

Leases

Company as a lessee. The Company applies the short-term lease recognition exemption to its short-term leases of commercial spaces (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). Lease payments on short-term leases are recognized as an expense on a straight-line basis over the lease term.

Employee benefits

Short-term benefits. The Company recognizes a liability net of amounts already paid and an expense for services rendered by employees during the accounting period. A liability is also recognized for the amount expected to be paid under short-term cash bonus or profit-sharing plans if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated reliably.

Employee entitlements to annual leave are recognized as a liability when they are accrued to the employees. The undiscounted liability for leave expected to be settled wholly before 12 months after the end of the annual reporting period is recognized for services rendered by employees up to the end of the reporting period.

Short-term employee benefit liabilities are measured on an undiscounted basis and are expensed as the related service is provided.

Retirement benefits. The Company has an unfunded, non-contributory defined benefit plan covering all qualified employees. The cost of providing benefits under the defined benefit plan is actuarially determined using the projected unit credit method, which reflects services rendered by employees to the date of valuation and incorporates assumptions concerning employees' projected salaries.

The retirement liability is the aggregate of the present value of the retirement liability, which is determined by discounting the estimated future cash outflows using an interest rate on government bonds that have terms to maturity approximating the terms of the related retirement liability.

The cost of providing benefits under the defined benefit plans is actuarially determined using the projected unit credit method.

Defined benefit costs comprise the following:

- Service cost
- Interest on the defined benefit liability
- Remeasurement of defined benefit liability

Service costs, which include current service costs, past service costs, and gains or losses on non-routine settlements, are recognized as expenses in profit or loss. Past service costs are recognized when a plan amendment or curtailment occurs. These amounts are periodically calculated by independent qualified actuaries.

Interest on the defined benefit liability is the change during the period in the defined benefit liability that arises from the passage of time. This is determined by applying the discount rate based on government bonds to the defined benefit liability. Interest on the defined benefit liability is recognized as an expense in profit or loss.

Remeasurements, comprising actuarial gains and losses, are recognized immediately in other comprehensive income in the period in which they arise. These remeasurements are not reclassified to profit or loss in subsequent periods.

Past service costs are recognized in profit or loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the Company recognized the related restructuring costs.

Actuarial valuations are performed with sufficient regularity to ensure that the amounts recognized in the financial statements do not differ materially from the amounts determined at the reporting date.

Income taxes

Current tax. Current tax assets and liabilities for the current and prior periods are measured at the amounts expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute these amounts are those enacted or substantively enacted at the end of the reporting period.

Deferred tax. Deferred tax is provided on all temporary differences at the end of the reporting period between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes, except for:

- When it arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit or loss nor taxable profit or loss; or
- When the taxable temporary difference is associated with interests in subsidiaries, associates, or joint ventures, and the timing of the reversal can be controlled, and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets are recognized for all deductible temporary differences, carryforward benefits of unused tax credits (excess of minimum corporate income taxes or MCIT over regular corporate income taxes or RCIT), and unused tax losses (net operating loss carryover or NOLCO) only if it is probable that sufficient future taxable profit will be available against which these amounts can be utilized.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and is reduced to the extent that it is no longer probable that sufficient future taxable profit will be available to utilize all or part of the deferred tax assets. Unrecognized deferred tax assets are reassessed at the end of each reporting period and are recognized to the extent that it becomes probable that sufficient future taxable profit will allow recovery of the deferred tax asset.

Deferred tax assets and liabilities are measured at the tax rates expected to apply in the period when the asset is realized or the liability is settled, based on tax rates and tax laws enacted or substantively enacted at the end of the reporting period.

Deferred tax is recognized in profit or loss, except to the extent that it relates to items recognized directly in equity or as other comprehensive income.

Offsetting. Current tax assets and current tax liabilities, or deferred tax assets and deferred tax liabilities, are offset if, and only if an enforceable right exists to set off the amounts; and it can be demonstrated, without undue cost or effort, that the Company plans either to settle on a net basis or to realize the asset and settle the liability simultaneously.

Related parties and transactions

Parties are considered 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; or a member of the key management personnel of the reporting entity is involved. Parties are also considered related if they are subject to common control or common significant influence.

Related party transactions consist of transfers of resources, services, or obligations between the Company and its related parties. Transactions between related parties are accounted for at arm's length prices or on terms similar to those offered to non-related parties in an economically comparable market.

Related party transactions are considered material and/or significant if i) these transactions amount to 10% or more of the total assets; or ii) there are multiple transactions or a series of transactions over a 12-month period with the same related party, amounting to 10% or more of the total assets. Details of transactions entered into by the Company with related parties are reviewed in accordance with the Company's related party transactions policy.

Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

Provisions are made using the best estimates of the amount required to settle the obligation and are discounted to present values using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. Changes in estimates are reflected in profit or loss in the period these arise.

Contingencies

Contingent liabilities are not recognized in the separate financial statements. These are disclosed in the notes to the separate financial statements unless the possibility of an outflow of resources embodying economic benefits is remote. Contingent assets are not recognized in the separate financial statements but are disclosed when an inflow of economic benefits is probable.

Events after the reporting date

Post year-end events that provide additional information about the separate's financial position at the reporting date (adjusting events) are reflected in the separate financial statements. Post year-end events that are not adjusting events are disclosed in the notes to the separate financial statements when material.

NOTE 4 – SIGNIFICANT JUDGMENTS, ACCOUNTING ESTIMATES AND ASSUMPTIONS

The preparation of the separate financial statements in accordance with PFRS requires management to exercise judgment, make estimates, and use assumptions that affect amounts of assets, liabilities, income, and expenses reported in the separate financial statements. The judgment, estimates, and assumptions used in the separate financial statements are based upon management's evaluation of relevant facts and circumstances as of the date of the separate financial statements. While management believes that the assumptions are reasonable and appropriate, significant differences in the actual experience or significant changes in the assumptions may materially affect the estimated amounts. Actual results could differ from such estimates.

Judgment

In the process of applying the Company's accounting policies, management has made the following judgment, apart from those involving estimations, which has the most significant effect on the amounts recognized in the separate financial statements.

Going concern

As of December 31, 2025 and 2024, the Company's primary objective is to ensure its ability to continue as a going concern and that it maintains the resources to continue their business for the foreseeable future. Furthermore, management is not aware of any material uncertainties that may cast significant doubt upon the Company's ability to continue as a going concern. Therefore, the financial statements continue to be prepared on the going concern basis.

Evaluating contingencies

There are ongoing legal proceedings involving the Company, which management believes would not have a material adverse impact on the Company's financial position and results of operations. The estimate of probable costs for the resolution of possible claims has been developed in consultation with legal counsel handling the Company's defense in these matters and is based upon an analysis of potential results (see Note 21).

Estimates and Assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the financial reporting date, which have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below.

Determining impairment of receivables, dividends receivable, and due from related parties

The impairment provisions for financial assets are based on assumptions about the risk of default and expected loss rates. The Company uses judgment in making these assumptions and selected inputs to the impairment calculation, based on the Company's past history, existing market conditions, as well as forward-looking estimates at the end of each reporting period.

Provision for ECL amount to ₱10,772,645 and nil as of December 31, 2025 and 2024, respectively. The carrying amounts of receivables (excluding advances to officers and employees), dividends receivable, and due from related parties, including details of the related allowances for impairment losses, are disclosed in Notes 8 and 17.

Estimating the useful lives of property and equipment
The Company estimates the useful lives of property and equipment based on the period over which these assets are expected to be available for use. The estimated useful lives are reviewed periodically and are updated if expectations differ from previous estimates due to physical wear and tear, technical or commercial obsolescence, and legal or other limits on the use of these assets. In addition, estimation of the useful lives is based on a collective assessment of industry practice, internal technical evaluation, and experience with similar assets. It is possible, however, that future results of operations could be materially affected by changes in estimates brought about by changes in factors mentioned above. The amounts and timing of recorded expenses for any period would be affected by changes in these factors and circumstances.

There were no changes in the estimated useful lives of property and equipment in 2025 and 2024. The carrying amounts of property and equipment are disclosed in Note 9.

Determining the impairment of nonfinancial assets
The Company assesses whether there are any indicators of impairment for all nonfinancial assets at each reporting date. Investments in subsidiaries, property and equipment, and other assets (excluding security deposit) are reviewed for impairment when there are indicators that the carrying amounts may not be recoverable. Film rights are reviewed annually for impairment while they are still not yet available for use. Determining the value in use of these nonfinancial assets, which requires the determination of future cash flows expected to be generated from the continued use and ultimate disposition of such assets, requires the Company to make estimates and assumptions that can materially affect the separate financial statements. Future events could cause the Company to conclude that such nonfinancial assets are impaired. Any resulting impairment loss could have a material adverse impact on the Company's separate financial statements.

Provision for impairment loss amounted to ₱405,501 in 2025 and 2024 (Note 12). The carrying amounts of other assets (excluding security deposits), property and equipment, investments in subsidiaries, film rights, and are disclosed in Notes 9, 10, and 11.

Determining the retirement benefits cost
The cost of defined benefit pension plans and the present value of the pension obligation are determined using actuarial valuations. The actuarial valuation involves making various assumptions, including the determination of discount rates, future salary increases, and mortality rates. Due to the complexity of the valuation, the underlying assumptions, and its long-term nature, defined benefit obligations are highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

Retirement liability amounted to ₱557,197 and ₱1,207,985 as at December 31, 2025, and 2024, respectively (see Note 16).

Assessing the realizability of deferred tax assets
The Company reviews its deferred tax assets at each reporting date and reduces the carrying amount to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax assets to be utilized. The amount of deferred income tax assets that are recognized is based upon the likely timing and level of future taxable profits together with future tax planning strategies to which the deferred tax assets can be utilized.

As at December 31, 2025 no deferred tax assets were recognized for NOLCO, excess MCIT over RCIT, and other deductible temporary differences (see Note 19). Management believes that it is not probable that sufficient taxable income will be available to allow all these deferred tax assets to be utilized.

Determining fair value measurement of investment properties
The determination of fair values requires significant judgment, including the selection of valuation techniques and assumptions.

Management believes that the valuation assumptions used are measurable and appropriate under circumstances.

NOTE 5 – CASH

This account consists of:

Particulars	2025	2024
Cash on hand	₱ **65,000**	₱ 130,681
Cash in banks	**978,530**	1,809,708
Total	₱ **1,043,530**	₱ 1,940,389

Cash in banks earn interest at the prevailing bank deposit rates.

Interest income arises from the following:

Particulars	2025	2024
Due from related parties	₱ **3,492,873**	₱ 10,570,245
Cash in banks	**870**	14,969
Total	₱ **3,493,743**	₱ 10,585,214

NOTE 6 – RECEIVABLES - NET

As of December 31, 2025 and 2024, this account consists of advances to officers and employees amounted to ₱150,990 and ₱142,333.

Receivables are non-interest bearing and normally collectible within sixty (60) days.

As of the period ended December 31, 2025, allowance for bad debts amounted to nil. The Company believes that the balances are fully collectible thus no allowance for impairment was recognized for the year ended December 31, 2025.

NOTE 7 – PREPAYMENTS AND OTHER CURRENT ASSETS

These accounts consist of:

Particulars	2025	2024
Input VAT (Note 24)	₱ **14,297,949**	₱ 11,918,373
Creditable withholding tax	**2,259,728**	3,571,029
Security deposits	**320,629**	320,629
Deferred MCIT (Note 19)	**1,522,706**	211,405
Prepayments	**48,590**	-
Total	₱ **18,449,602**	₱ 16,021,436

Security deposits pertain to the deposits paid by the Company to certain lessors at the inception of the lease contracts, to be refunded at the end of the lease term.

Prepayments include prepaid rent, which will be amortized within three to 12 months at the end of the financial reporting date.

NOTE 8 – NON-CURRENT RECEIVABLES - NET

This account consists of:

Particulars	2025	2024
Receivables from related parties	₱ **8,553,587**	₱ 8,553,587
Advance to officers and employees	**159,350,588**	159,350,588
Less: Allowance for ECL	**(9,010,227)**	(625,788)
Net	₱ **158,893,948**	₱ 167,278,387

Receivables from related parties include the consideration from the sale of investment properties with a total area of 499.99 hectares to West Palawan Premiere Development Corp., for a total consideration of ₱449.0 million, payable on an installment basis in three years ending 2021 (see Note 10 and 17).

At the special meeting of the Board of Directors of the Corporation held on May 27, 2024, the Directors approved the Rescission of the Contract to Sell dated December 17, 2017, resulting to reversal of the receivables.

In 2024, the Company performed a clean-up of its accounts which resulted to identification of receivables from various individuals and former officers; these balances arose from creation of duplicate transaction, reclassification of balances, and offsetting. As a result of the internal investigation and evidences that these balances existed at the end of the reporting period, the Company has provided adjustments to record the amount as advances to officers and employees.

The Company is undergoing further review and revisiting of contracts, agreements, and other executed documents arising from the transactions for which the receivables were recognized. The Company is exploring all courses of action to recover these balances.

In December 2017, the BOD of PHBSI and PHAFC declared cash dividends payables to its stockholders of record as of date. Dividends receivable of the Company from both subsidiaries amounted to nil and ₱5.5 million as of December 31, 2025 and 2024, respectively. In 2024, the non-operating subsidiaries reversed the dividend declaration due to lack of funds.

Movements in the allowance for expected credit losses are as follows:

Particulars	2025	2024
Balance at beginning of year	₱ **625,788**	₱ 625,788
Provision	**8,384,439**	-
Total	₱ **9,010,227**	₱ 625,788

NOTE 9 – PROPERTY AND EQUIPMENT - NET

As of December 31, 2025, the movement of the account is as follows:

Particulars	Beginning	Addition	Deduction/ Adjustment	**Ending**
Cost				
Office space	₱ 13,881,990	₱ -	₱ -	₱ **13,881,990**
Office space improvements	6,719,078	-	704,620	**6,014,458**
Furniture and fixtures	1,349,731	-	-	**1,349,731**
Transportation equipment	23,784,784	-	11,789,823	**11,994,961**
Office equipment	2,486,224	81,161	216,745	**2,350,641**
Software	822,620	-	-	**822,620**
Total	₱ 49,044,428	₱ 81,161	₱ 12,711,188	₱ **36,414,401**
Accumulated depreciation				
Office space	₱ 14,113,357	₱ -	₱ -	₱ **14,113,357**
Office space improvements	6,719,078	-	704,620	**6,014,458**
Furniture and fixtures	1,349,731	-	-	**1,349,731**
Transportation equipment	22,905,227	415,630	11,789,823	**11,531,034**
Office equipment	2,035,111	174,315	216,745	**1,992,681**
Software	729,911	13,500	-	**743,411**
Total	₱ 47,852,415	₱ 603,445	₱ 12,711,188	₱ **35,744,672**
Net Book Value	₱ 1,192,013			₱ **669,729**

As of December 31, 2024, the movement of the account is as follows:

Particulars	Beginning	Addition	Deduction/ Adjustment	Ending
Cost				
Office space	₱ 13,881,990	₱ -	₱ -	₱ 13,881,990
Office space improvements	6,719,078	-	-	6,719,078
Furniture and fixtures	1,349,731	-	-	1,349,731
Transportation equipment	23,784,784	-	-	23,784,784
Office equipment	2,224,672	261,553	-	2,486,225
Software	772,120	50,500		822,620
Total	₱ 48,732,375	₱ 312,053	₱ -	₱ 49,044,428
Accumulated depreciation				
Office space	₱ 12,493,791	₱ 1,071,316	₱ 548,250	₱ 14,113,357
Office space improvements	6,719,078	-	-	6,719,078
Furniture and fixtures	1,349,731	-	-	1,349,731
Transportation equipment	22,323,746	581,481	-	22,905,227
Office equipment	1,877,240	157,871	-	2,035,111
Software	707,995	21,916	-	729,911
Total	₱ 45,471,581	₱ 1,832,584	₱ 548,250	₱ 47,852,415
Net Book Value	₱ 3,260,794			₱ 1,192,013

In 2025, the Company disposed a motor vehicle with cost and accumulated depreciation both amounted to ₱11,789,823 and computer software with cost and accumulated depreciation both amounted to ₱704,620. The assets were no longer in use and no gain was recognized on the disposal made.

In 2025, the Company corrected the adjustment made in 2020 to office space improvements with a cost and accumulated depreciation both amounted to ₱216,745.

The Company has not recognized an impairment loss for the property and equipment for the years 2025 and 2024. The management believed that the fair value of property and equipment exceeded its cost.

There were no property and equipment pledged as security or collateral for any of the liabilities of the Company.

NOTE 10 – INVESTMENT PROPERTY

On December 17, 2017, the Company entered into a Contract to Sell with its subsidiary, West Palawan Premiere (WPP), for the purchase of approximately 500 has. property in Brgy. Bacungan, Puerto Princesa City, Palawan for a total consideration of ₱450 million.

At the special meeting of the Board of Directors of the Corporation held on May 27, 2024, the Directors approved the Rescission of the Contract to Sell, resulting to recognition of the investment property in the books of the Company. The rescission resulted to the recognition of loss on sale of property in the statements of comprehensive income in the amount of ₱23,047,300.

The balance of the account as of December 31, 2025 and 2024, both amounted to ₱2,599,695,000 and ₱2,499,707,700, respectively. Movement is shown below:

Particulars		**2025**		2024
Cost, beginning	₱	**2,499,707,700**	₱	398,952,700
Gain on valuation		**99,987,300**		2,100,755,000
Cost, end	₱	**2,599,695,000**	₱	2,499,707,700

The fair values of the investment properties as of December 31, 2025 and 2024 were determined based on valuations performed by independent qualified appraiser, Asian Appraisal Company, Inc. using the Market Approach. In this approach, the value of the land was based on sales and listings of comparable property registered within or nearby the vicinity. The technique of this approach requires the adjustments of comparable property by reducing reasonable comparative sales and listing to a common denominator. This was done by adjusting the differences between the subject property and those actual sales and listings regarded as comparable. The properties used as bases of comparison are situated within the immediate vicinity of the property and were premised on the factors of location, size and shape of the lot, time, element and others.

The selling price is adjusted for certain external and internal factors ranging from negative 5% to positive 35%. Under the Market Approach, a higher estimated price per sqm of the subject property would yield higher fair value.

Significant unobservable inputs used in the valuation include:

Input		Range
Price per sqm	₱	520
Discount rate		5% to 35%
Capitalization rate		0.97%

The fair value of investment properties is classified under level 3 of the fair value hierarchy due to the significance of the unobservable inputs.

During the year ended December 31, 2025, the Company recognized a net fair value gain of ₱99.9 million arising from the remeasurement of investment properties. Due to the materiality of this change, the Company provides enhanced disclosure to improve transparency regarding the valuation process and underlying assumptions.

The Company assessed the competence reasonableness of the fair value of investment properties by comparing the appraised values with recent acquisition costs, where applicable, and noted no material inconsistencies.

Management also assessed the competence, independence, and objectivity of the appraiser and reviewed the valuation methodologies and assumptions used.

NOTE 11 – INVESTMENTS IN SUBSIDIARIES - NET

As at December 31, 2025 and 2024, details of investments in subsidiaries accounted for under the cost method are as follow:

Particulars		**2025**		2024
WPP	₱	**440,000,000**	₱	440,000,000
GLCI		**427,000,000**		427,000,000
PGDI		**403,707,804**		403,707,804
DSI		**179,786,001**		179,786,001
CUBES		**79,879,414**		79,879,414
PHMDC		**3,062,500**		3,062,500
PBBEI		**1,250,005**		1,250,005
PeTI		**62,500**		62,500
PHBSI		**62,500**		62,500
PHAC		**62,500**		62,500
Total		**1,534,873,224**		1,534,873,224
Less: Allowance for impairment losses		**83,783,679**		83,129,414
Net	₱	**1,451,089,545**	₱	1,451,743,810

WPP
WPP is incorporated for the purpose of acquiring by purchase, lease, donation, or otherwise, and owning, using, improving, developing, subdividing, selling, mortgaging, exchanging, leasing, developing, and holding for investment or otherwise real estate of all kinds.

WPP's subsidiary, TCNBI, is engaged in the business of owning and operating hotels and other resort developments.

GLCI
GLCI is a real estate developer based in Baguio City and develops innovative, master-planned communities of low- to mid-rise residential and commercial condominiums, including dormitories.

PGDI
PGDI is primarily engaged in mining-related services such as hauling and excavation for mining companies.

PGDI's subsidiaries, PHMIC and PSMVI, are holders of Mineral Production Sharing Agreements (MPSAs) covering approximately 10,384 hectares, containing probable commercial-quality limestone deposits located in the mineralized area of Southern Palawan. As at December 31, 2025, PHMIC and PSMVI are under the exploration stage and in the process of renewing their exploration period, subject to evaluation and approval of the Mines and Geosciences Bureau (MGB) upon submission of requirements.

DSI
DSI previously operated e-Games stations, with its primary purpose to carry out information technology and other related businesses.

CUBES
CUBES is primarily engaged in providing management, investment, and/or technical solutions to commercial, industrial, and other types of enterprises. In May 2017, CUBES' operation was discontinued and put on hold due to operational issues. As of December 31, 2024, CUBES has not yet resumed its operations, and management is currently assessing its options on whether to continue its operations or sell its equipment to prospective buyers.

PHMDC, PBBEI, PeTl, PHBSI, and PHAC are engaged in business activities relating to entertainment, gaming, and human resources management consulting. As of December 31, 2025, these subsidiaries have not started commercial operations.

Details of the allowance for impairment are as follows:

Particulars	CUBES	PHBSI	PeTI	PHMDC	PHAC	PBBEI	Total
Balance at beginning and end of year	₱79,879,414	₱62,500	₱62,500	₱3,062,500	₱62,500	₱654,265	₱83,783,679

NOTE 12 – OTHER NONCURRENT ASSETS

These accounts consist of:

Particulars	2025	2024
Film rights	₱ **1,622,007**	₱ 2,027,508
Idle property	**15,709,422**	15,709,422
Total	₱ **17,331,429**	₱ 17,736,930

The movements of the film rights are as follows:

Particulars	2025	2024
Cost		
Balance at beginning and end of year	₱ **59,641,480**	₱ 59,641,480
Accumulated Impairment Losses		
Balance at beginning of year	**57,613,972**	57,208,471
Impairment	**405,501**	405,501
Balance at end of year	**58,019,473**	57,613,972
Carrying Amount	₱ **1,622,007**	₱ 2,027,508

Film rights pertain to the unamortized cost of completed theatrical films and television projects and film rights acquired by the Company when it was still active in the entertainment business.

In assessing the impairment of film rights, the Company uses the income approach – discounted cash flow method, which assumes that the going rate per film of ₱0.8 million declines by 10.00% per year as observed in the price trends from 1998 up to the current year.

Idle property represents cumulative payments of the Company for purchase of four (4) land rights in 2015 and 2016, for which the titles and registration has yet to be obtained by the Company. These land rights were sold to WPP by the Company in 2016 for future development or resale resulting to recognition of realized gain on sale amounting to ₱87.3 million.

At the special meeting of the Board of Directors of the Corporation held on May 16, 2024, the Directors approved the reversal of the Assignment of Rights and Undertaking to Execute Deed of Assignment and Transfer of Rights made between PHA and WPP covering the four (4) parcel of land with total area of 1,728,824 sqm, after discovery of anomalies in the registration documents of these rights. The rescission resulted to the recognition of loss on sale of property in the statements of income in the amount of ₱87.3 million.

As of December 31, 2025 the balance of the idle property amounted to ₱15,709,422.

NOTE 13 – ACCOUNTS AND OTHER PAYABLES

This account consists of:

Particulars		2025		2024
Accrued expenses	₱	**199,110,620**	₱	189,460,353
Account payable		**28,228,725**		38,681,348
Advances from officers and shareholders		**27,818,758**		16,719,600
Statutory liabilities		**10,851,583**		10,448,744
Others		**13,000,000**		13,000,000
Total	₱	**279,009,686**	₱	268,310,045

In 2025, the Company performed a detailed review of long outstanding accounts payable balances in accordance and certain balances were identified as no longer representing present obligations of the Company due to the absence of supporting documentation, lack of supplier confirmation, and prolonged inactivity. Based on management's assessment, these balances no longer meet the definition of a liability.

Accordingly, such payables were derecognized during the year, with the resulting gain recognized in profit or loss under "Other Income." The Company believes that this treatment appropriately reflects the substance of the transactions and results in a fair presentation of the Company's financial position and performance. (Note 18)

Pursuant to the Board of Directors' resolution and discussions in the meeting held on June 5, 2025, the Company approved the transfer amounted to amounted to ₱13,450,000 of previously accrued interest and the reclassification of the settled and fixed amount to Accounts Payable, consistent with the enforceable amount required to be paid under the Sheriff's instruction. Accordingly, accrued interest previously recognized beyond the enforceable and demandable amount was reversed, and the principal obligation, together with the approved interest thereon, was reclassified from Accrued Interest Payable to Accounts Payable.

Accrued expenses pertain to accrual of interest, salaries and benefits, professional fees and other taxes which are expected to be settled within 12 months from the end of the reporting period.

Accounts payable arises from regular transactions with contractors and suppliers. These are noninterest-bearing and are normally settled on a 15 to 60-day terms.

Advances from officers and shareholder represents additional funds from the Company's officers and shareholders to be used in its ongoing projects.

Statutory liabilities pertain to withholding taxes and other amounts payable to the Philippine Government. These are noninterest-bearing and are generally in 30 to 45 days.

Other payable represents the liability of the Company to individuals arising from repayment of loan by way of dacion en pago. These are noninterest-bearing and are due upon demand.

NOTE 14 – SHORT-TERM LOANS

As of December 31, this account consists of:

Particulars		2025		2024
Third parties	₱	**26,486,006**	₱	26,486,006
Shareholders and officers		**107,482,856**		107,482,856
Banks		**11,102,670**		15,000,000
Total	₱	**145,071,532**	₱	148,968,862

Short-term loans are unsecured and were obtained to finance the working capital requirements of the Company. These are payable within 180 to 360 days with interest rates ranging from 8.0% to 12.0% per annum.

Short-term loans are unsecured and were obtained to finance the working capital requirements of the Company. Details of interest expense are as follows:

Particulars		**2025**		2024
Share lending agreement	₱	**24,070,896**	₱	24,075,180
Short-term loans		**12,402,857**		11,715,842
Related party		**2,031,171**		-
Total	₱	**38,504,924**	₱	35,791,022

NOTE 15 – NON-CURRENT PAYABLES

This account consists of:

Particulars		**2025**		2024
Third parties	₱	**35,667,380**	₱	35,667,380
Shareholders		**37,299,341**		37,499,341
Total	₱	**72,966,721**	₱	73,166,721

Certain accounts and other payables previously classified as current have been reclassified to non-current liabilities as of December 31, 2025. The reclassification was made because the settlement of these obligations is presently deferred due to the on-going legal proceedings, and management does not expect settlement to occur within twelve (12) months after the reporting period. (Note 21)

NOTE 16 – RETIREMENT LIABILITY

The Company has an unfunded non-contributory defined benefit plan covering all regular employees. Benefits are based on the employee's years of service and final plan salary.

Under the existing regulatory framework, Republic Act 7641, *The Retirement Pay Law*, requires a provision for retirement pay to qualified private sector employees in the absence of any retirement plan in the entity, provided however that the employee's retirement benefits under any collective bargaining and other agreements shall not be less than those provided under the law. The law does not require minimum funding of the plan.

Retirement benefit cost recognized as part of "Personnel costs" in the separate statements of comprehensive income consists of:

Particulars		**2025**		2024
Interest expense on defined benefit obligation	₱	**73,204**	₱	**-**
Service cost		**83,441**		**-**
Total	₱	**156,645**	₱	**-**

Remeasurement gains on defined benefit obligation recognized in 2025 and 2024 under OCI in the separate statements of comprehensive income:

Particulars	**2025**	2024
Actuarial gains (losses) due to:		
Experience adjustments	₱ **467,960**	₱ **-**
Changes in financial assumptions	**(339,473)**	**-**
Remeasurement gains on defined benefit obligation	**807,433**	**-**
Income tax effect	**201,858**	**-**
Remeasurement gains	₱ **605,575**	₱ **-**

Cumulative remeasurement gains recognized in other comprehensive income follows:

	2025		
Particulars	Cumulative Remeasurement gains	Deferred Tax	**Net**
Balance at beginning of year	₱ 1,040,180	₱ (260,796)	₱ **779,384**
Remeasurement gains/(loss)	807,433	(201,858)	**605,575**
Balance at end of year	₱ 1,847,613	₱ 462,654	₱ **1,384,959**

	2024		
Particulars	Cumulative Remeasurement gains	Deferred Tax	Net
Balance at beginning of year	₱ 1,040,180	₱ (260,796)	₱ 779,384
Remeasurement gains	-	-	-
Balance at end of year	₱ 1,040,180	₱ (260,796)	₱ 779,384

Changes in the present value of the defined benefit obligation are as follows:

Particulars	**2025**	2024
Balance at beginning of year	₱ **1,207,985**	₱ 1,207,985
Actuarial losses (gains) due to:		
Experience adjustments	**(339,473)**	-
Changes in financial assumptions	**(467,960)**	-
Interest expense on defined benefit obligation		-
Service cost	**83,441**	-
Benefits paid	**73,204**	-
Balance at end of year	₱ **557,197**	₱ 1,207,985

The cost of defined benefit pension plans as well as the present value of the pension liabilities is determined using actuarial valuations. The actuarial valuation involves making various assumptions. The principal assumptions used to determine pension for the Company are as follows:

Particulars	**2025**	2024
Discount rate	**6.42%**	6.06%
Salary increase rate	**2.00%**	5.00%

The sensitivity analysis below has been determined based on reasonably possible changes of each significant assumption on the defined benefit obligation as of the end of the reporting period, assuming all other assumptions were held constant:

Particulars	Increase (Decrease)	Effect on the retirement benefit obligation **2025**	2024
Discount rate	+100bps	₱ **(69,637)**	₱ (172,547)
	-100bps	**81,534**	378,442
Salary increase	+100bps	**84,472**	286,443
	-100bps	₱ **(73,075)**	₱ (243,508)

The Company does not have a formal retirement plan where its retirement obligation could have been funded. As at December 31, 2025, the Company has no expected benefit payments in the next 12 months.

NOTE 17 – RELATED PARTY TRANSACTIONS

In the ordinary course of business, the Company has transactions with related parties which consist mainly of extension or availment of noninterest bearing advances and interest-bearing short-term and long-term loans.

Transactions and outstanding balances with related parties are as follows:

Related Party	**Nature of Transaction**	Transactions **2025**	Transactions 2024	Outstanding Balance **2025**	Outstanding Balance 2024	Terms and Conditions
Receivables						
Subsidiary	Sale of land	₱	₱ (449,000,000)	₱ -	₱ -	Unsecured, due and demandable, noninterest bearing
	Interest receivable	-		**625,788**	625,788	Unsecured, due and demandable, noninterest bearing
Officers and shareholders	Advances	**(312)**	32,467,258	**7,930,363**	7,930,675	Unsecured, due and demandable, noninterest bearing
Less: Allowance for ECL		-	-	**(625,788)**	(625,788)	
Net		**(312)**	(416,532,742)	**7,930,363**	7,930,675	
Dividend receivable						
Subsidiaries	Cash dividends	₱	₱ (5,450,000)	₱ -	₱ -	Unsecured, due and demandable, noninterest bearing
Note receivable						
Subsidiary	Note receivable	₱ -	₱ -	₱ **35,558,000**	₱ 35,558,000	Unsecured and subjected to 8% interest per annum
Less: Allowance for ECL		-	-	**(35,558,000)**	(35,558,000)	
Net		₱ -	-	-	-	
Due from Related Parties						
Subsidiaries	Advances	₱ **5,112,431**	₱ 3,930,086	₱ **111,924,751**	₱ 106,812,320	Unsecured, due and demandable, noninterest bearing
Less: Allowance for ECL		**(2,388,206)**	(247,239)	**(16,964,177)**	(14,575,971)	
Net		₱ **2,724,225**	₱ 3,682,847	₱ **94,960,574**	₱ 92,236,349	
Short-term loans						
Officers and shareholders		₱ -	₱ 101,432,856	₱ **138,832,856**	₱ 138,832,856	Unsecured and subject to 6% interest per annum, 180-360 days

Related Party	Nature of Transaction	Transactions		Outstanding Balance		Terms and Conditions
		2025	2024	**2025**	2024	
Accounts and other payables						
Officers and shareholders	Advances	₱ **11,099,158**	₱ -	₱ **27,818,758**	₱ 16,719,600	Unsecured and subject to 6% interest per annum, 180-360 days
Due to related parties						
Subsidiaries	Advances	₱ **38,707,722**	₱ 125,134,964	₱ **485,547,031**	₱ 446,839,309	Unsecured, due and demandable, noninterest bearing

The Company, in the ordinary course of business, has entered into transactions with its related parties which consists mainly of the following:

a. In December 2017, the Company sold its investment property located in Bacungan, Puerto Princesa, Palawan to WPP for a total consideration of ₱449 million which remain outstanding as at December 31, 2023 (see note 8).

   At the special meeting of the Board of Directors of the Corporation held on May 27, 2024, the Directors approved the Rescission of the Contract to Sell, resulting to the reversal of the receivables.

b. In December 2017, the BOD of PHBSI and PHAFC declared cash dividends payables to its stockholders of record as of date. Dividends receivable of the Company from both subsidiaries amounted to ₱5.5 million as of December 31, 2024 and 2023.

   In 2024, the non-operating subsidiaries reversed the dividend declaration due to lack of funds.

c. The Company has extended a loan to CUBES. The loan is due and payable on demand and bear an interest of 8.00% per annum. The Company waived interest on this loan. In 2022, the Company provided the outstanding balance of ₱35.6 million with full impairment.

d. In 2024, the Company charged interest income on its due from related parties amounting to ₱10.5 million (see Note 5).

Summary of allowance for impairment losses income on related party balance as at December 31, 2025 and 2024 is as follows:

Particulars	**2025**	2024
Allowance for impairment losses on:		
Note receivable	₱ **35,558,000**	₱ 35,558,000
Due from related parties	**16,964,177**	14,575,971
Receivables	**625,788**	625,788
Total	₱ **53,147,965**	₱ 50,759,759

Impairment assessment on related party receivables is undertaken each financial period through examining the financial position of the related party and the market in which the related party operates. Settlement of the outstanding balances normally occur in cash, unless otherwise stated.

Compensation of Company's Key Management Personnel
Compensation of the Company's key management personnel consists of short-term employee benefits amounting to ₱2.01 million and ₱19.2 million in 2025 and 2024, respectively. There are no post-employment benefits in 2025 and 2024. There are no agreements between the Company and any of its directors and key officers providing for benefits upon termination of employment, except for such benefits to which they may be entitled under the Company's retirement plan.

NOTE 18 – OTHER INCOME

For the year ended December 31, 2025 and 2024, this account consists of other income amounted to ₱62,058,868 and ₱10,570,245, respectively.

In 2025, the Company wrote-off long outstanding payables amounted to ₱54,508,868 as part of the clean up of the accounts performed by the Company (Note 13).

NOTE 19 – INCOME TAXES

On January 5, 2024, Ease of Paying Taxes (EOPT) Act was passed into law. The EOPT Act introduced significant amendments to the National Internal Revenue Code of 1997 ("The Code") which are intended to protect and safeguard taxpayer rights and welfare to modernize tax administration by providing mechanisms that encourage easy compliance at the best cost and resources, and to update the tax system and adopt best practices.

The amendments include the following:

- File and pay anywhere mechanism. Taxes shall be paid either electronically or manually at the time the return is filed.
- Classification of taxpayers into micro, small, medium and large taxpayers.
- Withholding of tax on income payments only when payable.
- Imposing value-added tax (VAT) on services, based on gross sales, no longer on gross receipts.
- VAT invoices are sufficient to substantiate input VAT arising from the purchase at both goods and services.
- Removal of "business style" as a VAT invoicing requirement.
- Removal of withholding tax as requirement for deductibility of income payments.

On November 8, 2024, the President signed the Corporate Recovery and Tax Incentives for Enterprises to Maximize Opportunities for Reinvigorating the Economy (CREATE MORE) Act into law (Republic Act No. 12066). The CREATE MORE Act aims to generate jobs and spur economic growth. It builds on the earlier CREATE Act by enhancing the tax regime and incentive framework to attract both domestic and international investments, particularly, in strategic industries. The features include.

- Registered business enterprises under the Enhanced Deduction Regime subject to the 20% corporate income tax rate
- Sales to export-oriented enterprises (70% export sales) Value-Added Tax (VAT) zero-rated if directly attributable to export activities
- Export sales as defined under Executive Order No. 226 generally omitted from enumeration of VAT zero-rated sales
- Sales to bonded manufacturing warehouses of export-oriented enterprises are VAT zero-rated
- Additional due process requirements in the processing of input VAT refund claims
- Mandatory issuance of electronic invoices (e-Invoices) for certain taxpayers
- Additional deduction for micro/small taxpayers and medium/large using e-Invoices
- The 5% Special Corporate Income Tax is in lieu of all taxes including local fees and charges
- Additional deductions for export and domestic market enterprises under the Enhanced Deductions Regime
- Local government units may impose local taxes on RBEs up to 2% of gross income

The reconciliation of benefit from income tax computed at the statutory income tax rate to the provision for income tax follows:

Particulars	2025	2024
Tax expense (benefit) from income tax at statutory tax rate	₱ **11,888,932**	₱ 478,943,879
Change in unrecognized deferred tax assets	**8,919,083**	45,410,228
Tax effects of:		
Nondeductible expense	**1,394,492**	838,385
Income subjected to final tax	**(218)**	(3,742)
Total	₱ **22,202,289**	₱ 525,188,750

As at December 31, 2025 and 2024, the Company's deferred tax liability arises from actuarial gains on retirement liability amounting to ₱201,858 and nil, respectively. (Note 16)

The Company did not recognize deferred tax assets on the following temporary differences, NOLCO and excess MCIT over RCIT because the management believes that it is not probable that sufficient future taxable income will be available to allow part of the deferred tax assets to be utilized:

Particulars	2025	2024
NOLCO	₱ **707,937,345**	₱ 672,261,013
Allowance for impairment losses on:		
Investments in subsidiaries	**83,783,679**	83,129,414
Film rights	**9,729,896**	9,324,395
Note receivable	**35,558,000**	35,558,000
Due from related parties	**16,964,177**	14,575,971
Receivables	**625,788**	625,788
Input VAT	**39,637**	39,637
Other noncurrent assets	**662,061**	662,061
Retirement liability	**-**	1,782,160
Excess MCIT over RCIT	**452,707**	227,282
Total	₱ **855,753,290**	₱ 818,185,721

The details of the Company's unused NOLCO which can be claimed as deduction from future taxable income during the stated validity are as follows:

Year incurred	Valid Until	Beginning Balance	Incurred	Expired	Ending Balance
2025	2028	₱ -	₱ 35,676,332	₱ -	₱ 35,676,332
2024	2027	181,640,913	-	-	181,640,913
2023	2026	114,503,989	-	-	114,503,989
2022	2025	127,377,788	-	-	127,377,788
2021	2026	120,338,515	-	-	120,338,515
2020	2025	128,399,808	-	-	128,399,808
Total		₱ 672,261,013	₱ 35,676,332	₱ -	₱ 707,937,345

The details of the Company's excess MCIT over RCIT which can be claimed as deduction against income tax liability during the stated validity are as follows:

Year incurred	Valid Until	Beginning Balance	Incurred	Expired	Ending Balance
2025	2028	₱ -	₱ 1,311,302	₱ -	₱ 1,311,302
2024	2027	211,405	-	-	211,405
2023	2026	101,317	-	-	101,317
2022	2025	2,028	-	-	2,028
2021	2024	123,937	-	123,937	-
		₱ 438,687	₱ 1,311,302	₱ 123,937	₱ 1,626,052

The movement of deferred tax asset (liability) is as follows:

Particulars	Tax Base (Movement)	Tax Rate	Tax Effect: Beginning Balance	Tax Effect: Movement	**Ending Balance**
Impairment on film rights	₱ 405,501	25%	-	101,375	**101,375**
Allowance for expected credit losses	10,772,645	25%	-	2,693,162	**2,693,162**
Retirement liability	(1,846,617)	25%	(259,796)	(201,858)	**(461,654)**
Change in fair value on property valuation	(2,200,742,300)	25%	(525,188,750)	(24,996,825)	**(550,185,575)**
	₱ (2,191,410,771)		₱ (525,448,546)	₱ (22,404,146)	₱ **(547,852,692)**

NOTE 20 – EQUITY

Capital Stock

The details and movements of the Company's number of common shares follow:

	2025		2024	
	Number of Shares	**Amount**	Number of Shares	Amount
Authorized - ₱0.25 par value per share				
Balance at beginning of year	**6,000,000,000**	₱ **1,500,000,000**	6,000,000,000	₱ 1,500,000,000
Increase in authorized capital stock	**-**	**-**	-	-
	6,000,000,000	₱ **1,500,000,000**	6,000,000,000	₱ 1,500,000,000
Issued and fully paid				
Balance at beginning of year	**5,640,405,618**	₱ **1,410,101,404**	3,456,388,489	₱ 864,097,122
Shares fully paid during the year	**-**	**-**	2,184,017,129	546,004,282
Additional subscription	**-**	**-**	-	-
Balance at end of year	**5,640,405,618**	₱ **1,410,101,404**	5,640,405,618	₱ 1,410,101,404
Subscribed but not yet fully paid				
Balance at beginning of year	**67,953,886**	₱ **16,988,472**	2,251,971,015	₱ 562,992,754
Shares fully paid during the year	**-**	**-**	(2,184,017,129)	(546,004,282)
Balance at end of year	**67,953,886**	₱ **16,988,472**	67,953,886	₱ 16,988,472
Less subscriptions receivable				
Balance at beginning of year		₱ **12,741,354**		₱ 419,593,050
Collection		**-**		(406,851,696)
Balance at end of year		₱ **12,741,354**		₱ 12,741,354
Issued and subscribed	**5,708,359,504**	₱ **1,414,348,522**	5,708,359,504	₱ 1,414,348,522

On May 2, 1997, the Company had its shares listed at the Philippine Stock Exchange, where 520.0 million common shares were offered at ₱1.00 a share. The Company has 145 existing shareholders as at December 31, 2025 and 2024, respectively.

Share Subscription Agreement
On October 29, 2020, the Company entered into a Memorandum of Agreement with an investor group for an equity infusion through a subscription of 2,803,030,303 shares or 55% ownership in the Company at ₱0.33 per share for ₱950.0 million. Of the consideration, ₱300.0 million was in cash and the balance of ₱625.0 million was a combination of cash and/or infusion of SPTI shares over a period of two years, with the intent of making SPTI a subsidiary of the Company. The Company received ₱371.1 million from the subscription.

On October 13, 2022, the BOD decided that it will no longer pursue its planned acquisition of 33% of SPTI.

Of the 2,803,030,303 shares subscribed by the investor group, 1,678,372,199 shares remained unpaid, with unpaid subscriptions of ₱553.9 million. In February 2023, the BOD approved a call for payment on the remaining unpaid shares. After a 30 days-compliance period, 1,457,756,139 shares with unpaid balance of ₱357.3 million were considered delinquent shares. On April 11, 2023 the BOD authorized the sale of the delinquent shares at a public auction on May 11, 2023.

Of the delinquent shares, 1,389,802,253 were sold to a private investor for ₱344.8 million. These were fully collected on July 7, 2023.

Additional Paid-in-Capital
Additional paid-in capital includes paid-in capital in excess of par amounting to ₱564.2 million as at December 31,2025 and 2024, respectively, and the equity component of the issued convertible loans amounting to ₱18.7 million at December 31, 2025 and 2024.

Subscription Receivable
Movements in subscription receivable, which is treated as a deduction against capital stock and APIC, are as follows:

	2025			2024		
	Capital Stock	APIC	**Total**	Capital Stock	APIC	Total
Balance at beginning of year	₱ 12,741,354	₱ 4,077,233	₱ **16,818,587**	₱ 12,741,354	₱ 4,077,233	₱ 16,818,587
Collection	-	-	**-**	-	-	-
Balance at end of year	₱ 12,741,354	₱ 4,077,233	₱ **16,818,587**	₱ 12,741,354	₱ 4,077,233	₱ 16,818,587

Share Lending Agreement
On July 20, 2021, the Board of Directors (BOD) of the Company approved a Put Option Agreement with LDA Capital Limited (LDA) for equity financing of up to ₱2.5 billion over the next 36 months.

In August 2021, the Company issued a Put Option Notice (PON) to LDA for 190,000,000 listed shares. A group of stockholders (referred to as the Share Lenders) lent 210,000,000 shares to the Company. Out of the total shares, 190,000,000 shares were designated as Collateral Shares for the PON. The remaining 20,000,000 shares were transferred to an Options Shares Securities Account held by LDA to meet the Company's obligations to sell option shares and to secure the payment of any portion of the commitment fee.

In consideration for the lending of shares by the Share Lender to LDA on behalf of the Company pursuant to the Put Option Agreement, the Company shall pay the Share Lender a lending fee equivalent to 18.0% per annum, based on the market prices of the shares at the time of transfer. The lending fees accrued and recognized as part of the "Interest Expense" account amounted to ₱24 million and ₱30.0 million in 2024 and 2023, respectively.

On October 15, 2021, LDA subscribed to 70,835,000 new primary shares of the Company at a subscription price of ₱1.01 per share. The subscription price, totaling ₱71.4 million, was fully paid and recognized as "Deposit for Future Stock Subscription" pending the finalization of the terms and conditions of the subscription.

In 2025 and 2024, the Company recognized commitment fees to LDA amounting to nil for both years.

Deposit for Future Stock Subscription
In 2021, the convertible notes holders exercised their rights to convert the principal of ₱354.0 million and accrued interest of ₱24.7 million to equity of the Company at a conversion price of ₱0.70 a share, equivalent to

540,938,008 shares. The amount was initially recognized as "Deposit for future stock subscription" and was issued on March 22, 2022, when the SEC issued the Certificate of Approval of Valuation of shares.

In December 2, 2024, the Philippine Stock Exchange ("PSE") issued a Notice of Approval for the listing of additional shares totaling 1,202,271,236 common shares as a result of the debt-to-equity conversion and private placement.

On November 17, 2021, the BOD approved the increase in the Company's authorized capital stock from ₱1.5 billion, divided into 6,000,000,000 common shares at ₱0.25 par value per share, to ₱2.5 billion, divided into 10,000,000,000 shares at ₱0.25 par value per share. This was ratified by the shareholders on December 17, 2021.

As of the report date, the application for the increase in authorized capital stock has yet to be filed with the SEC.

Dividends Payable
Dividends payable amounting to ₱39.8 million pertain to the dividends declared on March 20, 2018. This includes property dividends consisting of 268,000,000 shares of PGDI with a fair value of ₱36.8 million and cash dividends of ₱3.0 million.

In a meeting held on December 11, 2024, following the absence of necessary regulatory approvals, the Board of Directors approved the cancellation of the declaration of the property dividends amounting to ₱39.8 million.

Retained Earnings
The retained earnings as at December 31, 2025 includes unrealized fair value gain on investment properties, net of tax, amounting to ₱1,575 million, which are not available for dividend declaration. After considering the reconciling items, the Company has no available retained earnings for dividend declaration as at December 31, 2025.

Prior Period Adjustments
The prior period adjustments as at December 31, 2025 and 2024 includes adjustments amounted to ₱1,262,593 and ₱5,450,000, respectively. The adjustments are as follows:

- In 2025, advances to officers were adjusted for Php169,600 to close the expenses paid to vendor, Due from PGDI by Php1,066,658 for the cost paid by parent company for the MPSA projects and the adjustment of Php26,335 as the payment to registry of deeds for the annotation of real estate mortgage.
- In 2024, property and equipment was adjusted for the amount of ₱548,250 to correct the accumulated depreciation of office space (Note 9).

Capital Management
The primary objective of the Company's capital management is to ensure that it maintains strong credit standing and healthy capital ratios to support its business and maximize shareholder value. The Company manages its capital structure and makes adjustments in light of changes in economic conditions. The Company considers its equity as capital and is not subject to externally imposed capital requirements.

No changes were made to the Company's capital management objectives, policies, or processes in 2025 and 2024.

Basic and Diluted EPS Attributable to Equity Holders of the Parent Company

Basic earnings per share is calculated by dividing the net income (loss) of the Company for the year over the weighted average number of common shares outstanding during the year.

Particulars		**2025**		2024
Net income (loss)	₱	**25,959,016**	₱	1,390,586,764
Weighted average number of outstanding common shares*		**5,708,359,504**		5,708,359,504
Basic and Diluted Earnings (Loss) Per Share	₱	**0.005**	₱	0.244

**The weighted average number of shares takes into account the weighted average effect of changes in treasury shares transactions and new subscriptions during the year.*

The weighted average number of common shares outstanding are computed as follows:

Particulars	**2025**	2024
Number of shares at beginning of year	**5,708,359,504**	5,708,359,504
Weighted average number of Parent Company shares issued during the year	**-**	-
Weighted average common shares	**5,708,359,504**	5,708,359,504

Diluted EPS is computed similar to the computation of the basic EPS except that the net income (loss) and the weighted average number of shares outstanding should be adjusted for the effects of all dilutive potential common shares. The effect of the conversion option of the convertible loans is anti-dilutive in 2025 and 2024. Thus, the basic and diluted EPS are the same in 2025 and 2024.

NOTE 21 – LEGAL CASES AND CONTINGENCIES

The Company is involved in legal proceedings relating to transactions with stockholders and former officers, as well as compliance with corporate rules and regulations. As of December 31, 2025, the details of these legal proceedings are as follows:

a. *Augusto Antonio C. Serafica Jr. (Plaintiff) vs. Premiere Horizon Alliance Corp, Eugenio T. Tan, Raul Ma. F. Anonas, Andres A. Del Rosario, Brandon P. Leong, Geronimo B. Halili, Esteban G. Pena Sy, Gloria Victoria Y. Taruc, Ernest Sze Lok Yeung, and Marian Pena* NPS Docket No XV-14-INV-23H-01089

This involves the alleged Twenty-Five Million PHA shares supposedly valued at Four Million Seven Hundred Fifty Thousand Pesos that were not returned by the Company to the Plaintiff. The Office of the City Prosecutor of Pasig City (OCP – Pasig) dismissed the case based on insufficiency of evidence. Pertinently, the OCP – Pasig held that there was no evidence presented to prove that the subject shares were not utilized in accordance with the pertinent contracts.

The *Complaint* as well as the subsequent *Motion for Reconsideration* filed by the plaintiff were both dismissed by the OCP – Pasig. Plaintiff filed a *Petition for Review* with the Department of Justice – Manila to assail such dismissal last August 2024.

In response thereto, the individual officers and directors of PHA have filed their respective *Comments/Opposition*, highlighting the failure of the Plaintiff to raise any new substantial matter that will warrant the reversal of the dismissal of the case. The case is now deemed submitted for resolution.

b. *People of the Philippines v. Augusto Antonio Serafica Jr., Raul Ma. Anonas, and Andres Del Rosario* Crim Case No. R-PSG-26-00006-CR

This criminal case for Estafa under Articles 315 (1)(b) files against PHA's former officers, Messrs. Augusto Antonio C. Serafica, Jr. (Serafica), Raul Ma. F. Anonas, and Andres A. Del Rosario and is now pending before the RTC Pasig.

This criminal case stemmed from PHA's internal audit, which exposed certain anomalous transactions involving an elaborate scheme, where the accused Serafica, with the indispensable cooperation of accused Anonas and Del Rosario, siphoned money from PHA and used the same to purchase shares in his own name. Accused Serfica was able to obtain money amounting to ₱66 million which was done by issuing PHA checks in his favor, allegedly as payment for his advances or loans, and using the proceeds thereof as payment for his subscription.

The arraignment and pre-trial of the case is tentatively scheduled on March 15, 2026 at 8:30 in the morning, in view of the pendency of the *Petition for Review* filed by all of the accused.

All of the accused filed a *Motion to Defer Proceeding,* arguing that the matters raised in the collection case filed by Serafica before RTC Makati, specifically those pertaining to the ₱66 million civil liability, constitute a prejudicial question that warrant the suspension of the instant proceedings. In response thereto, PHA filed a *Consolidated Opposition,* arguing that there is no prejudicial question to speak of considering that the RTC Makati already dismissed the counterclaims filed by PHA.

c. *People of the Philippines v. Raul Ma. Anonas, and Andres Del Rosario* Crim Case No. R-PSG-26-0007-CR

This criminal case for Estafa under Articles 315(1)(a) filed against PHA's former officers, Raul Ma. F. Anonas (Anonas), and Andres A. Del Rosario (Del Rosario) which is also pending before the RTC Pasig.

This criminal case stemmed from PHA's internal audit, which exposed certain anomalous transactions involving an elaborate scheme, where accused Anonas, with the indispensable cooperation of accused Del Rosario, siphoned money from PHA in the amount of ₱12.3 million, despite the absence of any loan agreement or promissory note as proof of such obligation to one Angelica San Luis. Thereafter, accused Anonas used the check payment issued by PHA to Ms. San Luis as payment for his own subscriptions with the Company.

The arraignment and pre-trial of the case is tentatively scheduled on March 15, 2026 at 8:30 in the morning, in view of the pendency of the *Petition for Review* filed by all of the accused.

All of the accused filed a *Motion to Defer Proceedings,* arguing that the matters raised in the collection case filed by Serafica before RTC Makati, specifically those pertaining to the ₱66 million civil liability, constitute a prejudicial question that warrant the suspension of the instant proceedings. In response thereto, PHA filed a *Consolidated Opposition,* arguing that there is no prejudicial question to speak of considering that the RTC Makati already dismissed the counterclaims filed by PHA.

d. *Premiere Horizon Alliance Corporation. v Augusto Antonio Serafica Jr., Raul Ma. Anonas, and Andres Del Rosario* NPS Docket No. XV-14-INV-25H-02476-02478

This is a *Petition for Review* filed by all of the accused in relation to the abovementioned cases, questioning the findings of the Office of the City Prosecutor-Pasig City (OCP-Pasig) which indicated accused Serafica, Anonas and Del Rosario for the crime of Estafa under Article 315(1)(b) and accused Anonas and Del Rosario for the crime of Estafa under Article 315(2)(1) of the Revised Penal Code.

All of the accused argue that there was an apparent haste on the part of OCP-Pasig in resolving the present *Complaint-Affidavit* and that OCP-Pasig erred in finding that they are liable for the crimes against them.

In response to the *Petition for Review* filed by accused Anonas and Del Rosario, PHA filed its *Verified Comment* last February 2, 2026. Meanwhile, PHA also filed its *Comment* to the *Petition for Review* filed by accused Serafica in February 18, 2026.

Considering that the matters raised are mere rehash of the arguments previously ruled upon by the OCP, if not unsubstantial matters that deserve scant consideration, PHA is hopeful that DOJ will dismiss the *Petition for Review,* especially considering that the criminal cases are already pending before the RTC-Pasig.

e. *Premiere Horizon Alliance Corporation and People of the Philippines v. Hon. Ira Fritzie C. Cruz-Rojo, in her capacity as presiding judge of the Regional Trial Court of Pasig City-Branch 67, Augusto Antonio C. Serafica Jr. and Marvin C. Dela Cruz* C.A. G.R. No. 182115 (formerly Crim Case No. R-PSG-22-00208-C**)** Petition for Certiorari (Re: Estafa under Art. 315(1)(b) of the Revised Penal Code)

In relation to the abovementioned cases, this is a *Petition for Certiorari* filed by the Company, assailing the *Orders* issued by the RTC Pasig, Branch 67 ("Dismissal Orders"), ordering the dismissal of the Estafa case against Mr. Serafica and Mr. Dela Cruz, citing as sole basis thereto the *Decision* issued by the Court of Appeals in CA-G.R. No. 183768, despite the fact that the same has yet to attain finality and tackles an entirely different issue regarding the determination of executive probable cause.

Both parties have already filed their respective *Memoranda* and the case is now submitted for Decision.

Management, in consultation with its legal counsels, believes that the outcome of these proceedings will not have a material adverse effect on the financial position and performance of the Company.

NOTE 22 – OTHER MATTERS

Non-adjusting events

In 2025, Premiere Horizon Business Services, Inc., a subsidiary of the Company proposed the execution of a Management Services Contract with PHA to manage, preserve, enhance, and commercially develop the dormant film-related intellectual property (IP) owned by PHA, including the licensing, digitization, and distribution of PHA's fully depreciated film library.

On April 06, 2026, the proposed arrangement was approved by the Company's Board of Directors and Officers. Key matters include the recitals and purpose, appointment and scope of management, related party transaction compliance, management fees and expenses, ownership, the authority and exclusivity of the Company in representing the Company in domestic and international business transactions were finalized as stated in the management agreement. The contract term of five (5) years, subject to renewal unless otherwise terminated by the Company's Board.

In 2025, the Company has identified anomalies involving the withdrawal of funds and their subsequent reinvestment into the Company's account as capital, amounting to ₱78.3 million. On August 5, 2025, the Company filed a criminal complaint before the Pasig City Prosecutor's Office against its former officers, Messrs. Augusto Antonio C. Serafica, Jr., Raul Ma. F. Anonas, and Andres A. Del Rosario. The complaint includes charges for Estafa under Articles 315(1)(b) and 315(2)(a), and/or Qualified Theft under Article 310 of the Revised Penal Code, as well as violation of Section 168 of the Revised Corporation Code. The Company filed a *Consolidated Opposition* for the criminal cases; Crim Case No. R-PSG-26-00006-CR and Crim Case No. R-PSG-26-0007-CR with the subject of matter amounted to ₱66 million and ₱12.3 million, respectively. (Note 21)

On *June 16, 2025* the Company received a case filed by its former officer Augusto Antonio C. Serafica, demanding for collection of sum of money for the personal advances made in favor of the corporation to allow it to continue its business pursuits and operations while dealing with liquidity issues in the amount of ₱56,232,153. In response, the Company defense that it does not owe any money allegedly advanced and those same funds came from the Corporation. The Corporation is preparing to file its Answer in due course and allege PHA's counterclaims against Serafica.

Management believes that the resolution of these matters will not have a material adverse effect on the Company's financial position. Accordingly, no provision has been recognized in the financial statements.

NOTE 23 – FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company's principal financial assets and financial liabilities comprise cash in banks, receivables (excluding advances to officers and employees), security deposits, short-term loans, and amounts due to and from related parties. The main purpose of these financial assets and liabilities is to finance the Company's operations.

The main objectives of the Company'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 main risks arising from the Company's financial assets and financial liabilities are liquidity risk and credit risk. Exposure to these risks occurs in the normal course of business activities. The Company's Board of Directors (BOD) reviews and approves actions for managing each of these risks, which are summarized below:

Liquidity risk. Liquidity risk is generally defined as the current and prospective risk to earnings or capital arising from the Company's inability to meet its obligations when they become due without incurring unacceptable losses or costs.

The major liquidity risk confronting the Company pertains to the daily calls on its available cash resources in respect of claims arising from trade and other payables and the maturity of loans payable. To address this, the Company maintains a level of cash deemed sufficient to finance its operations.

To manage its liquidity risk from maturing liabilities, the Company has undertaken various initiatives, as discussed in Note 1.

The following table summarizes the maturity profile of the Company's financial liabilities as of December 31, 2025, and 2024, based on contractual undiscounted cash flows. The maturity grouping is based on the remaining period from the end of the reporting period to the contractual maturity date. When a counterparty has a choice of when the amount is paid, the liability is allocated to the earliest period in which the Company can be required to pay.

	2025			
Particulars	120 days	121-360 days	>360 days	**Total**
Financial liabilities				
Accounts and other payables* (Note 13)	₱ 268,158,103	₱	₱	₱ **268,158,103**
Short-term loans (Note 14)	145,071,532			**145,071,532**
Due to related parties (Note 17)	485,547,031			**485,547,031**
Total	₱ 898,776,666	₱	₱	₱ **898,776,666**

**Excluding statutory liabilities*

	2024			
Particulars	120 days	121-360 days	>360 days	Total
Financial liabilities				
Accounts and other payables* (Note 13)	₱ 257,861,301	₱ -	₱ -	₱ 257,861,301
Short-term loans (Note 14)	148,968,862	-	-	148,968,862
Due to related parties (Note 17)	446,839,309	-	-	446,839,309
Total	₱ 853,669,472	₱ -	₱ -	₱ 853,669,472

**Excluding statutory liabilities*

Credit risk. Credit risk is the risk that the Company will incur a loss because its customers or counterparties fail to discharge their contractual obligations. The Company's credit risks are primarily attributable to cash in banks, receivables, amounts due from related parties, and security deposits. The Company's receivables (excluding advances to officers and employees) and amounts due from related parties are monitored on an ongoing basis.

With respect to credit risk arising from cash in banks, receivables, due from related parties, and other noncurrent assets, the Company's exposure to credit risk arises from the default of the counterparty, with a maximum exposure equal to the carrying amount of these instruments.

The credit quality of the Company's financial assets is as follows:

	2025					
	Neither Past Due nor Impaired			Past due but		
Particulars	High Grade	Medium Grade	Total	not impaired	Impaired	**Total**
Cash in banks (Note 5)	₱ 978,530	₱ -	₱ 978,530	₱ -	₱ -	₱ **978,530**
Receivables (Note 6)	150,990	-	150,990	-	-	**150,990**
Security deposit (Note 7)	-	-	-	320,629	-	**320,629**
Total	₱ 1,129,520	₱ -	₱ 1,129,520	₱ 320,629	₱ -	₱ **1,450,149**

	2024					
	Neither Past Due nor Impaired			Past due but		
Particulars	High Grade	Medium Grade	Total	not impaired	Impaired	Total
Cash in banks (Note 5)	₱ 1,809,708	₱ -	₱ 1,809,708	₱ -	₱ -	₱ 1,809,708
Receivables (Note 6)	142,333		142,333	-	-	142,333
Security deposit (Note 7)	-	320,629	320,629	-	-	320,629
Total	₱ 1,952,041	₱ 320,629	₱ 2,272,670	₱ -	₱ -	₱ 2,272,670

The Company has determined that the credit quality of all neither past due nor impaired financial assets as of December 31, 2025, and 2024 are classified as high grade based on the following:

- Cash – based on the financial and credit standing of the counterparty.
- Receivables – high grade pertains to receivables with no default in payment; medium grade pertains to receivables with up to 3 defaults in payment and low grade pertains to receivables with more than 3 defaults in payment.
- Security deposits – Based on the credit standing/reputation of the counterparty.

The table below shows the Company's aging analysis of financial assets.

	2025					
	Neither past due	Past due but not impaired				
Particulars	nor impaired	120 days	121-360 days	>360 days	Impaired	**Total**
Cash in banks (Note 5)	₱ 978,530	₱ -	₱ -	₱ -	₱ -	₱ **978,530**
Receivables (Note 6)	150,990			-	-	**150,990**
Security deposit (Note 7)	-	-	-	320,629	-	**320,629**
Total	₱ 1,129,520	₱ -	₱ -	₱ 320,629	₱ -	₱ **1,450,149**

	2024					
	Neither past due	Past due but not impaired				
Particulars	nor impaired	120 days	121-360 days	>360 days	Impaired	Total
Cash in banks (Note 5)	₱ 1,809,708	₱ -	₱ -	₱ -	₱ -	₱ 1,809,708
Receivables (Note 6)	142,333	-	-	-	-	142,333
Security deposit (Note 7)	320,629	-	-	-	-	320,629
Total	₱ 2,272,670	₱ -	₱ -	₱ -	₱ -	₱ 2,272,670

Financial instruments with carrying amounts that approximate their fair values as of December 31, 2025 and 2024 follow:

Particulars	2025 Carrying Value	2025 Fair Value	2024 Carrying Value	2024 Fair value
Financial assets				
Cash in banks (Note 5)	₱ **978,530**	₱ **978,530**	₱ 1,809,708	₱ 1,809,708
Receivables (Note 6)	**150,990**	**150,990**	142,333	142,333
Security deposit (Note 7)	**320,629**	**320,629**	320,629	320,629
Total Financial Assets	₱ **1,450,149**	₱ **1,450,149**	₱ 2,272,670	₱ 2,272,670
Financial liabilities				
Accounts and other payables* (Note 13)	₱ **268,158,103**	₱ **268,158,103**	₱ 257,861,301	₱ 257,861,301
Short-term loans (Note 14)	**145,071,532**	**145,071,532**	148,968,862	148,968,862
Due to related parties (Note 17)	**485,547,031**	**485,547,031**	446,839,309	446,839,309
Total Financial liabilities	**898,776,666**	**898,776,666**	853,669,472	853,669,472

**Excluding statutory liabilities*

Fair value hierarchy

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

- Quoted prices in active markets for identical assets or liabilities (Level 1);
- Those involving inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices) (Level 2); and
- Those with inputs for the asset or liability that are not based on observable market data (unobservable inputs) (Level 3).

The following table shows the Company's financial instruments carried at fair value:

Particulars	December 31, 2025 Level 1	Level 2	Level 3	Total
Financial assets				
Cash in banks (Note 5)	₱ **978,530**	₱ **-**	₱	₱ **978,530**
Receivables (Note 6)	**-**	**-**	**150,990**	**150,990**
Security deposit (Note 7)	**-**	**-**	**320,629**	**320,629**
Total Financial Assets	₱ **978,530**	₱ **-**	₱ **471,619**	₱ **1,450,149**
Financial liabilities				
Accounts and other payables* (Note 13)	₱ **268,158,103**	₱ **-**	₱ **-**	₱ **268,158,103**
Short-term loans (Note 14)	**-**	**-**	**145,071,532**	**145,071,532**
Due to related parties (Note 17)	**-**	**-**	**485,547,031**	**485,547,031**
Total Financial liabilities	₱ **268,158,103**	₱ **-**	₱ **630,618,563**	₱ **898,776,666**

**Excluding statutory liabilities*

Particulars	December 31, 2024			
	Level 1	Level 2	Level 3	Total
Financial assets				
Cash in banks (Note 5)	₱ 1,809,708	₱ -	₱ -	₱ 1,809,708
Receivables (Note 6)	-	-	142,333	142,333
Security deposit (Note 7)	-	-	320,629	320,629
Total Financial Assets	₱ 1,809,708	₱ -	₱ 462,962	₱ 2,272,670
Financial liabilities				
Accounts and other payables* (Note 13)	₱ 257,861,301	₱ -	₱ -	₱ 257,861,301
Short-term loans (Note 14)	-	-	148,968,862	148,968,862
Due to related parties (Note 17)	-	-	446,839,309	446,839,309
Total Financial Liabilities	₱ 257,861,301	₱ -	₱ 595,808,171	₱ 853,669,472

**Excluding statutory liabilities*

As of December 31, 2025, and 2024 there were no transfers made between each level. Inputs used in estimating fair values of financial instruments carried at amortized cost and categorized under Level 3 include risk-free rates and applicable risk premium.

NOTE 24 - SUPPLEMENTAL DISCLOSURES REQUIRED UNDER BIR RR NO. 15-2010 AND 34-2020

Presented below is the supplementary information which is required by the Bureau of Internal Revenue to be disclosed as part of the notes to financial statements. This supplementary information is not a required disclosure under PFRS.

I. BIR Revenue Regulation (RR) 15-2010

Pursuant to Revenue Regulations No. 15-2010 dated November 25, 2010, amending certain provisions of RR No. 21-2002, in addition to the disclosure mandated under the PFRS, the taxes, duties and license fees paid during the year are the following:

a. Value-added tax (VAT)

1. For the year ended December 31, 2025, the Company did not have any transaction subject to output VAT.

2. The details for Input VAT are as follows.

Particulars	**Amount**
Beginning Balance	₱ **11,563,301**
Input from purchase of goods other than for resale/manufacture	**2,734,648**
Claimed for tax credit/refund and other adjustments	**-**
Ending Balance (Note 7)	₱ **14,297,949**

b. Withholding taxes

The details of total withholding taxes for the year ended December 31, 2025 are shown below:

Particulars	**Amount**
Withholding taxes on compensation and benefits	₱ **41,914**
Expanded withholding taxes	**2,301,441**
Total	₱ **2,343,355**

c. Taxes and licenses

The details of Taxes and Licenses paid in 2025 are as follows:

Particulars		Amount
Listing fees and dues	₱	**979,447**
Taxes and licenses		**188,253**
Business permit		**101,553**
Documentary stamp tax		**91,941**
Notarial fee		**83,780**
Total	₱	**1,444,974**

d. Excise tax

The Company does not have excise taxes accrued since it does not have any transactions subject to excise tax.

e. Landed cost, customs duties and tariff fees

The Company has not paid or accrued any pertaining customs duties and tariff fees as it has no importation for the year ended December 31, 2025 and prior years.

g. Deficiency tax assessment and tax cases

The Company has no tax cases outstanding or pending in courts or bodies within the BIR in any of the other open years.

II. BIR Revenue Regulation (RR) 34-2020

December 18, 2020, BIR issued RR 34-2020 which prescribed the guidelines and procedures for the submission of BIR Form 1709, Transfer Pricing Documentation (TPD) and other Supporting Documents, Amending the pertinent provision of RR No. 19-2020 and RR No. 15-2010.

The Company is covered by the requirements and procedures for related party transactions under the said regulation as it is one of the following taxpayers required to file and submit the RPT Form together with the Annual Income Tax Return (AITR) as provided under Section 2 thereof:

a. Large taxpayer;
b. Taxpayers enjoying tax incentives, i.e. Board of Investments (BOI)-registered and economic zone enterprises, those enjoying Income Tax Holiday (ITH) or subject to preferential income tax rate;
c. Taxpayers reporting net operating losses for the current taxable year and the immediately preceding two (2) consecutive taxable years; and
d. A related party, as defined under Section 3 of Revenue Regulations (RR) No. 19- 2020, which has transactions with (a), (b) or (c). For this purpose, key management personnel (KMP), as defined under Section 3(7) of RR No. 19-2020, shall no longer be required to file and submit the RPT Form, nor shall there be any requirement to report any transaction between KMP and the reporting entity/parent company of the latter in the RPT Form.

NOTE 25 – APPROVAL OF FINANCIAL STATEMENTS

The financial statements as at and for the years ended December 31, 2025 and 2024 were approved and authorized for issuance by the Board of Directors (BOD) on April 14, 2026. The shareholders have the power the amend the financial statements after the issuance.

Valdes Abad & Company
(Formerly: Valdes Abad & Associates)
certified public accountants

CJV Building 108 Aguirre Street, Legaspi Village, Makati City, Philippines

Branches:
Cebu and Davao

Phone: (632) 8892-5931 to 35
(632) 8519-2105
Fax: (632) 8819-1468
Website: www.vacpa.ph
BOA/PRC Reg. No. 0314
SEC Accreditation No. 0314-SEC

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partnering for success

INDEPENDENT AUDITOR'S REPORT TO ACCOMPANYING FINANCIAL STATEMENTS FOR FILING WITH THE SECURITIES AND EXCHANGE COMMISSION

The Board of Directors and Stockholders
PREMIERE HORIZON ALLIANCE CORPORATION
Unit E-1705, 17F, East Tower, Philippine Stock Exchange Center, Exchange Road,
Ortigas Center, Pasig City

We have examined the financial statements of **PREMIERE HORIZON ALLIANCE CORPORATION** for the year ended December 31, 2025, on which we have rendered the attached report dated April 15, 2026.

In compliance with SRC Rule 68, we are stating that the Company has one hundred thirty-four (134) stockholders owning one hundred (100) or more shares each as of December 31, 2025.

VALDES ABAD & COMPANY, CPAs
BOA/PRC Reg. No. 0314
Issued on July 15, 2024, Valid until July 14, 2027
SEC Accreditation No. 0314 - SEC, Group A
Valid for 2022 – 2026 audit periods
BIR Accreditation No. 08-002126-000-2024
Issued on April 5, 2024, Valid until April 4, 2027

For the firm:

ALFONSO L. CAY-AN
Partner
CPA Registration No. 99805, Valid until December 14, 2026
TIN No. 213-410-741-000
PTR No. 10777156, Issued Date: January 13, 2026, Makati City
BOA/PRC Reg. No. 0314 / P-004
Issued on July 15, 2024, Valid until July 14, 2027
SEC Accreditation No. 99805 - SEC, Group A
Valid for 2022 – 2026 audit periods
BIR Accreditation No. 08-002126-005-2024
Issued on April 5, 2024, Valid until April 4, 2027

Makati City, Philippines
April 15, 2026

ANNEX F

COVER SHEET

for

AUDITED FINANCIAL STATEMENTS

SEC Registration Number

					1	4	7	5	8	4

COMPANY NAME

PREMIERE HORIZON ALLIANCE CORPORATION

AND SUBSIDIARIES

PRINCIPAL OFFICE *(No./Street/Barangay/City/Town/Province)*

Unit 1705, East Tower, Tektite Towers,

Exchange Road, Ortigas Center, Pasig

City

Form Type	Department requiring the report	Secondary License Type, If Applicable
AAFS	CRMD	N/A

COMPANY INFORMATION

Company's Email Address	Company's Telephone Number/s	Mobile Number
premierehorizon@gmail.com	(02) 8632-7715	0906 573 0465

No. of Stockholders	Annual Meeting (Month / Day)	Calendar Year (Month / Day)
145	May	12/31

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
Geronimo B. Halili	premierehorizon@gmail.com	(02) 8632-7715	0906 573 0465

CONTACT PERSON'S ADDRESS

Unit 1705, East Tower, Tektite Towers, Exchange Rd., Ortigas Center, Pasig City

NOTE 1: 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.

2: All Boxes must be properly and completely filled-up. Failure to do so shall cause the delay in updating the corporation's records with the Commission and/or non-receipt of Notice of Deficiencies. Further, non-receipt shall not excuse the corporation from liability for its deficiencies.

Premiere Horizon
Invigorating the Countryside

STATEMENT OF MANAGEMENT'S RESPONSIBILITY FOR CONSOLIDATED FINANCIAL STATEMENTS

The management of **PREMIERE HORIZON ALLIANCE AND ITS SUBSIDIARIES** (the "Group") is responsible for the preparation and fair presentation of the consolidated financial statements including the schedules attached therein, for the years ended **December 31, 2025 and 2024** and **2023**, in accordance with the prescribed financial reporting framework indicated therein, and for such internal control as management determines is necessary to enable the preparation of the consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable matters related to going concern basis of accounting unless management either intends to liquidate the Group or cease operations, or has no realistic alternative but to do so.

The Board of Directors is responsible for overseeing the Group's financial reporting process.

The Board of Directors reviews and approves the consolidated financial statements including the schedules attached therein, and submits the same to the stockholders.

Valdes, Abad & Company, CPAs and Reyes Tacandong & Co., the independent auditors appointed by the stockholders, has audited the consolidated financial statements of the Group in accordance with Philippine Standards on Auditing, and in its report to the stockholders, has expressed its opinion on the fairness of presentation upon completion of such audit.

Esteban Pena Sy
Chairman of the Board

Eugenio T. Tan
President & CEO

Brandon Benito P. Leong
Treasurer

Name	Valid Identification
ESTEBAN PENA SY	PASSPORT NO. P8276657A
EUGENIO T. TAN	SCA ID NO. 110845
BRANDON BENITO P. LEONG	CRN 0113-0306684-7

SCRIBED AND SWORN to before me this 29 APR 2026, at PASIG City, affiants exhibited to me their respective competent evidence of identification, as follows:

WITNESS MY HAND AND SEAL on the date and at the place first above written.

Doc No. 254
Page No. 51
Book No. XXXV
2026

Signed this 14th day of April 2026

ATTY. ROMEO MANUEL JOSHUA R. MOVILDO
Notary Public for Pasig City.
Unit 701 Manila Luxury Condominium, Pearl Drive
cor. Gold Loop, Ortigas Center Pasig City
Roll of Attorney No. 66667
Appointment No. 116 (2025-2026) valid until 31 December 2026
IBP Member No. 106656 Q.C./June 23, 2024
PTR No. 5563771; Jan 8, 2026; Pasig City
MCLE Compliance No. VIII-0027774/valid until 14 April 2028

Valdes Abad & Company
(Formerly: Valdes Abad & Associates)
certified public accountants

CJV Building 108 Aguirre Street, Legaspi Village, Makati City, Philippines

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BOA/PRC Reg. No. 0314
SEC Accreditation No. 0314-SEC

gmni member
an association of legally independent accounting firms
partnering for success

INDEPENDENT AUDITOR'S REPORT

The Board of Directors and Stockholders
PREMIERE HORIZON ALLIANCE CORPORATION AND SUBSIDIARIES
Unit E–1705, 17F, East Tower
Philippine Stock Exchange Center, Exchange Road
Ortigas Center, Pasig City

Opinion

We have audited the accompanying consolidated financial statements of **PREMIERE HORIZON ALLIANCE CORPORATION AND SUBSIDIARIES** (the "Group") which comprise the consolidated statements of financial position as of December 31, 2025 and 2024, and the related consolidated statements of comprehensive income, consolidated statements of changes in equity, and consolidated statements of cash flows for each of the three years in the period ended December 31, 2025, and notes to the consolidated financial statements, including as summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as of December 31, 2025 and 2024 and of its consolidated financial performances and its consolidated cash flows for each of the three years in the period ended December 31, 2025 in accordance with Philippine Financial Reporting Standards (PFRS).

Basis for Opinion

We conducted our audits in accordance with the Philippine Standards on Auditing (PSA). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in the Philippines, the *Code of Ethics for Professional Accountants in the Philippines (Philippine Code of Ethics)* and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

(a) Valuation of Investment Properties measured at Fair Value

As of December 31, 2025, investment properties which consist of parcels of land, are measured using the fair value model. The valuation of investment properties is significant to our audit because the carrying amount of investment properties as at December 31, 2025 of ₱3.667 billion which represents 65.5 % of the total consolidated assets and the resulting unrealized gain on fair valuation of investment properties of ₱465.2 million in 2025 is significant to the Group's net income. Moreover, the determination of the fair values of these properties involves significant management judgment and estimations and requires the assistance of external appraisers whose calculations depend on assumptions such as sales and listings of comparable properties within the vicinity and value adjustments based on relevant internal and external factors.

Audit response

Our audit procedures include, among others, the evaluation of the competence and capabilities of the external appraisers by considering their technical qualifications, experience and reporting responsibilities. We also reviewed the appropriateness and reasonableness of the methodology and key assumptions used in the valuation of the investment properties. We reviewed the basis for the estimates and assumption applied by the Group in the measurement of the fair value of the investment property, and the disclosures made in the consolidated financial statements.

(b) Recoverability of Deferred Exploration Costs

As of December 31, 2025, the Group is required to assess whether facts and circumstances indicate that the carrying amount of the deferred exploration costs exceeds its recoverable amount. The impairment review is significant to our audit because the carrying amount of the deferred exploration costs of ₱436.1 million represents 8% of the consolidated total assets and is material to the consolidated financial statements as at December 31, 2025. Moreover, the impairment assessment of the deferred explorations costs involves significant management judgment and estimates on the commercial viability of the reserves which are affected by future market and economic conditions.

Audit response

We reviewed management's determination of impairment indicators and management's assessment on the recoverability of deferred exploration costs. We reviewed the status of the exploration projects as at December 31, 2025 to determine that the period for which the Group has the right to explore has not expired. We also checked the status of the application of the renewal of licenses and permits of the exploration projects and inquired about the existing concession areas that are expected to be abandoned or any exploration activities that are planned to be discontinued. We have also obtained engineers' reports attesting to the viability of the properties for mineral extraction. We also reviewed the adequacy of the Group's disclosures in Note 4, Significant Accounting Judgment, Estimates and Assumptions, and Note 11, Deferred Exploration Costs, to the consolidated financial statements.

(c) Revenue Recognition – Real Estate Sales

For the year ended December 31, 2025, the Group recognized revenue of ₱64.9 million from real estate sales. This is significant to our audit as the amount of revenue from the real estate sales is material to the consolidated financial statements and there has been noted material decrease in the revenue reported during the year as compared to prior year. Moreover, the revenue and recognition process involve the application of significant judgments and estimates pertaining to (1) assessment of the probability that the Group will collect the consideration from the buyer; (2) determination of the transaction price; (3) application of the input method as the measure of progress in determining revenue from sale of real estate; (4) determination of the actual costs incurred as cost of real estate sold; and (5) recognition of cost to obtain a contract.

Audit response

Our audit procedures include, among others, obtaining an understanding of the Group's revenue recognition process and evaluation of the judgment and estimates applied by management in recognizing real estate sales. For construction contracts, we obtained sample contracts and agreements and reviewed management's assessment over the identification of performance obligation within the contract and the timing of revenue recognition. For the selected contract, we obtained understanding of the management's process to estimate the amount of consideration expected to be received from the customers.

For the measurement progress of the construction projects, we obtained an understanding of the Group's processes to accumulate actual costs incurred and to estimate the expected cost to complete. On a sampling basis, we tested actual costs incurred through examination of invoices and other supporting documents and perform test computation of the percentage of completion (POC). For POC, we visited project sites, made relevant inquiries with project engineers and correlated our observations with the reported project accomplishment.

For the cost of real estate sold, we obtained an understanding of the Group's cost accumulation process. For selected project, we traced cost accumulated, including those incurred but not yet billed costs, to supporting documents such as billing invoices, certificates of progress acceptance, official receipts, and accomplishment reports, among others.

Other Information

Management is responsible for the other information. The other information comprises the information included in the Group's Philippine Securities and Exchange Commission (SEC) Form 20-IS (Definitive Information Statement), SEC Form 17-A and Annual Report for the year ended December 31, 2025, but does not include the financial statements and our auditors' report thereon. The SEC Form 20-IS, SEC Form 17-A and Annual Report are expected to be made available to us after the date of this auditors' report.

Our opinion on the consolidated financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audits of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available, and in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements of our knowledge obtained in the audit, or otherwise appears to be materially misstated.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with Philippine Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with PSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements

As part of an audit in accordance with PSAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error; to design and perform audit procedures responsive to those risks; and to obtain audit evidence that is sufficient and appropriate to provide a basis for the auditor's opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control. In circumstances when the auditor also has a responsibility to express an opinion on the effectiveness of internal control in conjunction with the audit of the consolidated financial statements, the auditor shall omit the phrase that the auditor's consideration of internal control is not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If the auditor concludes that a material uncertainty exists, the auditor is required to draw attention in the auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify the opinion. The auditor's conclusions are based on the audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may be reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

VALDES ABAD & COMPANY, CPAs
BOA/PRC Reg. No. 0314
Issued on July 15, 2024, Valid until July 14, 2027
SEC Accreditation No. 0314 - SEC, Group A
Valid for 2022 – 2026 audit periods
BIR Accreditation No. 08-002126-000-2024
Issued on April 5, 2024, Valid until April 4, 2027

For the firm:



ALFONSO L. CAY-AN
Partner
CPA Registration No. 99805, Valid until December 14, 2026
TIN No. 213-410-741-000
PTR No. 10777156, Issued Date: January 13, 2026, Makati City
BOA/PRC Reg. No. 0314 / P-004
Issued on July 15, 2024, Valid until July 14, 2027
SEC Accreditation No. 99805 - SEC, Group A
Valid for 2022 – 2026 audit periods
BIR Accreditation No. 08-002126-005-2024
Issued on April 5, 2024, Valid until April 4, 2027

Makati City, Philippines
May 13, 2026

PREMIERE HORIZON ALLIANCE CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

(In Philippine Peso)

ASSETS	Note	December 31, 2025	2024
CURRENT ASSETS			
Cash	6	**31,032,699**	60,351,442
Receivables - net	7	**188,312,688**	496,466,563
Contract assets - current	7	**481,004,251**	438,890,717
Real estate for sale	8	**436,571,783**	262,253,238
Other current assets - net	9	**193,062,885**	183,576,161
Total Current Assets		**1,329,984,306**	1,441,538,121
NON-CURRENT ASSETS			
Non-current receivables - net	10	**79,863,206**	167,278,387
Deferred exploration costs	11	**436,189,548**	433,502,973
Investment properties	12	**3,667,156,458**	3,201,948,758
Property and equipment - net	13	**53,523,768**	65,278,494
Other noncurrent assets - net	14	**34,279,991**	35,350,685
Total Non-Current Assets		**4,271,012,971**	3,903,359,297
TOTAL ASSETS		**5,600,997,277**	5,344,897,418
LIABILITIES AND EQUITY			
CURRENT LIABILITIES			
Trade and other payables	15	**666,775,473**	513,881,282
Short-term loans	16	**201,571,532**	160,468,862
Contract liabilities	7	**6,549,777**	6,251,941
Lease liability - current portion	28	**1,847,182**	2,788,383
Loans payable - current portion	16	**167,131,174**	123,085,010
Convertible loans - current portion	16	**100,000,000**	100,000,000
Total Current Liabilities		**1,143,875,138**	906,475,478
NON CURRENT LIABILITIES			
Non-current payables	17	**226,579,578**	178,779,578
Loans payable - net of current portion	16	**341,143,553**	457,214,810
Pension liabilities	19	**12,327,952**	10,421,135
Deferred tax liabilities	24	**775,828,730**	722,604,412
Total Non-Current Liabilities		**1,355,879,813**	1,369,019,935
TOTAL LIABILITIES		**2,499,754,951**	2,275,495,413

PREMIERE HORIZON ALLIANCE CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION - CONTINUATION

(In Philippine Peso)

LIABILITIES AND EQUITY	Note	December 31, 2025	2024
EQUITY			
Share capital	20	**1,414,348,522**	1,414,348,522
Additional paid-in capital	20	**629,410,181**	629,410,181
Retained earnings	20	**486,698,364**	499,941,670
Remeasurement gain on retirement plan	19	**30,776,193**	31,265,998
Total equity attributable to Parent Company's shareholders		**2,561,233,260**	2,574,966,371
Equity attributable to non-controlling interest	20	**540,009,066**	494,435,634
Total Equity		**3,101,242,326**	3,069,402,005
TOTAL LIABILITIES AND EQUITY		**5,600,997,277**	5,344,897,418

See Notes to Consolidated Financial Statements

PREMIERE HORIZON ALLIANCE CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

(In Philippine Peso)

For the Years Ended December 31,	Note	2025	2024	2023
REVENUES	5	**106,311,225**	225,136,322	534,347,017
COST OF SALES AND SERVICES	21	**78,748,623**	138,760,171	327,688,774
GROSS PROFIT		**27,562,602**	86,376,151	206,658,243
GENERAL AND ADMINISTRATIVE EXPENSES	22	**321,464,774**	154,862,646	194,560,644
OTHER INCOME (CHARGES) - NET				
Gain on change in fair value of investment property	12	**465,207,700**	742,078,385	138,438,000
Interest income on installment contract receivables	7	**1,290,465**	1,125,352	973,545
Bank interest income	6	**29,985**	60,793	165,581
Interest expense on loans	25	**(102,840,067)**	(94,878,977)	(102,027,886)
Others	23	**68,858,022**	(37,486,005)	(14,436,731)
		432,546,105	610,899,548	23,112,509
INCOME BEFORE TAX		**138,643,933**	542,413,053	35,210,108
PROVISON FOR (BENEFIT FROM) INCOME TAX				
Current	24	**615,253**	26,020,759	1,658,764
Deferred	24	**106,961,147**	180,140,556	26,622,871
NET INCOME		**31,067,533**	336,251,738	6,928,473
OTHER COMPREHENSIVE INCOME (LOSS)				
Remeasurement gain (loss) on retirement plan	19	**(489,805)**	-	30,685,364
TOTAL COMPREHENSIVE INCOME		**30,577,728**	336,251,738	37,613,837
Net income (loss) attributable to:				
Equity holders of the Parent Company		**(14,505,899)**	264,326,536	(32,762,270)
Non-controlling interest	20	**45,573,432**	71,925,202	39,690,743
		31,067,533	336,251,738	6,928,473
Other comprehensive income (loss) attributable to:				
Equity holders of the Parent Company		**(243,148)**	-	11,288,358
Non-controlling interest	20	**732,952**	-	(48,902,195)
		489,805	-	(37,613,837)
Basic income (loss) per share				
Income for the year attributable to equity holders of the Parent Company	27	**(0.0025)**	0.0463	(0.0063)

See Notes to Consolidated Financial Statements

PREMIERE HORIZON ALLIANCE CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

(In Philippine Peso)

For the Years Ended December 31,	Note	2025	2024	2023
CAPITAL STOCK	20			
Balance at beginning of year		**1,414,348,522**	1,414,348,522	1,007,496,826
Collection of subscription receivable		**-**	-	406,851,696
Balance at end of year		**1,414,348,522**	1,414,348,522	1,414,348,522
ADDITIONAL PAID-IN CAPITAL	20			
Balance at beginning of year		**629,410,181**	629,410,181	499,217,638
Collection of subscription receivable		**-**	-	130,192,543
Balance at end of year		**629,410,181**	629,410,181	629,410,181
RETAINED EARNINGS	20			
Balance at beginning of year		**499,941,670**	132,711,701	165,473,971
Prior period adjustment	20	**1,262,593**	102,903,433	-
Net income (loss)		**(14,505,899)**	264,326,536	(32,762,270)
Balance at end of year		**486,698,364**	499,941,670	132,711,701
CUMULATIVE REMEASUREMENT GAINS ON RETIREMENT LIABILITY	19			
Balance at beginning of year		**40,477,450**	40,477,450	9,792,086
Net remeasurement gain (losses)		**(489,805)**	-	30,685,364
Balance at end of year		**39,987,645**	40,477,450	40,477,450
NON-CONTROLLING INTEREST	20			
Balance at beginning of year		**485,224,182**	413,298,980	373,608,237
Net income (loss)		**45,573,432**	71,925,202	39,690,743
Balance at end of year		**530,797,614**	485,224,182	413,298,980
TOTAL EQUITY		**3,101,242,326**	3,069,402,005	2,630,246,834

See Notes to Consolidated Financial Statements

PREMIERE HORIZON ALLIANCE CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS

(In Philippine Peso)

For the Years Ended December 31,	Note	2025	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES				
Income before tax		**138,643,933**	542,413,053	35,210,108
Adjustments for:				
Prior period adjustment	29	**1,262,593**	(21,059,241)	-
Gain on change in fair value of investment property	12	**(465,207,700)**	(742,078,385)	(138,438,000)
Provision for impairment loss	14, 22	**405,501**	405,501	3,448,203
Depreciation and amortization	13, 21, 22	**14,978,289**	24,334,000	51,582,738
Gain on disposal of equipment	13	**(9,285,714)**	(21,027,543)	-
Retirement benefit expense	19	**1,618,871**	-	6,275,079
Interest expense	25	**102,840,067**	94,878,977	102,027,886
Interest income		**(1,320,450)**	(1,186,145)	(1,139,126)
Operating income (loss) before working capital changes		**(216,064,610)**	(123,319,783)	58,966,888
Changes in assets and liabilities:				
Receivables and contract assets		**266,040,341**	(12,981,758)	(365,053,608)
Real estate inventories		**(174,318,545)**	129,789,629	72,673,250
Other current assets		**(9,486,724)**	(6,535,820)	(13,949,312)
Noncurrent receivables		**87,415,181**	(167,278,387)	-
Other non-current assets		**665,193**	-	3,114,500
Trade and other payables		**153,335,279**	18,360,425	(57,426,194)
Contract liabilities		**297,836**	(4,470,901)	(14,384,776)
Noncurrent payables		**79,150,000**	78,779,578	-
Cash generated from (used in) operations		**187,033,951**	(87,657,017)	(316,059,252)
Interest paid		**(102,840,067)**	(55,127,511)	(54,231,231)
Interest received		**1,320,450**	1,186,145	1,139,126
Income tax paid		**(54,553,941)**	-	(1,658,764)
Net Cash Flows from Operating Activities		**30,960,393**	(141,598,383)	(370,810,121)
CASH FLOWS FROM INVESTING ACTIVITIES				
Proceeds from disposal of property and equipment	13	**9,285,714**	21,027,543	-
Acquisition of:				
Property and equipment	13	**(3,223,563)**	(60,726,786)	(7,256,114)
Deferred exploration cost	11	**(2,686,575)**	(7,234,889)	(8,225,437)
Investment properties	12	**-**	(1,481,415)	-
Net Cash Flows from Investing Activities		**3,375,576**	(48,415,547)	(15,481,551)

PREMIERE HORIZON ALLIANCE CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS - CONTINUATION

(In Philippine Peso)

For the Years Ended December 31,	Note	2024	2024	2023
CASH FLOWS FROM FINANCING ACTIVITIES				
Proceeds from:				
Availments of long-terms loans	16	**216,131,637**	421,122,058	253,312,684
Availments of short-terms loans	16	**15,150,000**	20,000,000	15,000,000
Collection of subscription receivable		**-**	-	537,044,239
Payments of:				
Long-term loans	16	**(288,156,730)**	(325,717,835)	(148,296,487)
Short-term loans		**(5,397,330)**	-	(181,285,770)
Lease liability	28	**(1,382,289)**	(1,457,429)	(794,010)
Callable loans		**-**	-	(22,000,000)
Net Cash Flows from Financing Activities		**(63,654,712)**	113,946,794	452,980,656
NET INCREASE (DECREASE) IN CASH		**(29,318,743)**	(76,067,136)	66,688,984
CASH AT BEGINNING OF YEAR	6	**60,351,442**	136,418,578	69,729,594
CASH AT END OF YEAR	6	**31,032,699**	60,351,442	136,418,578

See Notes to Consolidated Financial Statements

PREMIERE HORIZON ALLIANCE CORPORATION AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2025, 2024 and 2023
(In Philippine Peso)

NOTE 1 - GENERAL INFORMATION

Corporate Information

Premiere Horizon Alliance Corporation (PHA or the Parent Company), was registered with the Philippine Securities and Exchange Commission (SEC) on January 13, 1988 and listed in the Philippine Stock Exchange (PSE) on May 5, 1997. The Parent Company's primary and secondary purpose is to engage in business activities relating to entertainment, gaming, hotel, and leisure and to expand to mining and real estate industries, respectively.

On August 10, 2016, the SEC approved the change in the Parent Company's primary purpose to that of an investment holding company and the secondary purpose to engaging in business activities relating to entertainment, gaming, hotel, and leisure.

The Parent Company and its subsidiaries (collectively referred herein as "the Group") is currently involved in mining and real estate activities through its subsidiaries.

The Parent Company's registered address and principal place of business is at Unit E-1705, 17F, East Tower, Philippine Stock Exchange Center, Exchange Road, Ortigas Center, Pasig City.

As at December 31, 2025, 2024 and 2023, the subsidiaries of the Parent Company, which are all incorporated in the Philippines, are as follows:

Subsidiary	Industry	Percentage of Ownership		
		Direct	Indirect	Total
West Palawan Premiere Development Corp. (WPP)	Real estate	100	–	100
Treasure Cove at Nagtabon Beach, Inc. (TCNBI)	Real estate	–	100	100
Premiere Georesources and Development Inc. (PGDI)	Mining	69	–	69
Pyramid Hill Mining & Industrial Corp. (PHMIC)	Mining	–	68	68
Palawan Star Mining Ventures, Inc. (PSMVI)	Mining	–	68	68
Goshen Land Capital, Inc. (GLCI)	Real estate	55	–	55
Concepts Unplugged: Business Environment Solutions (CUBES), Inc.*	Management, investment and/or technical solutions	51	–	51
Premiere Horizon Business Services, Inc. (PHBSI)*	Human resource management	100	–	100
PH Mining and Development Corporation (PHMDC)*	Mining	100	–	100
PH Agriforest Corporation (PHAC)*	Forestry	100	–	100
PH Big Bounty Entertainment, Inc. (PBBEI)*	Amusement	100	–	100
Digiwave Solutions Incorporated (DSI)*	Information technology	100	–	100
Premiere e-Teleservices, Inc. (PeTI)*	Entertainment	100	–	100

**Non-operating companies*

Corporate Developments

In 2021, a new investor group subscribed to 2,803,030,303 shares, equivalent to 55% ownership in PHA at ₱0.33 a share for ₱925.0 million. PHA received ₱371.1 million of the subscription as at December 31, 2022 (see Note 18). Part of the arrangement was the infusion of the shares of SquidPay Technology, Inc. (SPTI) with the intention of making SPTI a subsidiary.

On October 13, 2022, the BOD decided it will no longer pursue the acquisition of SPTI. In February 2023, the BOD approved a call for payment on all unpaid subscriptions.

On May 11, 2023, of the 1,457,756,139 shares considered delinquent after a 30 days-compliance period, 1,389,802,253 were sold to a private investor for ₱344.8 million (see Note 20).

NOTE 2 - SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION

Basis of preparation and statement of compliance

The accompanying consolidated financial statements of the Group have been prepared in compliance with Philippine Financial Reporting Standards (PFRS). (PFRS). The term PFRS in general includes all applicable PFRS, Philippine Accounting Standards (PAS), and interpretations of the Philippine Interpretation Committee (IFRIC), which have been approved by the Financial Reporting Standards Council (FRSC) and adapted by Securities and Exchange Commission (SEC).

Measurement bases

The consolidated financial statements are presented in Philippine Peso (Peso), the Group's functional currency. All amounts are rounded to the nearest Peso unless otherwise stated.

The consolidated financial statements of the Group have been prepared on a historical cost basis, except for investment properties which are measured at fair value, retirement liability measured at the present value of defined benefit obligation and lease liabilities measured at the present value of future lease payments.

Historical cost is generally based on the fair value of the consideration given in exchange of assets and fair value of the consideration received in exchange for incurring a liability.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The Group uses market observable data to a possible extent when measuring the fair value of an asset or a liability. Fair values are categorized into different levels in a fair value hierarchy based on inputs used in the valuation techniques as follows:

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

If the inputs used to measure the fair value of an asset or a liability might be categorized in different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement. The Group recognizes transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values are included in Notes 12, *Investment Properties,* and 29, *Financial Risk Management Objectives and Policies*.

Going concern assumption

The preparation of the accompanying condensed consolidated financial statements of the Group is based on the premise that the Group operates on a going concern basis, which contemplate the realization of assets and settlement of liabilities in the normal course of business. The management does not intend to liquidate.

Use of judgment and estimates

The preparation of the Group's consolidated financial statements requires management to make judgments, estimates and assumptions that affect the amounts reported in the Group's consolidated financial statements and accompanying notes.

Judgments are made by management in the development, selection and disclosure of the Group's significant accounting policies and estimates and the application of these policies and estimates.

The estimates and assumptions are reviewed on an on-going basis. These are based on management's evaluation of relevant facts and circumstances as of the reporting date. Actual results could differ from such estimates.

Revision to accounting estimates is recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

The areas where significant judgments and estimates have been made in preparing the consolidated financial statements and their effects are disclosed in Note 4

Basis of consolidation

The consolidated financial statements include the accounts of the Parent Company and its subsidiaries. Subsidiaries are entities controlled by the Parent Company. Control is achieved when the Parent Company is exposed, or has right, to variable returns from its investment with the investee and it has the ability to affect those returns through its powers over the investee.

When the Parent Company has less than a majority of the voting or similar rights of an investee, the Parent Company 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 other contractual arrangements; and
- The Parent Company's voting rights and potential voting rights.

The Parent Company 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 Parent Company obtains control over the subsidiary and ceases when the Parent Company loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Parent Company gains control until the date the Parent Company ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the Parent Company and to the noncontrolling interests (NCI), even if this results in the NCI interests having a deficit balance.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

NCI represent the portion of net results and net assets not held by the Parent Company. These are presented in the consolidated statement of financial position within equity, apart from equity attributable to equity holders of the Parent Company and are separately disclosed in the consolidated statement of comprehensive income. NCI represent the equity interest in PGDI, GLCI and CUBES not held by the Parent Company.

The financial statements of the subsidiaries are prepared for the same reporting period as the Parent 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.

If the Parent Company loses control over a subsidiary, it derecognizes the assets including goodwill, liabilities and NCI in the subsidiary. The Parent Company recognizes the fair value of the consideration received and the fair value of any investment retained together with any gain or loss in the consolidated statement of comprehensive income.

Business combinations and goodwill. Business combinations are accounted for using the acquisition method except for business combinations under common control in which an accounting similar to pooling of interest method is used. Business combinations under common control are those in which all of the combining entities or businesses are controlled by the same party or parties both before and after the business combination, and that control is not transitory. Under the acquisition method, the cost of an acquisition is measured as the aggregate of the consideration transferred, measured at acquisition date fair value and the amount of any NCI in the acquiree. For each business combination, the acquirer measures the NCI in the acquiree either at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs incurred are expensed and included in profit or loss.

For accounting similar to pooling of interest method, the assets, liabilities and equity of the acquired companies for the reporting period in which the common control business combinations occur, and for any comparative

periods presented, are included in the consolidated financial statements of the Group at their carrying amounts as if the combinations had occurred from the date when the acquired companies first became under the control of the Group. The excess of the net carrying amounts of the assets and liabilities of the acquired companies over the cost of business combinations is recognized under "Excess of net assets over acquisition cost of acquired subsidiaries" account in the equity section of the consolidated statement of financial position.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

If the business combination is achieved in stages, any previously held equity interest is remeasured at its acquisition date fair value and any resulting gain or loss is recognized in profit or loss. It is then considered in the determination of goodwill.

Any contingent consideration to be transferred by the acquirer will be recognized at fair value at the acquisition date. Contingent consideration classified as equity is not remeasured and its subsequent settlement is accounted for within equity. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of PFRS 9, *Financial Instruments*, is measured at fair value with the changes in fair value recognized in profit or loss in accordance with PFRS 9. Other contingent consideration that is not within the scope of PFRS 9 is measured at fair value at each reporting date with changes in fair value recognized in profit or loss.

Goodwill acquired in a business combination is initially measured at cost (being the excess of the aggregate of the consideration transferred and the amount recognized for noncontrolling interest and any previous interest held over the net identifiable assets acquired and liabilities assumed). If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognized at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognized in consolidated statement of comprehensive income.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group measures in its consolidated financial statements provisional amounts for the items for which the accounting is incomplete. During the measurement period, the Group retrospectively adjusts the provisional amounts recognized at the acquisition date to reflect new information obtained about facts and circumstances that existed as of the acquisition date and, if known, would have affected the measurement of the amounts recognized as of that date. During the measurement period, the Group also recognizes additional assets or liabilities if new information is obtained about facts and circumstances that existed as of the acquisition date and, if known, would have resulted in the recognition of those assets and liabilities as of that date. The measurement period ends as soon as the Group receives the information it was seeking about facts and circumstances that existed as of the acquisition date or learns that more information is not obtainable. The measurement period does not exceed one year from the acquisition date.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses.

For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash generating units (CGU), or group of CGUs that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units or group of units. Each unit or group of units to which the goodwill is so allocated:

- represents the lowest level within the Group at which the goodwill is monitored for internal management purposes; and
- is not larger than an operating segment or determined in accordance with PFRS 8, *Operating Segments*.

Goodwill is tested for impairment annually as at December 31 and when circumstances indicate that the carrying amount may be impaired.

Impairment is determined by assessing the recoverable amount of the CGU or group of CGUs, to which the goodwill relates. When the recoverable amount of the CGU or group of CGUs is less than the carrying amount, an impairment loss is recognized. Impairment loss with respect to goodwill cannot be reversed in future periods.

The Group bases its impairment calculation on detailed budgets and forecasts calculations which are prepared separately for each of the CGUs to which the goodwill is allocated. These budgets and forecasts calculations generally cover a period of five years. A long-term growth rate is calculated and applied to projected future cash flows after the fifth year.

When goodwill has been allocated to a CGU or group of CGUs and part of the operations within the unit is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on disposal of operation. Goodwill disposed of in this circumstance is measured based on the relative values of the operation disposed and the portion of the CGU retained.

When business combination involves more than one exchange transaction (occurs in stages), each exchange transaction is treated separately by the Group, using the cost of transaction and fair value information at the date of each exchange transactions, to determine the amount of goodwill associated with that transaction. Any adjustment to fair value relating to the previously held interest is a revaluation and is accounted for as such.

When subsidiaries are sold, the difference between the selling price and the net assets plus goodwill is recognized in profit or loss.

Asset Acquisition. If the assets acquired and liabilities assumed in an acquisition transaction do not constitute a business as defined under PFRS 3, *Business Combinations*, the transaction is accounted for as an asset acquisition. The Group identifies and recognizes the individual identifiable assets acquired (including those assets that meet the definition of, and recognition criteria for, intangible assets) and liabilities assumed.

The acquisition cost is allocated to the individual identifiable assets and liabilities on the basis of their relative fair values at the date of purchase. Such transaction or event does not give rise to goodwill.

Where the Group acquires a controlling interest in an entity that is not a business, but obtains less than 100% of the entity, after it has allocated the cost to the individual assets acquired, it notionally grosses up those assets and recognizes the difference as NCI.

Adoption of new and revised accounting standards

The accounting policies adopted in the preparation of the Company's financial statements are consistent with those of the previous financial year except for the adoption of the following new and amended standards and interpretations. The adoption of these new and amended standards and interpretations did not have significant impact on the Group separate financial statements unless otherwise stated.

Effective beginning on or after January 1, 2026

Amendments to PFRS 9 and PFRS 7, Classification and Measurement of Financial Instruments PFRS 9 and PFRS 7

The standard provides a robust and transparent framework for classifying, measuring, and disclosing financial instruments in Philippine financial reporting. The amendments enhance clarity, improve alignment with PFRS, and strengthen investor confidence through better disclosure of risks and valuation practices.

- Amendments to PFRS 9 and PFRS 7, *Classification and Measurement of Financial Instruments*
- Annual Improvements to PFRS Accounting Standards - Volume 11
    - Amendments to PAS 7, *Cost Method*
    - Amendments to PFRS 1, *Hedge Accounting by a First-time Adopter*
    - Amendments to PFRS 7, *Gain or Loss on Derecognition*
    - Amendments to PFRS 9, *Lessee Derecognition of Lease Liabilities and Transaction Price*
    - Amendments to PFRS 10, *Determination of a "De Facto Agent"*

Volume 11 provides targeted, minor amendments to improve clarity, consistency, and cross-references across PFRS standards without introducing substantive new requirements. Compliance ensures alignment with contemporary PFRS interpretations and reduces the risk of misapplication.

The Group is currently assessing the impact of adopting these standards on its financial statements.

Effective beginning on or after January 1, 2027

PFRS 18, Presentation and Disclosure in Financial Statements
The new standard impacts the classification of profit or loss items (i.e. into operating, investing, and financing categories) and the presentation of subtotals in the statement of profit or loss (i.e. operating profit, and profit before financing and income taxes). The new standard also changes the aggregation and disaggregation of information presented in the primary financial statements and in the notes. It also introduces required disclosures about management-defined performance measures.

PFRS 19, Subsidiaries without Public Accountability.

The standard allows eligible subsidiaries to apply PFRS accounting principles with significantly reduced disclosure requirements, offering practical and cost relief while maintaining transparency for users. It is particularly relevant for subsidiaries whose parents report publicly under PFRS, allowing consistent financial reporting across the group with a streamlined, user-focused disclosure approach

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 amendments address the conflict between PFRS 10 and PAS 28 in dealing with the loss of control of a subsidiary that is sold or contributed to an associate or joint venture. The amendments clarify that a full gain or loss in recognized when a transfer to an associate or joint venture involves a business as defined in PFRS 3. Any gain or loss resulting from the sale or contribution of assets that does not constitute a business, however, is recognized only to the extent of unrelated investors' interests in the associate of joint venture.

On January 13, 2016, the Financial Reporting Standards Council deferred the original effective date of January 1, 2026 of the said amendments until the IASB completes its broader review of the research project on equity accounting that may result in the simplification of accounting for such transactions and of other aspects of accounting for associates and joint ventures.

The revised, amended, and additional disclosures or accounting changes provided by the standards and interpretations will be included in the financial statements in the year of adoption, if applicable.

NOTE 3 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Financial assets and financial liabilities

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Date of recognition. The Group recognizes a financial asset or a financial liability in the consolidated statements of financial position when it becomes a party to the contractual provisions of a financial instrument. In the case of a regular way purchase or sale of financial assets, recognition and derecognition, as applicable, is done using settlement date accounting.

Initial recognition and measurement. Financial instruments are recognized initially at fair value, which is the fair value of the consideration given (in case of an asset) or received (in case of a liability). The initial measurement of financial instruments, except for those designated at fair value through profit and loss (FVPL), includes transaction cost.

Classification of Financial Instruments. The Group classifies its financial assets at initial recognition under the following categories: (a) financial assets at FVPL, (b) financial assets at amortized cost and, (c) financial assets at fair value through other comprehensive income (FVOCI). The classification of a financial asset largely depends on its contractual cash flow characteristics and the Group's business model for managing them.

The Group reclassifies its financial assets when, and only when, it changes its business model for managing those financial assets. The reclassification is applied prospectively from the first day of the first reporting period following the change in the business model (reclassification date).

There were no reclassifications of financial assets in 2025 and 2024.

Financial liabilities, on the other hand, are classified as either financial liabilities at FVPL or financial liabilities at amortized cost.

As at December 31, 2025 and 2024, the Group does not have financial assets and liabilities at FVPL and financial assets at FVOCI.

Financial assets at amortized cost. A financial asset shall be measured at amortized cost if both of the following conditions are met:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortized cost are subsequently measured at amortized cost using the effective interest method, less allowance for impairment, if any. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees that are an integral part of the effective interest rate. Gains and losses are recognized in profit or loss when the financial assets are derecognized and through amortization process.

Classified under this category are the Group's cash, contract receivables, trade receivables, contract assets, and security deposits.

Financial liabilities at amortized cost. Financial liabilities are categorized as financial liabilities at amortized cost when the substance of the contractual arrangement results in the Group having an obligation either to deliver cash or another financial asset to the holder, or to settle the obligation other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of its own equity instruments.

These financial liabilities are initially recognized at fair value less any directly attributable transaction costs. After initial recognition, these financial liabilities are subsequently measured at amortized cost using the effective interest method. Amortized cost is calculated by taking into account any discount or premium on the issue and fees that are an integral part of the effective interest rate. Gains and losses are recognized in profit or loss when the liabilities are derecognized or through the amortization process.

Classified under this category are the Group's loans payable, lease liability, trade and other payables (excluding statutory liabilities), and dividend payable.

Impairment of financial assets at amortized cost and contract assets

The Group records an allowance for expected credit loss (ECL) on financial assets at amortized cost and contract assets based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive. The difference is then discounted at an approximation to the asset's original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

The Group measures loss allowances at an amount equivalent to the 12-month ECL for financial assets on which credit risk has not increased significantly since initial recognition or that are determined to have low credit risk at reporting date. Otherwise, impairment loss will be based on lifetime ECL.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial instrument as at reporting date with the risk of a default occurring on the financial instrument on the date of initial recognition and consider reasonable and supportable information, that is available without undue cost or effort. In addition, the Group considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely

to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group.

If, in a subsequent year, the amount of the estimated impairment loss decreases because of an event occurring after the impairment was recognized, the previously recognized impairment loss is reduced by adjusting the allowance account. Any subsequent reversal of an impairment loss is recognized in profit or loss to the extent that the carrying amount of the asset does not exceed its amortized cost at reversal date.

Trade receivables and contract assets. The Group has applied the simplified approach in measuring the ECL on trade receivables and contract assets. Simplified approach requires that ECL should always be based on the lifetime ECL. Therefore, the Group does not track changes in credit risk, but instead recognizes a loss allowance based on lifetime ECL at each reporting date.

The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

Other financial instruments measured at amortized cost. For these financial assets, the Group applies the general approach in determining ECL. The Group recognizes an allowance based on either the 12-month ECL or lifetime ECL, depending on whether there has been a significant increase in credit risk since initial recognition.

A financial asset is written off when there is no reasonable expectation of recovering the financial asset in its entirety or a portion thereof. This is generally the case when the Group determines that the counterparty does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off.

Derecognition of financial assets and liabilities

Financial assets. A financial asset (or, where applicable a part of a financial asset or part of a group of similar financial assets) is derecognized when:

- the right to receive cash flows from the asset has expired;
- the Group retains the right to receive cash flows from the asset, but has assumed an obligation to pay them in full without material delay to a third party under a "pass-through" arrangement; or
- the Group has transferred its right to receive cash flows from the asset and either: (a) has transferred substantially all the risks and rewards of the asset, or (b) has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its right to receive cash flows from an asset and has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the asset is recognized to the extent of the Group's continuing involvement in the asset. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

Financial liabilities. A financial liability is derecognized when the obligation under the liability is discharged, cancelled or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in profit or loss.

Offsetting financial assets and liabilities

Financial assets and liabilities are offset and the net amount is reported in the consolidated statement of financial position if, and only if, there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the assets and settle the liabilities simultaneously. This is not generally the case with master netting agreements, and the related assets and liabilities are presented gross in the consolidated statement of financial position.

Classification of financial instrument between liability and equity

A financial instrument is classified as liability if it provides for a contractual obligation to:

- Deliver cash or another financial asset to another entity;
- Exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavorable to the Group; or
- Satisfy the obligation other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of own equity shares.

If the Group does not have an unconditional right to avoid delivering cash or another financial asset to settle its contractual obligation, the obligation meets the definition of a financial liability.

Current versus non-current classification

The Group presents financial statements based on current/noncurrent classification.

An asset is current when it is:
- Expected to be realized or intended to be sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realized within 12 months after the financial reporting period;
- Expected to be settled on demand; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the financial reporting period.

All other assets are classified as noncurrent

A liability is current when:
- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within 12 months after the financial reporting period;
- It is expected to be settled on demand; or
- There is no unconditional right to defer the settlement of the liability for at least 12 months after the financial reporting period

The Group classifies all other liabilities as noncurrent.

Cash

Cash includes cash on hand and in banks which are measured at face value.

Cash funds are set aside for current purposes such as petty cash fund. Cash in banks include demand deposits which are unrestricted as to withdrawal.

Receivables

Receivables are amounts due from clients for services performed in the ordinary course of business, and advances to officers and employees. If collection is expected in one year or less (or in the normal operating cycle of the business longer), they are classified as current assets. Otherwise, they are presented as non-current assets.

Receivables are measured at the transaction price determined under PFRS 15 (*refer to the accounting policies for Revenue from contract with customers)*. Receivables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest rate (EIR) method, less provision for impairment.

Real estate for sale

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 of cost and net realizable value (NRV).

Costs include:

- Cost of the land;
- Construction and development costs; and
- Planning and design costs, costs of site preparation, professional fees, property transfer taxes, construction overheads and other related costs.

NRV is the estimated selling price in the ordinary course of the business, based on market prices at the reporting date, less estimated specifically identifiable costs to complete and the estimated costs to sell. NRV in respect of land under development is assessed with reference to market prices at the reporting date for similar completed property, less estimated costs to complete construction and less an estimate of the time value of money to the date of completion.

Remeasurement of the inventories to its fair market value is performed when there is exist facts and circumstance that would allow to do so. Measurement of the fair value takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use. Any adjustment arising from the remeasurement of the inventory from cost to fair market value is recognized as an unrealized gain in the statements of income.

Creditable withholding taxes (CWTs)

CWTs represent the amount withheld by the Group's customers in relation to its income. CWTs can be utilized as payment for income taxes provided that these are properly supported by certificates of creditable tax withheld at source subject to the rules on Philippine income taxation. CWTs are stated at its net realizable amount.

Other current assets

This account mainly consists of excess of input value-added tax (VAT) over output VAT, advances to suppliers and contractors, and supplies, among others.

VAT. Revenues, expenses and assets are recognized net of the amount of VAT, except:

- where the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case the tax is recognized as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- receivables and payables that are stated with the amount of tax included.

The net amount of tax recoverable from the taxation authority is included as part of "Other current assets" account in the consolidated statement of financial position.

In accordance with the Revenue Regulations No. 16-2005, input VAT on purchases or imports of the Group of capital goods (depreciable assets for income tax purposes) with an aggregate acquisition cost (exclusive of VAT) in each of the calendar months exceeding ₱1.0 million is claimed as credit against output VAT over 60 months or the estimated useful lives of capital goods, whichever is shorter.

Pursuant to Republic Act No. 10963 or the Tax Reform for Acceleration and Inclusion Law, starting January 1, 2022, all input tax on purchases of capital goods shall already be allowed to be claimed outright upon purchase/payment and shall no longer be subject to amortization.

Unutilized input vat on capital goods purchased or imported prior to January 1, 2022 will be amortized as scheduled until fully utilized.

Advances to suppliers and contractors. Advances to suppliers and contractors represent advance payments on goods and services to be incurred in connection with the Group's projects and operation. These are charged to expense or capitalized to projects in the consolidated statement of financial position, upon actual receipt of services or goods. These are considered as nonfinancial instruments as these will be applied against future billings from contractors and suppliers. Refundable advances to contractors and suppliers are classified as financial assets.

Supplies. Supplies consist of spare parts for the day-to-day repairs and maintenance of the Group's property and equipment. These are valued at the lower of cost and net realizable value. Cost is determined using the weighted average method and includes expenditures incurred in acquiring the supplies and bringing them to their existing location and condition. Net realizable value is the current replacement cost.

Investment properties

Investment properties comprise of land for future development held by the Group for capital appreciation. Investment properties are measured initially at cost, including transaction costs.

Subsequent to initial recognition, investment properties are stated at fair value, which reflects market conditions at the reporting date, as determined by independent appraisers. Gains and losses arising from changes in the fair values of investment properties are included in the profit or loss in the period in which these arise.

Transfers are made to investment properties when, and only when, there is a change in use evidenced by ending of owner occupation, commencement of an operating lease to another party or ending of construction or development. Transfers are made from investment properties when, and only when, there is a change in use evidenced by commencement of owner occupation or commencement of development with a view to sale.

Investment properties are derecognized when they have either been disposed of or when the investment properties are permanently withdrawn from use and no future benefit is expected from their disposal. Any gains or losses on the retirement or disposal of investment properties are recognized in profit or loss in the year of retirement or disposal.

Deferred exploration costs

Expenditures for exploration works on mining properties (i.e., acquisition of rights to explore, topographical, geological, geochemical and geophysical studies, exploratory drilling, trenching, sampling, and activities in relation to evaluating the technical feasibility and commercial viability of extracting mineral resource) are deferred as incurred and included under "Deferred exploration costs" account in the consolidated statement of financial position. If and when recoverable reserves are determined to be present in commercially producible quantities, the deferred exploration expenditures, and subsequent mine development costs are capitalized as part of the mine and mining properties account classified under property, plant and equipment.

A valuation allowance is provided for unrecoverable deferred exploration costs based on the Group's assessment of the future prospects of the exploration project. Full provision is made for the impairment unless it is probable that such costs are expected to be recouped through successful exploration and development of the area of interest, or alternatively, by its sale. If the project does not prove to be viable or when the project is abandoned, the deferred exploration costs associated with the project and the related impairment provisions are written off. Exploration areas are considered permanently abandoned if the related permits of the exploration have expired and/or there are no definite plans for further exploration and/or development.

Property and equipment

Property and equipment are stated at cost less accumulated depreciation, amortization and impairment losses, if any.

The initial cost of property and equipment consists of its purchase price, including import duties, nonrefundable taxes and any directly attributable costs in bringing the asset to its working condition and location for its intended use. Such cost includes the cost of replacing part of such property and equipment when that cost is incurred if the recognition criteria are met.

Expenditures incurred after the property and equipment have been put into operation, such as repairs and maintenance, are normally charged to profit or loss in the period when the costs are incurred. In situations where it can be clearly demonstrated that the expenditures have resulted in an increase in the future economic benefits expected to be obtained from the use of an item of property and equipment beyond its originally assessed standard of performance, the expenditures are capitalized as additional cost of property and equipment.

Each part of the property and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately.

Depreciation and amortization are computed on the straight-line basis over the estimated useful lives of the depreciable assets.

The depreciation and amortization periods for property and equipment, based on the above policies, are as follows:

Asset	No. of Years
Office space building and office space improvements	5 - 10 years
Heavy equipment	5 – 8 years
Leasehold improvement	5 years or term of the lease, whichever is shorter
Transportation equipment	5 years
Office and other equipment	3 -5 years
Furniture and fixtures	2- 5 years

The estimated useful lives and depreciation and amortization method are reviewed periodically to ensure that the periods and method of depreciation and amortization is consistent with the expected pattern of economic benefits from items of property and equipment.

An item of property and equipment is derecognized upon disposal or when no future economic benefits are expected from its use. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the year the asset is derecognized.

Fully depreciated assets are retained in the accounts until these are no longer in use.

Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is the fair value as at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses, if any. Internally generated intangible assets, excluding capitalized development costs, are not capitalized and the related expenditure is reflected in the consolidated statement of comprehensive income in the year the expenditure is incurred.

The useful lives of intangible assets are assessed as either finite or indefinite. Intangible assets with finite lives are amortized over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortization period or method, as appropriate, and are treated as changes in accounting estimates. The amortization expense on intangible assets with finite lives is recognized in the consolidated statement of comprehensive income in the expense category consistent with the function of intangible assets.

Intangible assets with indefinite useful lives are not amortized, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in the useful life from the indefinite to finite is made on a prospective basis.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the consolidated statement of comprehensive income when the asset is derecognized.

Exclusive distribution right. Exclusive distribution right pertains to the exclusive right to distribute the Thermo Chiller system which was acquired as a result of a business combination. Exclusive distribution right is amortized on a straight-line basis over its estimated useful life of 10 years.

Film rights. Film rights include the unamortized cost of completed theatrical films and television projects and film rights acquired. Film rights principally consist of direct production costs, production overhead, development and pre-production costs and are stated at cost less accumulated amortization and any impairment in value. Amortization of film and television production costs starts when a film is released and revenues on that film are recognized. Amortization is made in proportion to the actual income earned during the year as against total estimated income. The total estimated income is subject to periodic evaluation by management based on actual income generated from those films.

Impairment of nonfinancial assets (excluding goodwill)

Nonfinancial assets are reviewed for impairment when events or changes in circumstances indicate that the carrying amount may not be recoverable. The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Group makes an estimate of the asset's recoverable amount.

An asset's recoverable amount is the higher of an assets or cash generating unit's (CGU) fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

An assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the recoverable amount is estimated. A previously recognized impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognized. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increased amount cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in profit or loss. After such a reversal the depreciation and amortization charge is adjusted in future periods to allocate the asset's revised carrying amount, less any residual value, on a systematic basis over its remaining useful life.

Trade and other payables

Trade and other payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Payables are classified as current liabilities if payment is due within one year or less (or within the normal operating cycle of the business if longer); otherwise, they are presented as noncurrent liabilities.

Accrued expenses are liabilities to pay for goods or services that have been received or supplied but have not been paid, invoiced or formally agreed with supplier including amounts due to employees. It is necessary to estimate the amounts of accruals; however, the uncertainty is generally much less than for provision.

Government dues and remittances include withholding income taxes which represent taxes retained by the Group for an item of income required to be remitted to the Bureau of Internal Revenue (BIR). The obligation of the Group to deduct and withhold the taxes arises at the time the income payment is paid or payable, or the income payment is accrued or recorded as an expense or asset, whichever comes first. The term "payable" refers to the date the obligation becomes due, demandable, or legally enforceable.

Accounts and other payables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest rate method.

Convertible loans payable

Convertible loans payable is separated into liability and equity components based on the terms of the contract.

On issuance of the convertible loans payable, the fair value of the liability component is determined using the market rate for an equivalent non-convertible loan. This amount is classified as a financial liability measured at amortized cost (net of transaction costs) until it is extinguished on conversion or redemption. The remainder of the proceeds is allocated to the conversion option that is recognized and included in equity as part of additional paid-in capital. Transaction costs are deducted from equity, net of associated income tax. The carrying amount of the conversion option is not remeasured in subsequent years. Transaction costs are apportioned between the liability and equity components of the convertible loan payable based on the allocation of proceeds to the liability and equity components when the instruments are initially recognized.

When the convertible loans payable is extinguished before maturity, through an early redemption or repurchase in which the original conversion privileges are unchanged an allocation is made for the consideration paid and any

transaction costs for the repurchase or redemption to the liability and equity components of the instrument at the date of transaction. The method of allocating the consideration paid and the transaction costs to the separate component is consistent with that used in the original allocation to the separate components or the proceeds received by the entity when the convertible loan payables were issued.

Borrowings

Borrowings are initially recognized at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortized cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognized in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognized as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that is probable that some or all of the facility will be drawn down, the fee is capitalized as a prepayment for liquidity services and amortized over the period of the facility to which it relates.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any noncash assets transferred or liabilities assumed, is recognized in profit or loss as other income or finance costs.

Where the terms of a financial liability are renegotiated and the entity issues equity instruments to a creditor to extinguish all or part of the liability (debt for equity swap), a gain or loss is recognized in profit or loss, which is measured as the difference between the carrying amount of the financial liability and the fair value of the equity instruments issued.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

Due to/from related parties

These include receipts and/or disbursement of resources, services or obligations to affiliates, regardless of whether a price is charged from the related parties. The amount is presented as current asset/liability, as applicable, if collection/payment is expected in one year or less, otherwise, they are presented as non-current.

Capital stock and additional paid-in capital

Capital stock is measured at par value for all shares issued. Proceeds and/or fair value of considerations received in excess of par value, if any, are recognized as additional paid-in capital. Equity component of convertible instruments is also included in additional paid-in capital.

Incremental costs directly attributable to the issue of new capital stock are recognized as a deduction, net of tax, from the equity.

Subscriptions receivable

Subscriptions receivable pertains to the uncollected portion of the subscribed shares.

Non-controlling interest (NCI)

NCI represent the portion of profit or loss and the net assets not held by the Parent Company and are presented separately in the consolidated statements of comprehensive income and within equity in the consolidated statements of financial position, separately from total equity attributable to owners of the Parent Company. Any losses applicable to a noncontrolling shareholder of a consolidated subsidiary in excess of the noncontrolling shareholder's equity in the subsidiary are charged against the NCI even if this results in NCI having a deficit.

NCI represent the equity interest in PGDI, GLCI, CUBES, PHMIC and PSMVI not held by the Parent Company.

Retained earnings

Retained earnings represent the cumulative balance of the Group's results of operations, net of dividends declared to date.

Cumulative remeasurement gains on retirement liability

This pertains to accumulated remeasurement gains on retirement liability, which are not recognized in profit or loss. Remeasurement gain or loss when earned or incurred during the year are classified as other comprehensive income or loss and presented after net income in the consolidated statement of comprehensive income. The cumulative remeasurement gains or losses are separately presented in the equity section of the consolidated statement of financial position.

Revenue recognition

Revenue from contract with customers is recognized when the performance obligation in the contract has been satisfied, either at a point in time or over time. Revenue is recognized over time if one of the following criteria is met: (a) the customer simultaneously receives and consumes the benefits as the Group performs its obligations; (b) the Group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or (c) the Group's performance does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date. Otherwise, revenue is recognized at a point in time.

The Group also assesses its revenue arrangements to determine if it is acting as a principal or as an agent. The Group has generally concluded that it is the principal in its revenue arrangements. The following specific recognition criteria must also be met before revenue is recognized.

Sale of real estate. The Group derives its real estate revenue from real estate development and subdivided lots. Revenue from sales of substantially completed real estate projects where collectability of sales price is reasonably assured is accounted for using the full accrual method. Revenue from the sale of real estate projects under pre-completion stage are recognized over time during the construction period (or percentage of completion).

Collectability of the sales price is demonstrated by the buyer's commitment to pay, which in turn is supported by substantial initial and continuing investments that give the buyer a stake in the property sufficient that the risk of loss through default motivates the buyer to honor its obligation to the seller. Collectability is also assessed by considering factors such as past history with the buyer and the pricing of the property. Management regularly evaluates the historical sales cancellations and back-outs if it would still support its current threshold of buyers' equity before commencing revenue recognition.

In measuring the progress of its performance obligation over time, the Group uses input method. Input methods recognize revenue on the basis of the entity's efforts or inputs to the satisfaction of a performance obligation. Progress is measured based on actual resources consumed such as materials, labor hours expended and actual overhead incurred relative to the total expected inputs to the satisfaction of that performance obligation, or the total estimated development costs of the real estate project. The Group uses the cost accumulated by the accounting department to determine the actual resources used. Input method exclude the effects of any inputs that do not depict the entity's performance in transferring control of goods or services to the customer.

Estimated development costs of the real estate project include costs of construction cost, construction management cost, land development, planning cost, permits and land cost. Revisions in estimated development costs brought about by increases in projected costs in excess of the original budgeted amounts, form part of total project costs on a prospective basis.

Contract balances

Receivables (including installment receivables). A receivable represents the Group's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). It also includes the difference between the considerations received from the customer and the transferred goods or services to a customer.

Contract assets. A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Group performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognized for the earned consideration that is conditional.

Contract liabilities. A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognized when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognized as revenue when the Group performs under the contract.

The contract liabilities also include payments received by the Group from the customers for which revenue recognition has not yet commenced and payments in excess of percentage of completion.

Cost to obtain a contract. The incremental costs of obtaining a contract with a customer are recognized as an asset if the Group expects to recover them. The Group has determined that commissions paid to brokers and marketing agents on the sale of pre-completed real estate units are deferred when recovery is reasonably expected and are charged to expense in the period in which the related revenue is recognized as earned. Commission expense is included in the "General and administrative expenses" account in the consolidated statement of comprehensive income.

Costs incurred prior to obtaining contract with customer are not capitalized but are expensed as incurred.

Amortization, derecognition and impairment of capitalized costs to obtain a contract. The Group amortizes capitalized costs to obtain a contract over the expected construction period using the percentage of completion following the pattern of real estate revenue recognition. The amortization of cost to obtain a contract is included within "General and administrative expenses". A capitalized cost to obtain a contract is derecognized either when it is disposed of or when no further economic benefits are expected to flow from its use or disposal.

At each reporting date, the Group determines whether there is an indication that the capitalized cost to obtain a contract maybe impaired. If such indication exists, the Group makes an estimate by comparing the carrying amount of the assets to the remaining amount of consideration that the Group expects to receive less the costs that relate to providing services under the relevant contract. In determining the estimated amount of consideration, the Group uses the same principles as it does to determine the contract transaction price, except that any constraints used to reduce the transaction price will be removed for the impairment test.

Where the relevant costs or specific performance obligations are demonstrating marginal profitability or other indicators of impairment, judgment is required in ascertaining whether or not the future economic benefits from these contracts are sufficient to recover these assets. In performing this impairment assessment, management makes an assessment of the cost to complete the contract. The ability to accurately forecast such costs involves estimates around cost savings to be achieved over time, anticipated profitability of the contract, as well as future performance against any contract-specific performance indicators that could trigger variable consideration, or service credits.

Where a contract is anticipated to make a loss, judgments are also relevant in determining whether or not an onerous contract provision is required and how this is to be measured.

Mining-related services. Revenue from mining-related services represents earnings from the operation of the Group's hauling services and equipment rental which are recognized over time as the services are rendered. The Group bills a fixed amount for every output delivered and recognizes revenue in the amount for which it has the right to invoice.

Service income. Revenue from service income is recognized over time as the services are rendered.

Penalty. Penalty pertains to income from surcharges for buyers' default and late payments. Income is recognized when buyers have defaulted in paying their dues and the collectability is reasonably assessed. This is recognized by the Group as part of "Other income" account in the consolidated statement of comprehensive income.

Interest income. Interest income is recognized as the interest accrues using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount. Interest income from bank deposits is recognized as it accrues.

Cost and expense recognition

Costs and expenses are decreases in economic benefits during the accounting period in the form of outflows or depletions of assets or incurrence of liabilities that result in decrease in equity, other than those relating to distributions to equity participants.

Cost of real estate sale. Cost of real estate sale is recognized consistent with the revenue recognition method applied. Cost of real estate sold includes all direct materials and labor costs, and those indirect costs related to contract performance. Cost of real estate sold before the completion of the development includes estimated costs for future development work, all estimated by the Parent Company's project engineers. When it is probable that the labor contract cost will exceed total contract revenue, the expected loss is recognized immediately. Changes in job performance, job conditions and estimated profitability, including those arising from contract penalty provisions and final contract settlements which may result in revisions to estimated costs and gross margins, are recognized in the year in which the revisions are determined. The cost of inventory recognized in profit or loss in the consolidated statement of comprehensive income upon sale is determined with reference to the specific costs incurred on the property, allocated to the saleable area based on relative size and takes into account the percentage of completion used for revenue recognition purposes.

Cost of services. Cost of services is recognized as expense when services are rendered.

General and administrative expenses. General and administrative expenses constitute costs of administering the business. These are expensed as incurred.

Other charges. Other charges include other expenses, which are incidental to the Group's business operations, and are recognized in the consolidated statement of comprehensive income when incurred.

Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified assets for a period of time, the Group assesses whether, throughout the period of use, it has both of the following:

a) the right to obtain substantially all of the economic benefits from the use of the identified asset; and
b) the right to direct the use of the identified asset.

At the commencement date, the Group recognizes right-of-use (ROU) assets and lease liabilities for all leases, except for leases with lease terms of 12 months or less (short-term leases) and leases for which the underlying asset is of low value, in which case the lease payments associated with those leases are recognized as an expense in profit or loss on a straight-line basis. For leases with lease terms of 12 months or less but with an option to extend the lease, the management assesses whether there is reasonable certainty that the Group will extend the lease, by considering all relevant facts and circumstances that create an economic incentive for the lessee to extend or terminate the lease, to determine the appropriate lease term.

ROU assets. At commencement date, the Group measures ROU assets at cost which is comprised of the following:

a) the amount of the initial measurement of lease liabilities;
b) any lease payments made at or before the commencement date less any lease incentives received;
c) any initial direct costs; and
d) an estimation of costs to be incurred by the Group in dismantling and removing the underlying asset, when applicable.

After the commencement date, the ROU assets are carried at cost less any accumulated amortization and accumulated impairment losses, and adjusted for any remeasurement of the related lease liabilities. Unless the Group is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the ROU assets are amortized over the shorter of the lease terms or the useful lives of the underlying assets

Lease Liabilities. At commencement date, the Group measures a lease liability at the present value of future lease payments using the interest rate implicit in the lease, if that rate can be readily determined. Otherwise, the Group uses its incremental borrowing rate.

Lease payments included in the measurement of a lease liability consist of the following:

a) fixed payments, including in-substance fixed payments;
b) variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
c) amounts expected to be payable by the lessee under residual value guarantees; and
d) the exercise price under a purchase option that the Group is reasonably certain to exercise; lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option; and penalties for early termination of a lease unless the Group is reasonably certain not to terminate early.

A lease liability is subsequently measured at amortized cost. Interest on the lease liability and any variable lease payments not included in the measurement of lease liability are recognized in profit or loss unless these are capitalized as costs of another asset. Variable lease payments not included in the measurement of the lease liability are recognized in profit or loss when the event or condition that triggers those payments occurs.

If there is a change in the lease term or if there is a change in the assessment of an option to purchase the underlying asset, the lease liability is remeasured using a revised discount rate considering the revised lease payments on the basis of the revised lease term or reflecting the change in amounts payable under the purchase option. The lease liability is also remeasured using the revised lease payments if there is a change in the amounts expected to be payable under a residual value guarantee or a change in future lease payments resulting from a change in an index or a rate used to determine those payments.

Group as a lessor. Leases in which the Group does not transfer substantially all the risks and benefits of ownership of the asset are classified as operating leases. Rental income under operating leases is recognized on a straight-line basis over the lease terms. Initial direct costs incurred in negotiating an operating lease are added to the carrying amount of the leased asset and recognized over the lease term on the same bases as rent income. Contingent rents are recognized as revenue in the period in which these are earned.

Employee benefits

Short-term benefits. The Group recognizes a liability net of amounts already paid and an expense for services rendered by employees during the accounting period. A liability is also recognized for the amount expected to be paid under short-term cash bonus or profit-sharing plans if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated reliably. Employee entitlements to annual leave are recognized as a liability when they are accrued to the employees. The undiscounted liability for leave expected to be settled wholly before twelve months after the end of the annual reporting period is recognized for services rendered by employees up to the end of the reporting period.

Short-term employee benefit liabilities are measured on an undiscounted basis and are expensed as the related service is provided.

Retirement benefits. The net defined benefit liability is the aggregate of the present value of the defined benefit obligation at the end of the reporting period reduced by the fair value of plan assets adjusted for any effect of limiting a net defined benefit asset to the asset ceiling. The asset ceiling is the present value of any economic benefits available in the form of refunds from the plan or reductions in future contributions to the plan.

The cost of providing benefits under the defined benefit plans is actuarially determined using the projected unit credit method.

Defined benefit costs comprise the following:

- Service cost
- Net interest on the net defined benefit liability or asset
- Remeasurements of net defined benefit liability or asset

Service costs which include current service costs, past service costs and gains or losses on non-routine settlements are recognized as expense in profit or loss. Past service costs are recognized when plan amendment or curtailment occurs. These amounts are calculated periodically by independent qualified actuaries.

Net interest on the net defined benefit liability or asset is the change during the period in the net defined benefit liability or asset that arises from the passage of time which is determined by applying the discount rate based on government bonds to the net defined benefit liability or asset. Net interest on the net defined benefit liability or asset is recognized as expense or income in profit or loss.

Remeasurements comprising actuarial gains and losses, difference between interest income and return on plan assets and any change in the effect of the asset ceiling (excluding net interest on defined benefit liability) are recognized immediately in other comprehensive income (OCI) in the period in which they arise. Remeasurements are not reclassified to profit or loss in subsequent periods.

Past service costs are recognized in the profit or loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the Group recognize related restructuring costs.

Actuarial valuations are made with sufficient regularity that the amounts recognized in the consolidated financial statements do not differ materially from the amounts that would be determined at the reporting period.

Income taxes

Current tax. Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and the tax laws used to compute the amount are those that are enacted or substantively enacted at the end of the reporting period.

Current income tax relating to item recognized directly in equity is recognized in equity and not in the profit or loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax. Deferred tax is provided on all temporary differences at the end of the reporting period between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes except for:

- When it arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit or loss nor taxable profit or loss; or
- When the taxable temporary difference is associated with interests in subsidiaries, associates or joint ventures and the timing of the reversal can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets are recognized for all deductible temporary differences, carryforward benefits of unused tax credits (excess of minimum corporate income taxes or MCIT over regular corporate income taxes or RCIT) and unused tax losses (net operating loss carryover or NOLCO), only if it is probable that sufficient future taxable profit will be available against which the deductible temporary differences and carryforward benefits of unused tax credits and unused tax losses can be utilized.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient future taxable profit will be available to allow all or part of the deferred tax assets to be utilized. Unrecognized deferred tax assets are re- assessed at the end of each reporting period and are recognized to the extent that it has become probable that sufficient future taxable profit will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the end of reporting period.

Tax benefits acquired as part of a business combination, but not satisfying the criteria for separate recognition at that date, are recognized subsequently if new information about facts and circumstances change. The adjustment is either treated as a reduction in goodwill (as long as it does not exceed goodwill) if it was incurred during the measurement period or recognized in profit or loss.

Deferred tax assets and liabilities are offset if a legally enforceable right exists to offset the current tax assets against the current tax liabilities and the deferred income taxes relate to the same taxable entity and the same taxation authority.

Related parties and transactions

Parties are considered to be 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 or a member of the key management personnel of the reporting entity. Parties are also considered to be related if they are subject to common control or common significant influence.

Related party transactions consist of transfers of resources, services or obligations between the Group and its related parties. Transactions between related parties are accounted for at arm's length prices or on terms similar to those offered to non-related parties in an economically comparable market.

Related party transactions are considered material and/or significant if i) these transactions amount to 10% or higher of the Group's total assets, or ii) there are several transactions or a series of transactions over a 12-month period with the same related party amounting to 10% or higher of the Group's total assets. Details of transactions entered into by the Group with related parties are reviewed in accordance with the Group's related party transactions policy.

Earnings per share (EPS)

Basic EPS is computed by dividing net profit or loss for the year attributable to common equity holders of the Parent Company, after recognition of the dividend requirement of preferred shares, as applicable, by the weighted average number of issued and outstanding common shares during the year, after giving retroactive effect to any stock dividends declared during the year.

Diluted EPS is computed by dividing net profit or loss for the year attributable to common equity holders of the Parent Company by the weighted average number of issued and outstanding common shares during the year plus the weighted average number of common shares that would be issued on conversion of all the dilutive potential common shares into common shares. The calculation of diluted EPS does not assume conversion, exercise, or other issue of potential common shares that would have an anti-dilutive effect on EPS.

Operating segments

The Group is organized into business units wherein operating results are regularly monitored by the chief operating decision maker (CODM) for the purpose of making decisions about resource allocation and performance assessment. As permitted by PFRS 8, the Group has aggregated these segments into a single operating segment to which it derives its revenues and incurs expenses as these segments have the same economic characteristics and are similar in the following respects:

- the nature of products and services;
- the nature of production processes;
- the type or class of customer for the products and services; and
- the methods used to distribute their products and services.

Provisions

Provisions are recognized when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

Provisions are made using the best estimates of the amount required to settle the obligation and are discounted to present values using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. Changes in estimates are reflected in profit or loss in the period these arise.

Contingencies

Contingent liabilities are not recognized in the consolidated financial statements. These are disclosed in the notes to consolidated financial statements unless the possibility of an outflow of resources embodying economic benefits is remote. Contingent assets are not recognized in the consolidated financial statements but are disclosed when an inflow of economic benefits is probable.

Events after the reporting date

Post year-end events that provide additional information about the Group's financial position at reporting date (adjusting events) are reflected in the consolidated financial statements. Post year-end events that are not adjusting events are disclosed in the notes to consolidated financial statements when material.

NOTE 4 – SIGNIFICANT JUDGMENTS, ACCOUNTING ESTIMATES AND ASSUMPTIONS

The preparation of the consolidated financial statements in accordance with PFRS requires management to exercise judgments, make estimates and use assumptions that affect amounts of assets, liabilities, income and expenses reported in the consolidated financial statements. The judgment, estimates and assumptions used in the consolidated financial statements are based upon management's evaluation of relevant facts and circumstances as of the date of the consolidated financial statements. While management believes that the assumptions are reasonable and appropriate, significant differences in the actual experience or significant changes in the assumptions may materially affect the estimated amounts. Actual results could differ from such estimates.

Judgments

In the process of applying the Group's accounting policies, management has made the following judgments, apart from those involving estimations, which have the most significant effect on the amounts recognized in the consolidated financial statements.

Going concern

As of December 31, 2025 and 2024, the Group's primary objective is to ensure its ability to continue as a going concern and that it maintains the resources to continue their business for the foreseeable future. Furthermore, management is not aware of any material uncertainties that may cast significant doubt upon the Group's ability to continue as a going concern. Therefore, the financial statements continue to be prepared on the going concern basis.

Recognizing revenue and cost of sale from real estate sales:

- *Assessing the existence of a contract.* The Group documents sale of real estate properties in a signed contract to sell, which meets the revenue recognition criteria as provided under PFRS 15. Moreover, the Group assesses the collectability of the consideration as part of its revenue recognition policy based on the buyer's substantial initial and continuing investments for the buyer to put a stake on the property and to honor its obligation. Collectability is also assessed by considering factors such as previous experience with the buyer and the pricing of the property. Management regularly evaluates the historical cancellations to support its current threshold of customers' equity.

- *Recognizing revenue method and measuring progress.* The Group has assessed that revenue for real estate sales is to be recognized over time because (a) the Group's performance does not create an asset with an alternative use and; (b) the Group has an enforceable right for performance completed to date. The promised property is specifically identified in the contract and the contractual restriction on the Group's ability to direct the promised property for another use is substantive. This is because the property promised to the customer is not interchangeable with other properties without breaching the contract and without incurring significant costs that otherwise would not have been incurred in relation to that contract. In addition, under the current legal framework, the customer is contractually obliged to make payments to the developer up to the performance completed to date.

  The Group has determined that the input method used in measuring the progress of the performance obligation faithfully depicts the Group's performance in transferring control of real estate development to the customer.

- *Identifying the performance obligation.* The Group has identified its performance obligation in each of its contracts to sell. For subdivided lot, the developer integrates the lots it sells with the associated infrastructure to transfer the serviced land promised in the contract. For the contract covering condominium unit, the developer has the obligation to deliver the condominium unit duly constructed in a specific lot and fully integrated into serviced land in accordance with the approved plan.

- *Determining the actual cost incurred as cost of sales.* In determining the actual costs incurred to be recognized as cost of sales, the Group estimates costs incurred on materials, labor and overhead which have not yet been billed by the contractor.

- *Assessing the transfer of control to buyer.* in assessing the transfer of control to the buyer, the Group considers the transfer of the legal title of the property through the conveyance of real estate properties to the buyers. The Group initiates the execution of a contract in public instrument that constitutes constructive delivery of the property where ownership was already considered transferred.

Classifying leases - group as a lessor. The Group has entered into operating leases on its heavy equipment. These leases do not provide for an option to purchase or transfer ownership of the property at the end of the lease and the related lease terms do not approximate the estimated useful life of the assets being leased. The Group has determined that it retains all significant risks and rewards of ownership of these properties which are leased out on operating leases.

Classifying leases – group as a lessee. The Group entered into several lease agreements covering its office premises/sites. Terms of the lease agreements range from 1 year to 5 years under renewable options. Other leases entered into include clauses to enable upward revision of the rental charged on an annual basis - based on prevailing market rates.

Following the adoption of PFRS 16, the Group recognized right-of-use asset and lease liability over the life of the lease. The asset is calculated as the initial amount of the lease liability, plus any lease payments made to the lessor before the lease commencement date, plus any initial direct costs incurred, minus any lease incentives received.

Leases are further disclosed in Notes 28.

Classifying real estate held for sale and investment properties. The Group determines whether a property will be classified as real estate held for sale or investment property. In making this judgment, the Group considers whether the property will be sold in the normal operating cycle (real estate held for sale). All other properties that are not yet determined to be sold in the normal operating cycle and are held for capital appreciation are classified as investment properties. The Group considers each property separately in making its judgment.

The carrying amounts of real estate held for sale and investment properties are disclosed in Note 8.

Evaluating Contingencies. There are ongoing legal proceedings involving the Group which management believes would not have a material adverse impact on the Group's financial position and results of operations. The estimate of probable costs for the resolution of possible claims have been developed in consultation with legal counsel handling the Group's defense in these matters and is based upon an analysis of potential results (see Note 31).

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the financial reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Recognizing revenue on real estate sales. The Group's revenue recognition policies require management to make use of estimates and assumptions that may affect the reported amounts of revenues. The Group's revenue from real estate is recognized based on the proportion of cost incurred to date over total estimated cost of the real estate project.

Real estate sales amounted to ₱64.9 million, ₱174.8 million, and ₱472.4 million in 2025, 2024, and 2023, respectively (see Note 5).

Determining the fair value of investment properties. The Group engaged an independent appraiser to determine the fair value of its investment properties. The fair values of investment properties were determined using the Market Approach, which involves the comparison of the land to those that are located within the vicinity of the appraised property and are subject of recent sales and offerings.

Adjustments were made to arrive at the market value by considering the location, size, shape, utility, desirability and time element.

Fair value changes that were recognized in profit or loss and the carrying amount of investment properties are disclosed in Note 12.

Determining the impairment of receivables and contract receivables. The impairment provisions for financial assets are based on assumptions about risk of default and expected loss rates. The Group uses judgment in making these assumptions and selected inputs to the impairment calculation, based on the Group's past history, existing market conditions as well as forward looking estimates at the end of each reporting period. The impairment assessment also takes into consideration that titles to real estate properties are not transferred to the buyers until full payment is made.

In 2023, the Group provided impairment losses on receivable from PAGCOR and other receivables, amounting to ₱3.0 million, which were written off in the same year (see Note 14).

The Group did not recognize provision for ECL in 2024, but prior year adjustments were taken up to recognize additional allowance for ECL. As at December 31, 2025 and 2024, allowance for ECL amounted to ₱121.5 million and ₱17.3 million, respectively. The carrying amounts of receivables and contract assets are disclosed in Note 7.

Determining the NRV of real estate for sale and supplies inventory. Real estate for sale and supplies inventory are stated at lower of cost and NRV. The Group writes down the carrying amount of real estate for sale and supplies inventory whenever the NRV becomes lower than cost due to changes in estimated selling prices less cost to sell. The carrying amount is reviewed at least annually for any decline in value.

No provision was recognized in 2025, 2024, and 2023. The carrying amounts of inventories and supplies inventory carried at lower of cost and NRV are disclosed in Notes 8 and 9.

Assessing the impairment of deferred exploration costs. The Group reviews the carrying amounts of its deferred exploration costs whenever events or changes in circumstances indicate that their carrying amounts may exceed their estimated net recoverable amounts. The ability of the Group to recover its deferred exploration costs would depend on the commercial viability of the reserves.

An impairment loss is recognized when the carrying amounts of these assets are not recoverable and exceeds their fair value. No provision for impairment loss was recognized in 2025, 2024, and 2023. The carrying amount of deferred exploration costs amounted to ₱436.1 million and ₱433.5 million as at December 31, 2025 and 2024, respectively (see Note 11).

Estimating the impairment of goodwill. The Group is required to annually test the amount of goodwill for impairment. The recoverable amounts of CGUs have been determined based on the higher of fair value less cost of disposal and value-in-use calculations using cash flow projections covering a five- year period based on long-range plans approved by management. Estimating the value-in-use require the Group to make an estimate of the expected future cash flows from the CGU and also to choose a suitable discount rate in order to calculate the present value of those cash flows. Management used an appropriate discount rate for cash flows equal to the prevailing rates of return for a company having substantially the same risks and characteristics. Current and historical transactions have been used as indicators of future transactions.

The Group did not recognize an impairment loss on goodwill in 2025, 2024 and 2023. The carrying amount of goodwill amounted to ₱15.7 million as at December 31, 2025 and 2024 (see Note 14). Management believes that any reasonable change in any of the above key assumptions on which the recoverable amount is based on would not cause the carrying amount of the goodwill to materially exceed its recoverable amount.

Estimating the useful lives of property and equipment and ROU assets. The Group estimates the useful lives of the property and equipment and ROU assets based on the period over which these assets are expected to be available for use. The estimated useful lives are reviewed periodically and are updated if expectations differ from previous estimates due to physical wear and tear, technical or commercial obsolescence and legal or other limits on the use of these assets. In addition, estimation of the useful lives is based on collective assessment of industry practice, internal technical evaluation and experience with similar assets. It is possible, however, that future results of operations could be materially affected by changes in estimates brought about by changes in factors mentioned

above. The amounts and timing of recorded expenses for any period would be affected by changes in these factors and circumstances.

There were no changes in the estimated useful lives of property and equipment and ROU assets in 2025, 2024, and 2023. The carrying amounts of property and equipment and ROU assets are disclosed in Notes 13, 14 and 28.

Determining the impairment of nonfinancial assets (except goodwill and deferred exploration costs). The Group assesses whether there are any indicators of impairment for all nonfinancial assets at each reporting date. Investment properties, property and equipment, and intangible assets are reviewed for impairment when there are indicators that the carrying amounts may not be recoverable. Intangible asset is reviewed annually for impairment while it is still not yet available for use. Determining the value in use of these nonfinancial assets, which requires the determination of future cash flows expected to be generated from the continued use and ultimate disposition of such assets, requires the Group to make estimates and assumptions that can materially affect the consolidated financial statements. Future events could cause the Group to conclude that such nonfinancial assets are impaired. Any resulting impairment loss could have a material adverse impact on the Group's consolidated financial statements.

No provision for impairment loss was recognized in 2025, 2024 and 2023. The carrying amounts of nonfinancial assets are disclosed in Notes 12, 13, and 14.

Determining the retirement benefits cost. The cost of defined benefit pension plans and present value of the pension obligation are determined using actuarial valuations. The actuarial valuation involves making various assumptions. These include the determination of the discount rates, future salary increases and mortality rates. Due to the complexity of the valuation, the underlying assumptions and its long-term nature, defined benefit obligations are highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

Retirement liability amounted to ₱12.3 million and ₱10.4 million as at December 31, 2025 and 2024, respectively (see Note 19).

Assessing the realizability of deferred tax assets. The Group reviews its deferred tax assets at each reporting date and reduces the carrying amount to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax assets to be utilized. The amount of deferred income tax assets that are recognized is based upon the likely timing and level of future taxable profits together with future tax planning strategies to which the deferred tax assets can be utilized.

Recognized net deferred tax liabilities of the Group amounted to ₱775.8 million and ₱722.6 million as at December 31, 2025 and 2024, respectively. As at December 31, 2025 and 2024, no deferred tax assets were recognized for NOLCO and other deductible temporary differences (see Note 24). Management believes that it is not probable that sufficient taxable income will be available to allow these deferred tax assets to be utilized.

NOTE 5 – SEGMENT INFORMATION

For management purposes, the Group's operating segments are organized and managed separately according to the nature of the business activity, with each segment representing strategic unit that offers different services and serves different markets. The Group has three reportable segments as follows:

- Mining segment pertains to the operations of PGDI Group for the hauling services it provides with mining companies and the exploration activities of its mining tenements.
- Real estate segment pertains to the operations of GLCI which develops and sells innovative master planned communities of low to mid rise residential and commercial condominiums including student dormitories.
- Service contract segment pertains to the rental of mining equipment of PGDI.

No operating segments have been aggregated to form the above reportable operating segments. Management monitors operating results for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on income or loss and is measured consistently with income or loss in the consolidated financial statements. Group's financing (including finance costs and finance income) and income taxes are managed on a Group basis and are not allocated to operating segments.

The financial position of the business segments as at December 31, 2025 and 2024 are as follows:

Particulars	2025 Mining	Real Estate	Others	Elimination	Total
Assets					
Cash	₱ 14,445,898	₱ 14,951,771	₱ 1,635,030	₱ -	₱ **31,032,699**
Contract assets	-	481,004,251	-	-	**481,004,251**
Receivables	57,251,101	196,625,645	573,328,959	(559,029,811)	**268,175,894**
Real estate held for sale	-	184,854,380	251,717,403	-	**436,571,783**
Investment properties	-	926,736,258	2,740,420,200	-	**3,667,156,458**
Deferred exploration costs	436,189,548	-	-	-	**436,189,548**
Intangible assets	-	-	1,622,007	-	**1,622,007**
Property and equipment	34,989,514	4,324,188	14,210,066	-	**53,523,768**
Deferred tax assets	45,445,405	-	4,141,280	-	**49,586,685**
Other assets	60,747,632	108,961,943	40,309,490	15,701,804	**225,720,869**
	₱ 649,069,098	₱ 1,917,458,436	₱ 3,627,384,435	₱ (543,328,007)	₱ **5,650,583,962**
Liabilities					
Loans payable	₱ -	₱ 495,274,727	₱ 314,571,532	₱ -	₱ **809,846,259**
Trade and other payables	193,339,925	224,736,644	1,141,190,803	(665,912,321)	**893,355,051**
Contract liabilities	-	6,549,777	-	-	**6,549,777**
Retirement liability	565,589	11,205,166	557,197	-	**12,327,952**
Lease liability	-	1,847,182	-	-	**1,847,182**
Advances from third parties	-	-	-	-	-
Deferred tax liabilities	-	248,202,989	577,212,426	-	**825,415,415**
	₱ 193,905,514	₱ 987,816,485	₱ 2,033,531,958	₱ (665,912,321)	₱ **2,549,341,636**

Particulars	2024 Mining	Real Estate	Others	Elimination	Total
Assets					
Cash	₱ 24,750,404	₱ 31,020,798	₱ 4,580,240	₱ -	₱ 60,351,442
Contract assets	-	438,890,717	-	-	438,890,717
Receivables	76,274,112	463,812,766	731,383,728	(607,725,656)	663,744,950
Real estate held for sale	-	528,912,987	249,635,218	6,934,091	785,482,296
Investment properties	-	51,080,000	2,627,639,700	-	2,678,719,700
Deferred exploration costs	433,502,973	-	-	-	433,502,973
Intangible assets	-	-	2,027,508	-	2,027,508
Property and equipment	46,580,156	3,970,601	14,727,737	-	65,278,494
Deferred tax assets	33,123,448	-	-	28,762,779	61,886,227
Other assets	59,661,567	103,836,003	37,699,964	15,701,804	216,899,338
	₱ 673,892,660	₱ 1,621,523,872	₱ 3,667,694,095	₱ (556,326,982)	₱ 5,406,783,645
Liabilities					
Loans payable	₱ -	₱ 567,299,820	₱ 304,818,862	₱ -	₱ 872,118,682
Trade and other payables	158,409,842	95,285,282	955,275,297	(647,659,561)	561,310,860
Contract liabilities	-	6,251,941	-	-	6,251,941
Retirement liability	1,841,000	7,372,150	1,207,985	-	10,421,135
Lease liability	-	2,788,383	-	-	2,788,383
Advances from third parties	-		100,000,000	-	100,000,000
Deferred tax liabilities	-	152,973,731	548,815,442	82,701,466	784,490,639
	₱ 160,250,842.00	₱ 831,971,307	₱ 1,910,117,586	₱ (564,958,095)	₱ 2,337,381,640

The revenue and profit information of the business segments for the years ended December 31, 2025, 2024 and 2023 are as follows:

Particulars	2025			
	Mining	**Real Estate**	**Others**	**Total**
Revenues	₱ 41,320,475	₱ 64,990,750	₱ -	₱ 106,311,225
Costs and expenses	117,254,732	122,755,449	160,203,216	400,213,397
Operating income (loss)	(75,934,257)	(57,764,699)	(160,203,216)	(293,902,172)
Interest expense	(7,684,540)	(52,835,187)	(42,320,340)	(102,840,067)
Interest income	3,428	1,312,612	4,410	1,320,450
Other income (charges) - net	11,100,670	355,581,062	167,383,990	534,065,722
Income tax benefit (expense)	12,321,957	(95,844,512)	(24,053,845)	(107,576,400)
Total	₱ (60,192,742)	₱ 150,449,276	₱ (59,189,001)	₱ 31,067,533

Particulars	2024			
	Mining	Real Estate	Others	Total
Revenues	₱ 45,812,145	₱ 174,859,891	₱ 4,464,286	₱ 225,136,322
Costs and expenses	74,694,713	142,601,457	75,921,147	293,217,317
Operating income (loss)	(28,882,568)	32,258,434	(71,456,861)	(68,080,995)
Interest expense	(6,570,863)	(48,952,652)	(49,925,707)	(105,449,222)
Interest income	13,953	1,155,805	10,586,632	11,756,390
Other income (charges) - net	33,691,348	253,743,214	417,157,818	704,592,380
Income tax benefit (expense)	5,123,505	(80,591,458)	(130,693,362)	(206,161,315)
Total	₱ 3,375,375	₱ 157,613,343	₱ 175,668,520	₱ 336,657,238

Particulars	2023				
	Mining	Real Estate	Service	Others	Total
Revenues	₱ 61,848,643	₱ 472,498,374	₱ -	₱ -	₱ 534,347,017
Costs and expenses	124,011,195	288,755,112	145,822	105,889,086	518,801,215
Operating income (loss)	(62,162,552)	183,743,262	(145,822)	(105,889,086)	15,545,802
Interest expense	(2,284,842)	(41,807,979)	-	(57,935,065)	(102,027,886)
Impairment losses - net	-	-	-	(3,448,203)	(3,448,203)
Interest income	20,164	1,007,044	-	111,918	1,139,126
Other income (charges) - net	195,384	2,555,989	-	121,249,896	124,001,269
Provision for income tax (benefit)	38,760,539	(39,664,372)	-	(27,377,802)	(28,281,635)
Total	₱ (25,471,307)	₱ 105,833,944	₱ (145,822)	₱ (73,288,342)	₱ 6,928,473

Disaggregated revenue information

The Group's disaggregation of each source of revenue from contracts with customers in 2025, 2024 and 2023 are presented below:

Particulars	**2025**	2024	2023
Real estate			
Residential dwellings	₱ **64,990,750**	₱ 174,859,891	₱ 349,066,820
Lots	**-**	4,464,286	123,431,554
Mining			
Service contracts	**41,320,475**	45,812,145	61,848,643
Total	₱ **106,311,225**	₱ 225,136,322	₱ 534,347,017

NOTE 6 – CASH

This account consists of:

Particulars	2025	2024
Cash on hand	₱ **770,000**	₱ 3,994,985
Cash in banks	**30,262,699**	56,356,457
Total	₱ **31,032,699**	₱ 60,351,442

Cash in banks earn interest at the prevailing bank deposit rates. Interest income earned from cash in banks amounted to ₱0.03 million and ₱0.06 million, and ₱0.1 million in 2025, 2024, and 2023, respectively.

NOTE 7 – RECEIVABLES - NET

This account consists of:

Particulars	2025	2024
Contract receivables	₱ **109,692,176**	₱ 356,086,870
Advances to officers and employees	**32,810,443**	55,501,332
Trade receivables	**13,169,463**	13,168,599
Others	**154,154,752**	89,034,286
Total	**309,826,834**	513,791,087
Less: Allowance for ECL	**121,514,146**	17,324,524
Net	₱ **188,312,688**	₱ 496,466,563

Contract receivables arise from sale of real estate properties. These receivables are collectible in monthly installment over a period of one to 10 years and bear annual effective interest rates ranging from 8.00% to 16.00%. Titles to real estate properties are not transferred to the buyers until full payment is made. Interest income from contracts receivable amounted to ₱1.3 million, ₱1.1 million, and ₱0.9 million in 2025, 2024, and 2023, respectively.

Trade receivables include short-term and noninterest-bearing receivable arising from hauling services operations. Credit terms for trade receivables are 30 to 60 days.

During the year, the Group performed a clean-up of its accounts which resulted to identification of receivables from various individuals and former officers; these balances arose from creation of duplicate transaction, reclassification of balances, and offsetting. As a result of the internal investigation and evidences that these balances existed at the end of the reporting period, management has provided adjustments to record the amount as advances to officers and employees.

Management is undergoing further inspection of contracts, agreements, and other executed documents arising from the transactions for which the receivables were recognized. The management is exploring all courses of action to recover these balances.

Other receivables mainly consist of unsecured non-interest-bearing collectible of the Group related to the project development cost of the Stanford Project.

Contract Balances

The following table presents the breakdown of contract assets by maturity dates:

Particulars	2025	2024
Due within one year	₱ **481,004,251**	₱ 438,890,717
Due after one year	**-**	-
Total	₱ **481,004,251**	₱ 438,890,717

Contract liabilities amounted to ₱6.5 million and ₱6.2 million as at December 31, 2025 and 2024, respectively.

Contract receivables and contract assets with a total amount of ₱211.1 million and ₱397 million as at December 31, 2025 and 2024, respectively, were assigned with recourse to banks and other non- bank financing institutions. These receivables were not derecognized as the Group retains substantially all risks and rewards of ownership of the receivables (see Note 16).

Movements in the allowance for ECL are as follows:

Particulars	2025	2024
Beginning balance	₱ **17,324,524**	₱ 6,958,017
Addition	**104,189,622**	-
Adjustment	**-**	10,366,507
Ending balance	₱ **121,514,146**	₱ 17,324,524

NOTE 8 – REAL ESTATE FOR SALE

This account consists of:

Particulars	2025	2024
Real estate under development and subdivided lots held for sales	₱ **429,290,280**	₱ 254,971,735
Land and land development	**7,281,503**	7,281,503
Total	₱ **436,571,783**	₱ 262,253,238

Summary of movements in real estate under development and subdivided lots held for sale is set out below:

Particulars	2025	2024
Balance at beginning of year	₱ **254,971,735**	₱ 129,200,733
Cost of real estate sales	**(38,672,057)**	(84,012,637)
Construction development costs incurred	**29,884,776**	56,699,755
Adjustment	**183,105,826**	153,083,884
Balance at end of year	₱ **429,290,280**	₱ 254,971,735

Real estate under development and subdivided lots held for sale include on-going residential projects. The estimated cost to complete the projects amounted to ₱218.15 and ₱3.03 million as at December 31, 2025 and 2024, respectively.

Certain lots and units with carrying amount of ₱200.3 million and ₱91.6 million as at December 31, 2025 and 2024, respectively, are held as collateral for the Group's bank loans (see Note 16).

NOTE 9 – OTHER CURRENT ASSETS - NET

This account consists of:

Particulars	2025	2024
Prepaid income tax	₱ **107,375,659**	₱ 105,478,698
Input VAT	**86,475,184**	73,793,533
Advances to suppliers and contractors	**200,119**	4,923,542
Supplies	**-**	1,014,278
Deferred MCIT	**2,408,816**	559,651
Security deposits	**457,552**	433,142
Prepayments	**102,950**	15,290
Others	**544,635**	1,860,057
Total	**197,564,915**	188,078,191
Less: Allowance for impairment losses	**4,502,030**	4,502,030
Net	₱ **193,062,885**	₱ 183,576,161

Advances to suppliers and contractors represent down payments for development and construction contracts. The initial down payments will eventually be recouped or deducted from the amount payable of the Group either in a pro-rated basis or in full once billed by the suppliers and contractors.

Prepayments include prepaid insurance, which will be amortized within three to twelve months at the end of the financial reporting date, prepaid rent and cost to obtain contracts, i.e., commission that is related to the real estate sales.

NOTE 10 – NON-CURRENT RECEIVABLES – NET

As of December 31, 2025 and 2024, this account amounted to ₱79,863,206 and ₱167,278,387, respectively.

In 2024, the Group performed a clean-up of its accounts which resulted to identification of receivables from various individuals and former officers; these balances arose from creation of duplicate transaction, reclassification of balances, and offsetting. As a result of the internal investigation and evidences that these balances existed at the end of the reporting period, the Group has provided adjustments to record the amount as advances to officers and employees.

The Group is undergoing further review and revisiting of contracts, agreements, and other executed documents arising from the transactions for which the receivables were recognized. The Company is exploring all courses of action to recover these balances.

In December 2017, the BOD of PHBSI and PHAFC declared cash dividends payables to its stockholders of record as of date. Dividends receivable of the Group from both subsidiaries amounted to nil and ₱5.5 million as of December 31, 2025 and 2024, respectively. In 2024, the non-operating subsidiaries reversed the dividend declaration due to lack of funds.

NOTE 11 – DEFERRED EXPLORATION COSTS

Deferred exploration costs relate to the expenditures incurred in the exploration activities over the limestone deposits of PSMVI and PHMIC in Barangay Isumbo, Sofronio Española and Barangay Pinaglabanan, Quezon in the Province of Palawan, known as the Panitian Limestone Project. The subsidiaries holding the Mineral Production Sharing Agreements (MPSAs) are still under the pre-operating stage and the limestone project is still under the exploration stage as at December 31, 2025.

The Panitian Limestone Project in Barangay Isumbo and Barangay Pinaglabanan covers 10,384.11 hectares under MPSA 172-2001-IV and MPSA 173-2001-IV. The MPSAs were approved on January 16, 2001 and are valid for 25 years, expiring on January 16, 2026. An extension of the exploration period for the final two (2) years was

granted in the prior year to allow drilling activities on the shale deposit for the purpose of determining the volume of extractable material for potential cement production. Similar to the PHMIC project, all exploration activities were suspended by the MGB Regional Office.

The MPSA expired on January 16, 2026. The Company has applied for the renewal of the permit and has completed and submitted all documentary and regulatory requirements to the Mines and Geosciences Bureau Central Office (MGB CO). In connection with the pending renewal, the Company also applied for the suspension of all obligations under the MPSA until further notice or until the renewal is approved. In addition, the Company has submitted the limestone resource data to the MGB for validation. As at the reporting date, management is awaiting official action or instructions from the MGB with respect to the renewal of the MPSA, the suspension of permit obligations, and the validation of the limestone resource.

Deferred exploration costs attributable to the Group's Panitian Limestone Project amounted to ₱436.1 million and ₱433.5 million as at December 31, 2025 and 2024, respectively (Note 4). Additions to deferred exploration costs amounted to ₱2.6 million, ₱7.2 million, and ₱8.2 million in 2025, 2024, and 2023, respectively.

No impairment loss was recognized in 2025, 2024, and 2023.

NOTE 12 – INVESTMENT PROPERTIES

Below are the investment properties of the Group per location as at December 31:

2025

Particulars	Beginning Balance	Fair Valuation Gain	**Ending Balance**
Site I	₱ 2,499,707,700	₱ 99,987,300	₱ **2,599,695,000**
Site II	127,932,000	12,793,200	**140,725,200**
Baguio City, Benguet	523,229,058	352,427,200	**875,656,258**
Cabanatuan City, Nueva Ecija	51,080,000	-	**51,080,000**
Total	₱ 3,201,948,758	₱ 465,207,700	₱ **3,667,156,458**

2024

Particulars	Beginning Balance	Fair Valuation Gain (loss)	Ending Balance
Site I	₱ 398,952,700	₱ 2,100,755,000	₱ 2,499,707,700
Site II	1,705,966,415	(1,578,034,415)	127,932,000
Irisan, Baguio City	346,437,858	176,791,200	523,229,058
Cabanatuan City, Nueva Ecija	8,513,400	42,566,600	51,080,000
Total	₱ 809,116,373	₱ 742,078,385	₱ 3,201,948,758

Sites I and II are situated in Sitios Busay and Candes, respectively, both located within Barangay Bacungan, Puerto Princesa City.

The fair values of the investment properties were determined based on valuations performed by independent qualified appraisers using the Market Approach. In this approach, the value of the land was based on sales and listings of comparable property registered within and nearby the vicinity. The technique of this approach requires the adjustments of comparable property by reducing reasonable comparative sales and listing to a common denominator. This was done by adjusting the differences between the subject property and those actual sales and listings regarded as comparable. The properties used as bases of comparison are situated within the immediate vicinity of the property and were premised on the factors of location, size and shape of the lot, time, element and others.

The selling price is adjusted for certain external and internal factors ranging from negative 5% to positive 35%. Under the Market Approach, a higher estimated price per square meter of the subject property would yield higher fair value.

The unobservable inputs used in the fair valuation are as follows:

	2025			
Particulars	**Site I**	**Site II**	**Baguio City**	**Nueva Ecija**
Land area (in sqm)	4,999,414	127,932	146,029	42,567
Price per sqm	₱ 520	₱ 1,100	₱ 5,996	₱ 1,200
Fair value	₱ 2,599,695,000	₱ 140,725,200	₱ 875,656,258	₱ 51,080,400

	2024			
Particulars	Site I	Site II	Baguio City	Nueva Ecija
Land area (in sqm)	4,999,414	127,932	146,029	42,567
Price per sqm	₱ 500	₱ 1,000	₱ 3,583.05	1,200
Fair value	₱ 2,499,707,000	₱ 127,932,000	₱ 523,229,058	51,080,400

Based on the analysis of the land usage surrounding the Nagtabon, Puerto Princesa investment property, the highest and best use of the investment property for Site I is to be a commercial development such as beach resort or hotel resort and interim highest and best use for Site II is an agricultural land utilization, until such time when it is ripe for any other type of development.

The Group assessed the reasonableness of the fair value of investment properties by comparing the appraised values with recent acquisition costs, where applicable, and noted no material inconsistencies.

Management also evaluated the independence, competence, and objectivity of the external appraiser and confirmed that the valuation complies with applicable standards and regulatory requirements.

The fair value change is primarily driven by updated market data from recent comparable transactions.

Unrealized gain on fair valuation of investment properties amounted to ₱465.2 million, ₱742 million, and ₱138.4 million for periods ending 2025, 2024, and 2023, respectively.

As at December 31, 2025 and 2024, investment properties amounting to ₱68.1 million were used as collateral for convertible loans and callable loans (see Note 16).

NOTE 13 – PROPERTY AND EQUIPMENT - NET

The movements of this account as of December 31, 2025 are as follows:

Particulars	Beginning	Addition	Deduction/ Adjustment	Ending
Cost				
Office space building and office space improvements	₱ 20,713,332	₱ -	₱ 704,620	₱ **20,008,712**
Heavy improvement	437,868,458	-	79,692,143	**358,176,315**
Leasehold improvements	22,693,816	102,999		**22,796,815**
Furniture and fixtures	3,918,428	-	6,055	**3,912,373**
Transportation equipment	72,292,638	2,154,682	12,092,505	**62,354,815**
Office and other equipment	71,257,886	300,689	283,309	**71,275,266**
Total	₱ 628,744,558	₱ 2,558,370	₱ 92,778,632	₱ **538,524,296**
Accumulated depreciation				
Office space building and office space improvements	₱ 17,086,171	₱ -	₱ 704,620	₱ **16,381,551**
Heavy improvement	366,181,995	9,122,326	79,692,143	**295,612,178**
Leasehold improvements	9,347,701	63,741	197,242	**9,214,200**
Furniture and fixtures	3,778,126	45,238	(529)	**3,823,893**
Transportation equipment	67,638,148	1,958,586	11,769,788	**57,826,946**
Office and other equipment	59,954,632	2,924,520	216,683	**62,662,469**
Total	₱ 523,986,773	₱ 14,114,411	₱ 92,579,947	₱ **445,521,237**
Accumulated impairment	₱ 39,479,291	₱ -	₱ -	₱ **39,479,291**
Net Book Value	₱ 65,278,494			₱ **53,523,768**

The movements of this account as of December 31, 2024 are as follows:

Particulars	Beginning	Addition	Deduction/ Adjustment	Ending
Cost				
Office space building and office space improvements	₱ 20,713,332	₱ -	₱ -	₱ 20,713,332
Heavy improvement	439,718,458	42,750,000	44,600,000	437,868,458
Leasehold improvements	9,337,700	13,356,116	-	22,693,816
Furniture and fixtures	3,901,176	17,252	-	3,918,428
Transportation equipment	72,517,638	-	225,000	72,292,638
Office and other equipment	66,654,468	4,603,418	-	71,257,886
Total	₱ 612,842,772	₱ 60,726,786	₱ 44,825,000	₱ 628,744,558
Accumulated depreciation				
Office space building and office space improvements	₱ 15,697,972	₱ 1,388,199	₱ -	₱ 17,086,171
Heavy improvement	395,943,842	14,838,153	44,600,000	366,181,995
Leasehold improvements	9,293,300	54,401	-	9,347,701
Furniture and fixtures	3,744,307	33,819	-	3,778,126
Transportation equipment	63,150,877	4,487,271	-	67,638,148
Office and other equipment	57,191,835	2,762,797	-	59,954,632
Total	₱ 545,022,133	₱ 23,564,640	₱ 44,600,000	₱ 523,986,773
Accumulated impairment	₱ 39,479,291	₱ -	₱ -	₱ 39,479,291
Net Book Value	₱ 28,341,348			₱ 65,278,494

As at December 31, 2025 and 2024, transportation equipment with a carrying amount of ₱2.7 million and ₱2.3 million were used as collateral for mortgage loans (see Note 16).

In 2025 and 2024, the Group disposed fully depreciated heavy equipment with cost of ₱79.6 million and ₱44.6 million for ₱9 million and ₱21 million, respectively.

Depreciation and amortization are recognized in the consolidated statements of comprehensive income as follows:

Particulars	2025	2024	2023
Cost of services (Note 21)	₱ **11,439,165**	₱ 18,935,576	₱ 45,298,511
General and administrative expenses (Note 22)			
Property and equipment	**2,675,246**	4,312,180	5,520,071
Right-of-use asset	**863,878**	1,086,244	764,156
Total	₱ **14,978,289**	₱ 24,334,000	₱ 51,582,738

NOTE 14 – OTHER NONCURRENT ASSETS - NET

This account consists of:

Particulars	2025	2024
Intangible assets	₱ **11,351,904**	₱ 11,351,904
Goodwill	**15,701,804**	15,701,804
Deferred input VAT	**39,637**	39,637
Right-of-use asset	**1,246,757**	1,911,950
Idle property	**15,709,422**	15,709,422
Others	**662,061**	662,061
Subtotal	**44,711,585**	45,376,778
Less: Allowance for impairment losses on:		
Intangible assets	**9,729,896**	9,324,395
Others	**701,698**	701,698
Subtotal	**10,431,594**	10,026,093
Net	₱ **34,279,991**	₱ 35,350,685

Intangible Assets

Intangible assets include CUBES's exclusive right to distribute specific types of thermo chillers in the Philippines with a cost of ₱150.5 million.

As at December 31, 2025 and 2024, this was fully provided with allowance for impairment losses due to discontinuance of CUBES's operations in May 2017.

Intangible assets also include film rights, with a cost of ₱11.3 million and a related allowance for impairment losses of ₱9.7 and ₱9.3 million as at December 31, 2025 and 2024, respectively. Provision for impairment loss recognized in 2025, 2024, and 2023 amounted to ₱405,501 (see Note 22).

Goodwill

The Group's goodwill pertains to: (a) the acquisition of PGDI in April 2012 amounting to ₱9.5 million and (b) the acquisition of GLCI in June 2015 amounting to ₱6.2 million.

As at December 31, 2025 and 2024, no allowance for impairment was recognized on goodwill related to PGDI and GLCI. The recoverable amounts of goodwill were determined based on value-in-use calculations using cash flow projections from financial budgets approved by management.

The pre-tax discount rate applied to the cash flow projection is 6.0%. The growth rate used to extrapolate the cash flows of until beyond the five-year period is 5.0%. Management believes that no reasonably possible change in any of the above key assumptions would cause the carrying amounts to exceed the recoverable amounts.

Receivable from PAGCOR
In 2011, the Group received a notice of garnishment amounting to ₱3.0 million in connection with a complaint filed against Blue Sky Philko, wherein the Group was made as a co-defendant. The Group's commission from PhilWeb for the same amount was placed under the custody of PAGCOR.

In 2023, the Group provided impairment loss amounting to ₱3.0 million, which was also written off in the same year when Blue Sky Philko lost the legal case in 2023. (Note 4)

Idle property
This account represents cumulative payments of the Group for purchase of four (4) land rights in 2015 and 2016, for which the titles and registration has yet to be obtained by the Group. These land rights were sold to WPP by the Parent Company in 2016 for future development or resale resulting to recognition of realized gain on sale amounting to ₱87.3 million.

At the special meeting of the Board of Directors of the Group held on May 16, 2024, the Directors approved the reversal of the Assignment of Rights and Undertaking to Execute Deed of Assignment and Transfer of Rights made between the Parent Company and WPP covering the four (4) parcel of land with total area of 1,728,824 sqm, after discovery of anomalies in the registration documents of these rights. The rescission resulted to the recognition of loss on sale of property in the statements of income in the amount of ₱87.3 million.

NOTE 15 – TRADE AND OTHER PAYABLES

This account consists of:

Particulars	2025	2024
Trade payables	₱ **24,155,346**	₱ 105,178,387
Accrued expenses	**446,670,334**	247,331,539
Customers' deposits and advances	**119,583,599**	103,244,554
Voucher's payable	**1,207,504**	784,603
Advances from shareholders	**11,268,758**	-
Others	**63,889,932**	57,342,199
Total	₱ **666,775,473**	₱ 513,881,282

Trade payable to third parties relates to construction and development costs payable to contractors and suppliers. These are non-interest-bearing and are normally settled within one year after the reporting date.

Accordingly, such payables were derecognized during the year, with the resulting gain recognized in profit or loss under "Other Income." The Group believes that this treatment appropriately reflects the substance of the transactions and results in a fair presentation of the Group's financial position and performance. (Note 17)

Pursuant to the Board of Directors' resolution and discussions in the meeting held on June 5, 2025, the Group approved the transfer amounted to amounted to ₱13,450,000 of previously accrued interest and the reclassification of the settled and fixed amount to Accounts Payable, consistent with the enforceable amount required to be paid under the Sheriff's instruction. Accordingly, accrued interest previously recognized beyond the enforceable and demandable amount was reversed, and the principal obligation, together with the approved interest thereon, was reclassified from Accrued Interest Payable to Accounts Payable.

Accrued expenses pertain to accrual of interest, salaries and benefits, professional fees and other taxes which are expected to be settled within 12 months from the end of the reporting period.

Customers' deposits and advances represent cash received from real property buyers based on the terms of the agreement executed during the year. These deposits will be applied to any receivable upon execution of the contract to sell and fulfilment by both parties of certain undertakings and conditions.

Customers' refunds mainly consist of refund liabilities to customers from a cancelled real estate project and for cancelled real estate sales. Certain agreements provide real property buyers to pay nonrefundable deposits.

Others include withholding taxes and other amounts payable to the Philippine Government. These are noninterest-bearing and are generally settled in 30 to 45 days.

NOTE 16 – LOANS PAYABLE

Short-term Loans
Short-term loans of the Group consist of:

Particulars	2025	2024
Unsecured	₱ **201,571,532**	₱ 160,468,862
Convertible	**100,000,000**	100,000,000
Total	₱ **301,571,532**	₱ 260,468,862

Unsecured
Unsecured short-term loans consist of:

	2025			
Particulars	Banks	Officers and shareholders	Third parties	Total
Balance at beginning of year	₱ 5,000,000	₱ 37,400,000	₱ 118,068,862	₱ **160,468,862**
Availments (payments)	41,102,670	-	-	**41,102,670**
Balance at end of year	₱ 46,102,670	₱ 37,400,000	₱ 118,068,862	₱ **201,571,532**

	2024			
Particulars	Banks	Officers and shareholders	Third parties	Total
Balance at beginning of year	₱ -	₱ 37,400,000	₱ 103,068,862	₱ 140,468,862
Availments (payments)	5,000,000	-	15,000,000	20,000,000
Balance at end of year	₱ 5,000,000	₱ 37,400,000	₱ 118,068,862	₱ 160,468,862

Short-term loans were obtained to finance the working capital requirements of the subsidiaries and partially finance the acquisition of the Group's heavy equipment. These are unsecured and payable within 180 days to 360 days and bear annual interest rates, as follows:

Creditor	Interest rate
Banks	6.50% to 6.75%
Officers and shareholders	6.00%
Third parties	7.50% to 12.00%

Interest expense on unsecured short-term loans amounted to ₱8.5 million, ₱14.3 million, and ₱21.0 million in 2025, 2024, and 2023, respectively (see Note 25).

Convertible
WPP has a ₱100.00 million loan agreement with Treasure Island Industrial Corporation (TIIC), subject to 6.5% interest. TIIC is a related party holding 17.33% ownership in PGDI (see Note 18).

The loan proceeds were used by the Group to finance the development activities of its properties in Palawan.

The instrument provides options that up to ₱50.0 million of the loan may be converted to new shares of WPP corresponding to 5.0% of WPP post-conversion effectively at a valuation of ₱1.0 billion. The ₱100.0 million loan amount, in whole or in part, may be convertible to lots in the Kattinger-Nagtabon property at an agreed upon

discount to the opening Joint Venture price and as soon as the Joint Venture agreement with Kattinger group is signed and agreed on by all parties concerned or to parcels of the security lots in North Cove with total area of 196,000 square meters at a price of ₱1,000 per square meter (see Note 12).

Interest expense on convertible loans recognized in profit or loss amounted to ₱9.3 million, ₱7.5 million, and ₱9.1 million, in 2025, 2024 and 2023, respectively (see Note 25).

As at reporting date, the outstanding balance of the loan is already due and demandable. The Group is currently negotiating a repayment arrangement with TIIC.

No interest expense was capitalized as part of land development under "Real estate held for sale" in 2025, 2024 and 2023.

Long-term Loans

Long-term loans consist of:

Particulars		2025		2024
Secured by:				
Contract receivables and contract assets	₱	**211,177,165**	₱	397,002,523
Real estate mortgage		**231,337,123**		113,830,497
Unsecured		**63,000,000**		67,090,000
Mortgaged car loans		**2,760,439**		2,376,800
		508,274,727		580,299,820
Less: noncurrent portion		**341,143,553**		457,214,810
Current portion	₱	**167,131,174**	₱	123,085,010

Details of long-term loans as at December 31, 2025 and 2024 are as follows:

		2025		2024	
Party	Terms	Principal	Outstanding Balance	Principal	Outstanding Balance
Secured by contract assets and receivables					
Bank of the Philippines Islands (BPI)	5 years; 7.46%-9.93% p.a.	₱ **165,990,000**	₱ **-**	₱ 558,331,264	₱ 392,341,263
BPI Family Savings Bank	5 years; 9.5% p.a.	**392,341,264**	**207,403,340**	-	-
Security Bank	10 years; 7.47%-9.93% p.a.	**200,000,000**	**3,773,825**	200,000,000	4,661,260
		758,331,264	**211,177,165**	758,331,264	397,002,523
Secured by real estate mortgage					
Philippine Veterans Bank (PVB)	5 years; 9.65%-10.99% p.a.	**314,000,000**	**16,026,663**	314,000,000	48,194,599
Bank of the Philippine Islands	1 year; 7.50% p.a.	**100,000,000**	**100,000,000**	-	-
Rang-ay Bank	5 years; 6% p.a.	**50,000,000**	**69,492,276**	47,500,000	39,437,052
Zambales Bank	5 to 10 years; 8% p.a.	**32,000,000**	**31,014,787**	32,000,000	22,145,867
Sterling Bank of Asia, Inc.	1 year; 10.25% p.a.	**20,000,000**	**-**	10,000,000	-
Tanay Rural Bank	2 years; 18% p.a.	**20,000,000**	**14,803,397**	20,000,000	4,052,979
		536,000,000	**231,337,123**	423,500,000	113,830,497
Unsecured					
Individuals	2 to 3 years; 11.60% to 18%	**191,022,058**	**63,000,000**	191,022,058	67,090,000
Mortgaged - car loans					
Security Bank		**6,076,000**	**2,760,439**	6,076,000	2,376,800
Total		₱ **1,491,429,322**	₱ **508,274,727**	₱ 1,378,929,322	₱ 580,299,820

Secured by contract receivables and contract assets

The Group entered into loan agreements with different banks and other non-bank financing institutions to assign with recourse contract to sell of unit buyers payable in monthly amortization of up to five years and bears interest rates ranging from 3.08% to 10.02% (see Note 7).

Secured by real estate mortgage, unsecured and mortgaged - car loans

Long-term loans secured by real estate mortgage and unsecured represent loans bearing interest at prevailing market rates ranging from 6.0% to 20.60% and are payable within two to ten years from grant date. Mortgaged loans pertain to car loans for vehicles used in operations of the Group (see Notes 8, 12, and 13).

Loan covenants

The Group's debt instruments contain restrictive covenants. PVB restricts payment and declaration of cash dividends, management bonus or profit sharing to, or making any loans or advances to the Group's directors, officers and stockholders, sale of significant assets and requires maintenance of debt-to-equity ratio of 1.5:1. BPI requires maintenance of debt-to-equity ratio of 2.5:1 and debt-to-service ratio of not less than 1.1:1.
As at December 31, 2025 and 2024, the Group was able to meet the required debt covenants. (Note 20)

The schedule of maturities of long-term loans of the Group as at December 31 follows:

Particulars	2025	2024
Less than one year	₱ **154,131,174**	₱ 110,085,010
Over one year	**354,143,553**	470,214,810
Total	₱ **508,274,727**	₱ 580,299,820

Interest expense on long-term loans recognized in the consolidated statements of comprehensive income amounted to ₱51.6 million, ₱48.6 million, and ₱41.8 million in 2025, 2024, and 2023, respectively (see Note 25).

NOTE 17 – NON-CURRENT PAYABLES

This account consists of:

Particulars	2025	2024
Third parties	₱ **189,280,237**	₱ 141,480,237
Shareholders	**37,299,341**	37,499,341
Total	₱ **226,579,578**	₱ 178,979,578

Certain accounts and other payables previously classified as current have been reclassified to non-current liabilities as of December 31, 2025. The reclassification was made because the settlement of these obligations is presently deferred due to the on-going legal proceedings, and management does not expect settlement to occur within twelve (12) months after the reporting period. (Note 15)

NOTE 18 – RELATED PARTY TRANSACTIONS

In the ordinary course of business, the Group has transactions with related parties which consist mainly of extension or availment of noninterest-bearing advances and interest-bearing short-term and long-term loans. Related party transactions amounting to 10% or higher of the Group's consolidated total assets are subject to the approval of the BOD.

For the years ended December 31, 2025, 2024, and 2023, the Group has not recorded any impairment of receivables relating to amounts owed by related parties. This assessment is undertaken each financial period through examining the financial position of the related party and the market in which the related party operates. Settlement of the outstanding balances normally occur in cash, unless otherwise stated.

Transactions and outstanding balances with related parties are as follows:

Related Party	Relationship	Transactions		Outstanding Balance		Terms and Conditions
		2025	2024	2025	2024	
Receivables						
Advances	Officers	₱ **17,383,508**	₱ 59,805,128	₱ **37,910,442**	₱ 55,293,950	Unsecured, due and demandable, noninterest bearing
Loans from officers and shareholders						
Short-term loans	Officers and shareholders	₱ **-**	₱ 31,350,000	₱ **68,750,000**	₱ 68,750,000	Unsecured, 180 to 360 days. 6.00% interest per annum

Related Party	Relationship	Transactions		Outstanding Balance		Terms and Conditions
		2025	2024	2025	2024	
Convertible loans	Related party	₱ -	₱ -	₱ 100,000,000	₱ 100,000,000	Secured by real estate, 3 years, 6.50% interest per annum convertible to WPP shares of lots of WPP real estate properties
Trade and other payables						
Management fees	Officers	₱ -	₱ 8,567,236	₱ -	₱ -	Unsecured; Due and demandable; noninterest bearing
Advances	Shareholders	11,268,758	-	11,268,758	-	Unsecured; Due and demandable; noninterest bearing
Total		₱ 11,268,758	₱ 8,567,236	₱ 11,268,758	₱ -	

Compensation of Group's Key Management Personnel
Compensation of the Group's key management personnel consists of short-term employee benefits amounting to ₱35.31 million, ₱52.0 million, and ₱51.6 million in 2025, 2024, and 2023, respectively. There are no post-employment benefits in 2025, 2024, and 2023. There are no agreements between the Group and any of its directors and key officers providing for benefits upon termination of employment, except for such benefits to which they may be entitled under the Group's retirement plan.

NOTE 19 – RETIREMENT BENEFITS

The Group has an unfunded non-contributory defined benefit plan covering all regular employees. Benefits are based on the employee's years of service and final plan salary. Under the existing regulatory framework, Republic Act 7641, *The Retirement Pay Law*, requires a provision for retirement pay to qualified private sector employees in the absence of any retirement plan in the entity, provided however that the employee's retirement benefits under any collective bargaining and other agreements shall not be less than those provided under the law. The law does not require minimum funding of the plan.

The following tables summarize the unfunded status and amounts recognized in the consolidated statements of financial position and the components of the net benefit expense recognized in the consolidated statements of comprehensive income for the retirement plan.

Retirement benefit cost recognized in the consolidated statements of comprehensive income consists of:

Particulars	2025	2024	2023
Interest expense on defined benefit obligation	₱ 647,732	₱ -	₱ 3,175,522
Service cost	971,139	-	3,099,557
Total	₱ 1,618,871	₱ -	₱ 6,275,079

Remeasurement gains (losses) on retirement liability recognized under OCI in the consolidated statements of comprehensive income:

Particulars	2025	2024	2023
Actuarial gains (losses) due to:			
Experience adjustments	₱ (992,549)	₱ -	₱ 41,301,665
Changes in financial assumptions	339,476	-	(387,845)
Remeasurement gains (losses) on defined benefit obligation	(653,073)	-	40,913,820
Income tax effect	163,268	-	(10,228,456)
Remeasurement gains (losses)	₱ (489,805)	₱ -	₱ 30,685,364

Cumulative remeasurement effect recognized in OCI under equity attributable to equity holders of the Parent and equity attributable to noncontrolling interests:

Particulars	2025	2024
Equity attributable to equity holders of the Parent		
Balance at beginning of year	₱ **31,265,998**	₱ 31,265,998
Actuarial gain (loss)	**(489,805)**	-
Balance at end of year	₱ **30,776,193**	₱ 31,265,998
Equity attributable to noncontrolling interest		
Balance at beginning of year	₱ **8,843,206**	₱ 8,843,206
Actuarial gain (loss)	**-**	-
Balance at end of year	₱ **8,843,206**	₱ 8,843,206
Total	₱ **39,619,399**	₱ 40,109,204

Changes in the present value of the retirement liability are as follows:

Particulars	2025	2024	2023
Balance at beginning of year	₱ **10,421,135**	₱ 10,421,135	₱ 45,059,876
Actuarial losses (gains) due to:			
Experience adjustments	**992,549**	-	(41,301,665)
Changes in financial assumptions	**(339,476)**	-	387,845
Interest expense of defined benefit obligation	**647,732**	-	3,175,522
Service cost	**971,139**	-	3,099,557
Benefits paid	**(365,127)**	-	-
Total	₱ **12,327,952**	₱ 10,421,135	₱ 10,421,135

The cost of defined benefit pension plans as well as the present value of the pension liabilities is determined using actuarial valuations. The actuarial valuation involves making various assumptions. The principal assumptions used to determine pension for the Group are as follows:

	Discount rate		Salary Increase	
Entity	2025	2024	2025	2024
PHA	**6.42%**	6.06%	**5.00%**	5.00%
PGDI	**6.58%**	6.03%	**10.00%**	10.00%
GLC	**6.11%**	6.11%	**5.00%**	5.00%

The sensitivity analysis below has been determined based on reasonably possible changes of each significant assumption on the defined benefit obligation as of the end of the reporting period, assuming all other assumptions were held constant:

		2025		
	Increase (Decrease)	Effect on the retirement benefit obligation		
		PHA	PGDI	GLC
Discount rate	+100bps	₱ **(69,637)**	₱ **(106,404)**	₱ **(6,903,463)**
	-100bps	**81,534**	**137,741**	**7,914,719**
Salary increase	+100bps	₱ **84,472**	₱ **131,537**	₱ **7,945,487**
	-100bps	**(73,075)**	**(104,323)**	**(6,867,975)**

		2024		
	Increase (Decrease)	Effect on the retirement benefit obligation		
		PHA	PGDI	GLC
Discount rate	+100bps	₱ (172,547)	₱ (265,802)	₱ (6,903,463)
	-100bps	378,442	260,539	7,914,719
Salary increase	+100bps	₱ 286,443	₱ 256,189	₱ 7,945,487
	-100bps	(243,508)	9251,115)	(6,867,975)

The Group does not have a formal retirement plan where its retirement obligations could have been funded.

Shown below is the maturity profile of the undiscounted benefit payments:

Particulars	2025	2024
More than one year to five years	₱ **6,222,699**	₱ 8,321,450
More than five years to 10 years	**2,282,455**	5,240,930
More than 10 years to 15 years	**4,059,798**	4,059,798
More than 15 years to 20 years	**1,525,575**	1,525,575
More than 20 years	**13,736,123**	13,736,123
Total	₱ **27,826,650**	₱ 32,883,876

NOTE 20 – EQUITY

Capital Stock

The details and movements of the Parent Company's number of common shares follow:

Particulars	2025		2024		2023	
	No. of shares	Amount	No. of shares	Amount	No. of shares	Amount
Authorized						
Balance at beginning and end of year	**6,000,000,000**	₱ **1,500,000,000**	6,000,000,000	₱ 1,500,000,000	6,000,000,000	₱ 1,500,000,000
Issued and fully paid						
Balance at beginning of year	**5,640,405,708**	₱ **1,410,101,427**	5,640,405,708	₱ 1,410,101,427	3,456,388,489	₱ 864,097,122
Shares fully paid during the year	-	-	-	-	2,184,017,219	546,004,305
Additional subscription	-	-	-	-	-	-
Balance at end of year	**5,640,405,708**	₱ **1,410,101,427**	5,640,405,708	₱ 1,410,101,427	5,640,405,708	₱ 1,410,101,427
Subscribed but not yet fully paid						
Balance at beginning of year	**67,953,886**	₱ **16,988,449**	67,953,886	₱ 16,988,449	2,251,971,015	₱ 562,992,754
Shares fully paid during the year	-	-	-	-	(2,184,017,129)	(546,004,282)
Additional subscription	-	-	-	-	-	-
Balance at end of year	**67,953,886**	₱ **16,988,449**	67,953,886	₱ 16,988,449	67,953,886	₱ 16,988,472
Less: subscription receivable						
Balance at beginning of year		₱ **12,741,354**		₱ 12,741,354		₱ 419,593,050
Collections		-		-		(406,851,696)
Additional subscription		-		-		
Balance at end of year	-	**12,741,354**	-	12,741,354	-	12,741,354
Issued and subscribed	**5,708,359,594**	₱ **1,414,348,522**	5,708,359,594	₱ 1,414,348,522	5,708,359,594	₱ 1,414,348,545

On May 2, 1997, the Parent Company has its shares listed at the Philippine Stock Exchange where 520.0 million common shares were offered at ₱1.00 a share. The Parent Company has 145 existing shareholders as at December 31, 2025 and 2024, respectively.

Share Subscription Agreement

On October 29, 2020, PHA entered into a Memorandum of Agreement with an investor group for an equity infusion through a subscription of 2,803,030,303 share or 55% ownership in PHA at ₱0.33 per share for ₱925.0 million. Of the consideration, ₱300.0 million was in cash and the balance of ₱625.0 million was a combination of cash and/or infusion of SPTI shares over a period of two years, with the intent of making SPTI a subsidiary of PHA. PHA received ₱371.1 million from the subscription.

On October 13, 2022, the BOD decided that it will no longer pursue its planned acquisition of 33% of SPTI.

Of the 2,803,030,303 shares subscribed by the investor group, 1,678,372,199 shares remained unpaid, with unpaid subscriptions of ₱553.9 million. In February 2023, the BOD approved a call for payment on the remaining unpaid shares. After a 30 days-compliance period, 1,457,756,139 shares with unpaid balance of ₱357.3 million were considered delinquent shares. On April 11, 2023, the BOD authorized the sale of the delinquent shares at a public auction on May 11, 2023. (Note 1)

Of the delinquent shares, 1,389,802,253 were sold to a private investor for ₱344.8 million. These were fully collected on July 7, 2023. (Note 1)

APIC

APIC includes paid-in capital in excess of par amounting to ₱610.7 million as at December 31, 2025 and 2024, respectively, and the equity component of the issued convertible loans amounting to ₱18.7 million as at December 31, 2025 and 2024.

Subscriptions Receivable

Movements in subscriptions receivable, which is treated as a deduction against capital stock and APIC, are as follows:

	2025			2024		
	Capital stock	APIC	**Total**	Capital stock	APIC	Total
Balance at beginning of year	₱ 12,741,354	₱ 3,977,233	₱ **16,718,587**	₱ 12,741,354	₱ 3,977,233	₱ 16,718,587
Collection	-	-	-	-	-	-
Balance at end of year	₱ 12,741,354	₱ 3,977,233	₱ **16,718,587**	₱ 12,741,354	₱ 3,977,233	₱ 16,718,587

Share Lending Agreement

On July 20, 2021, the BOD of PHA approved a Put Option Agreement with LDA Capital Limited (LDA) for an equity financing of up to ₱2.5 billion over the next 36 months.

In August 2021, PHA sent a Put Option Notice (PON) to LDA for 190,000,000 listed shares. A group of stockholders (Share Lender) lent 210,000,000 shares to PHA. From the total shares, 190,000,000 shares were used as the Collateral Shares for the PON. The remaining 20,000,000 shares were transferred to an Options Shares Securities Account of LDA to satisfy PHA's obligations to sell options shares and to secure the payment of any portion of the commitment fee.

In consideration for the lending of shares by the Share Lender to LDA on behalf of PHA pursuant to the Put Option Agreement, PHA shall pay the Share Lender a lending fee equivalent to 18.0% per annum based on the market prices of the shares at the time of transfer. The lending fees accrued and recognized as part of "Interest expense" account amounted to ₱32.9 million, ₱24.0 million, and ₱29.9 million in 2025, 2024, and 2023, respectively (see Note 25).

In 2025 and 2024, the Group recognized commitment fees to LDA amounting to nil and ₱8.4 million, respectively (see Note 22).

Deposit for Future Stock Subscription

In 2021, the convertible notes holders exercised their rights to convert the principal of ₱354.0 million and accrued interest of ₱24.7 million to equity of the Group at a conversion price of ₱0.70 a share, equivalent to 540,938,008 shares. The amount was initially recognized as "Deposit for future stock subscription" and was issued on March 22, 2022, when the SEC issued the Certificate of Approval of Valuation of shares.

In December 2, 2024, the Philippine Stock Exchange ("PSE") issued a Notice of Approval for the listing of additional shares totaling 1,202,271,236 common shares as a result of the debt-to-equity conversion and private placement.

On November 17, 2021, the BOD approved the increase in the Group's authorized capital stock from ₱1.5 billion, divided into 6,000,000,000 common shares at ₱0.25 par value per share, to ₱2.5 billion, divided into 10,000,000,000 shares at ₱0.25 par value per share. This was ratified by the shareholders on December 17, 2021.

As of the report date, the application for the increase in authorized capital stock has yet to be filed with the SEC.

Retained Earnings
The consolidated retained earnings as at December 31, 2025 and 2024 include accumulated earnings of the subsidiaries aggregating ₱486.6 million and ₱499.9 million, respectively, which are not currently available for dividend declaration unless declared by the subsidiaries of the Parent Company.

Retained earnings also included "Equity reserves" arising from transactions affecting ownership interest in DSI and PGDI. The equity reserves closed to retained earnings from these transactions aggregated ₱70.6 million. The equity reserve is excluded for purposes of dividend declaration.

The Parent Company has no available retained earnings for dividend declaration as at December 31, 2025 and 2024.

Prior Period Adjustments
The prior period adjustments as at December 31, 2025 and 2024 includes adjustments amounted to ₱1,262,593 and ₱102,903,433, respectively. The adjustments are as follows:

- In 2025, advances to officers were adjusted for ₱169,600 to close the expenses paid to vendor, Due from PGDI by ₱1,066,658 for the cost paid by parent company for the MPSA projects and the adjustment of ₱26,335 as the payment to registry of deeds for the annotation of real estate mortgage.
- In 2024, the Group recognized the following prior period adjustments:
  a) GLCI recognizes cost of real estate sales based on the estimated budget of each project, and subsequently adjust for the actual cost incurred upon completion and sale of the units. In 2024, re-computation of the project development cost of the Stanford Tower was performed and an adjustment amounting to ₱85,028,485 is made against the prior year's result of operations to reverse the overstatement of cost of sales presented in the previous periods. The adjustment made is to recognize cost of real estate sold only to the extent of the actual cost accrued or billed against GLCI.
  b) To recognize the effect of the adoption of PFRS 16 Lease liability by reclassifying rental payments to depreciation and interest expense. Effect in the prior year balance of GLCI amounted to ₱865,810.
  c) PGDI restated its prior year's result of operations to recognized expenses arising from previous years unliquidated advances amounting to ₱10,692,734.
  d) PGDI recognized allowance for expected credit losses related to long-outstanding receivables and due from related parties amounting to ₱3,107,860 and ₱7,258,648 respectively.
  e) The Parent Company, PH Agri, and PH Business reversed its respective dividend declaration totaling, ₱39.8 million, due to the foregoing circumstance: (a) absence of regulatory filing and approval, and (b) the payment of the dividend is no longer feasible for the non-operating companies.

Dividend Payable
Dividend payable amounting to ₱39.8 million pertains to the dividends declared on March 20, 2018. This includes property dividends consisting of 28,000,000 million shares of PGDI with fair value of ₱36.8 million and cash dividends of ₱3.0 million.

In a meeting held on December 11, 2024, following the absence of necessary regulatory approvals, the Board of Directors approved the cancellation of the declaration of the property dividends amounting to ₱39.8 million.

Capital Management
The primary objective of the Group's capital management is to ensure that it maintains strong credit standing and healthy capital ratios in order to support its business and maximize shareholder value. The Group manages its capital structure and makes adjustments to it, in light of changes in economic conditions. The Group considers its equity as capital. The Group is subject to externally imposed capital requirements. The Group's management, amongst other things, aims to ensure that the Parent Company and its subsidiaries meets any financial covenants attached to its long-term loans that define capital structure requirements (see Note 16)

No changes were made in the Group's capital management objectives, policies or processes in 2025, 2024 and 2023.

Noncontrolling interests

Noncontrolling interest consist of the following:

	Percentage of Ownership			Equity Attributable to Noncontrolling Interests		
Subsidiary	**2025**	2024	2023	**2025**	2024	2023
PGDI	**69.22%**	69.22%	69.22%	**₱ 153,027,194**	₱ 169,525,794	₱ 167,759,045
PHMIC	**68.44%**	68.44%	68.44%	**150,145**	1,316,490	1,698,484
PSMVI	**68.22%**	68.22%	68.22%	**454,540**	1,495,592	1,849,444
GLCI	**55.00%**	55.00%	55.00%	**360,681,058**	296,376,383	225,450,378
CUBES	**51.00%**	51.00%	51.00%	**25,696,131**	25,721,376	25,753,082
Total				**₱ 540,009,068**	₱ 494,435,635	₱ 422,510,433

Net income (loss) attributable to noncontrolling interest follows:

	Percentage of Ownership			Equity Attributable to Noncontrolling Interests		
Subsidiary	**2025**	2024	2023	**2025**	2024	2023
PGDI	**69.22%**	69.22%	69.22%	**₱ (16,498,600)**	₱ 1,766,749	₱ (7,864,795)
PHMIC	**68.44%**	68.44%	68.44%	**(1,166,345)**	(381,994)	(15,938)
PSMVI	**68.22%**	68.22%	68.22%	**(1,041,053)**	(353,852)	(16,049)
GLCI	**55.00%**	55.00%	55.00%	**64,304,675**	70,926,005	47,625,275
CUBES	**51.00%**	51.00%	51.00%	**(25,245)**	(31,706)	(37,750)
Total				**₱ 45,573,432**	₱ 71,925,202	₱ 39,690,743

The summarized financial information of these subsidiaries is provided below. This information is based on amounts before intercompany eliminations.

Statements of income:

	2025				
	GLCI	PGDI	PHMIC	PSMVI	CUBES
Revenues	₱ 64,990,750	₱ 41,320,474	₱ -	₱ -	₱ -
Cost and expenses	(130,305,449)	(110,283,280)	(3695,642)	(3,275,810)	(51,520)
Other income (charges)	304,058,487	3,419,557	-	-	-
Income (loss) before income tax	238,743,788	(65,543,249)	(3,695,642)	(3,275,810)	(51,520)
Income tax expense	(95,844,511)	12,321,957	-	-	-
Net income (loss)	₱ 142,899,277	₱ (53,221,292)	₱ (3,695,642)	₱ (3,275,810)	₱ (51,520)
Net income (loss) attributable to noncontrolling interest	₱ 64,304,675	₱ (16,498,600)	₱ (1,166,345)	₱ (1,041,052)	₱ (25,245)

	2024				
	GLCI	PGDI	PHMIC	PSMVI	CUBES
Revenues	₱ 174,859,891	₱ 45,812,145	₱ -	₱ -	₱ -
Cost and expenses	(142,601,457)	(72,370,897)	(1,210,373)	(1,113,443)	(61,560)
Other income (charges)	205,946,368	27,134,438	-	-	-
Income (loss) before income tax	238,204,802	575,686	(1,210,373)	(1,113,443)	(61,560)
Income tax expense	(80,591,458)	5,123,505	-	-	-
Net income (loss)	₱ 157,613,344	₱ 5,699,191	₱ (1,210,373)	₱ (1,113,443)	₱ (61,560)
Net income (loss) attributable to noncontrolling interest	₱ 70,926,005	₱ 1,766,749	₱ (381,994)	₱ (353,852)	₱ (31,706)

	2023				
	GLCI	PGDI	PHMIC	PSMVI	CUBES
Revenues	₱ 472,498,374	₱ 61,848,643	₱ -	₱ -	₱ -
Cost and expenses	(288,755,112)	(123,910,195)	(50,500)	(50,500)	(77,040)
Other income (charges)	(38,244,946)	(2,069,294)	-	-	-
Income (loss) before income tax	145,498,316	(64,130,846)	(50,500)	(50,500)	(77,040)
Income tax benefit (expense)	(39,664,372)	38,760,539	-	-	-
Net income (loss)	₱ 105,833,944	₱ (25,370,307)	₱ (50,500)	₱ (50,500)	₱ (77,040)
Net income (loss) attributable to noncontrolling interest	₱ 47,625,275	₱ (7,864,795)	₱ (15,938)	₱ (16,049)	₱ (37,750)

Statements of Financial Position

	2025				
	GLCI	PGDI	PHMIC	PSMVI	CUBES
Current assets	₱ 985,151,232	₱ 132,394,631	₱ -	₱ 50,000	₱ -
Noncurrent assets	932,307,205	470,434,919	248,511,430	187,678,118	-
Current liabilities	(387,264,777)	(138,142,612)	(33,498,693)	(21,698,619)	(52,829,443)
Noncurrent liabilities	(600,551,709)	(565,589)	-	-	-
Equity (capital deficiency)	₱ **929,641,951**	₱ **464,121,349**	₱ **215,012,737**	₱ **166,029,499**	₱ **(52,829,443)**
Equity (capital deficiency) attributable to:					
Equity holders of the Parent	₱ **639,886,898**	₱ **312,860,904**	₱ **214,480,598**	₱ **165,221,107**	₱ **(78,550,819)**
Noncontrolling interest	₱ **289,755,053**	₱ **151,260,445**	₱ **532,139**	₱ **808,392**	₱ **25,721,376**

	2024				
	GLCI	PGDI	PHMIC	PSMVI	CUBES
Current assets	₱ 1,564,561,321	₱ 155,836,082	₱ 2,400,000	₱ 2,450,000	₱ -
Noncurrent assets	56,962,552	469,703,604	246,631,986	186,870,987	-
Current liabilities	(214,410,616)	(108,070,557)	(30,323,607)	(20,015,678)	(52,777,923)
Noncurrent liabilities	(617,560,691)	(1,841,000)	-	-	-
Equity (capital deficiency)	₱ 789,552,566	₱ 515,628,129	₱ 218,708,379	₱ 169,305,309	₱ (52,777,923)
Equity (capital deficiency) attributable to:					
Equity holders of the Parent	₱ 493,176,183	₱ 346,102,335	₱ 217,391,889	₱ 167,809,717	₱ (78,499,299)
Noncontrolling interest	₱ 296,376,383	₱ 169,525,794	₱ 1,316,490	₱ 1,495,592	₱ 25,721,376

	2023				
	GLCI	PGDI	PHMIC	PSMVI	CUBES
Current assets	₱ 1,323,763,024	₱ 172,534,529	₱ 2,400,000	₱ 2,450,000	₱ -
Noncurrent assets	17,193,015	439,509,326	240,008,335	186,259,749	-
Current liabilities	(302,078,947)	(78,674,726)	(22,489,583)	(18,290,997)	(52,713,217)
Noncurrent liabilities	(491,100,545)	(1,841,000)	-	-	-
Equity (capital deficiency)	₱ 547,776,547	₱ 531,528,129	₱ 219,918,752	₱ 170,418,752	₱ (52,713,217)
Equity (capital deficiency) attributable to:					
Equity holders of the Parent	₱ 322,326,169	₱ 363,769,084	₱ 218,220,268	₱ 168,569,308	₱ (78,466,299)
Noncontrolling interest	₱ 225,450,378	₱ 167,759,045	₱ 1,698,484	₱ 1,849,444	₱ 25,753,082

Statements of Cash Flows

	2025				
	GLCI	PGDI	PHMIC	PSMVI	CUBES
Operating	₱ 59,863,654	₱ (34,538,773)	₱ 1,879,444	₱ -	₱ (51,520)
Investing	(2,374,210)	9,285,714	(1,879,444)	-	-
Financing	(73,558,470)	14,948,553	-	-	51,520
Net increase (decrease) in cash	₱ (16,069,026)	₱ (10,304,506)	₱ -	₱ -	₱ -

	2024				
	GLCI	PGDI	PHMIC	PSMVI	CUBES
Operating	₱ (92,646,049)	₱ (9,957,619)	₱ (1,200,373)	₱ (1,113,444)	₱ (74,706)
Investing	(327,827)	(25,700,506)	(6,623,651)	-	-
Financing	81,515,216	30,232,933	7,824,024	1,113,444	74,706
Net increase (decrease) in cash	₱ (11,458,660)	₱ (5,425,192)	₱ -	₱ -	₱ -

	2023				
	GLCI	PGDI	PHMIC	PSMVI	CUBES
Operating	₱ (107,933,445)	₱ 62,203,816	₱ (500)	₱ -	₱ (134,286)
Investing	(1,561,170)	(3,375,348)	500	1,872	134,286
Financing	106,549,574	(50,217,623)	-	-	-
Net increase (decrease) in cash	₱ (2,945,041)	₱ 8,610,845	₱ -	₱ 1,872	₱ -

NOTE 21 – COST OF SALES AND SERVICES

This account consists of:

Particulars	2025	2024	2023
Cost of real estate sold	₱ **38,672,057**	₱ 84,012,637	₱ 226,704,988
Personnel cost (Note 26)	**19,522,507**	23,050,700	34,715,612
Depreciation (Note 13)	**11,439,165**	18,935,577	45,298,511
Repairs and maintenance	**6,468,948**	6,511,497	15,476,574
Fuel and oil	**765,992**	1,548,256	806,940
Transportation and travel	**203,600**	676,889	1,383,594
Utilities	-	172,972	52,166
Others	**1,676,354**	3,851,643	3,250,389
Total	₱ **78,748,623**	₱ 138,760,171	₱ 327,688,774

NOTE 22 – GENERAL AND ADMINISTRATIVE EXPENSE

This account consists of:

Particulars	2025	2024	2023
Provision for allowance on expected credit losses	₱ **146,758,418**	₱ -	₱ -
Professional and legal fees	**75,200,740**	56,937,758	76,252,631
Personnel cost (Note 26)	**30,110,528**	28,951,477	28,267,741
Taxes and licenses	**13,729,311**	10,526,817	13,921,621
Entertainment, amusement and recreation	**8,596,389**	4,453,781	6,716,698
Commission	**7,571,924**	9,112,961	11,264,693
Transportation and travel	**5,892,407**	6,523,766	5,201,805
Depreciation and amortization (Note 13)	**3,539,124**	5,398,424	6,284,227
Rentals and utilities	**3,429,291**	3,398,080	5,544,559
Repairs and maintenance	**1,232,818**	1,331,926	1,657,304
Outside services	**1,150,604**	1,607,280	1,308,165
Supplies and materials	**618,480**	742,032	1,236,721
Impairment losses	**405,501**	405,501	3,448,203
Advertising and promotions	**56,800**	306,643	618,214
Success and commitment fee	-	8,409,294	12,500,000
Freight and handling	-	-	1,230,124
Others	**23,172,439**	16,756,906	19,107,938
Total	₱ **321,464,774**	₱ 154,862,646	₱ 194,560,644

Others pertain to penalties, surcharges, bank charges, printing and stationery and other expenses which are not individually significant amounts.

NOTE 23 – OTHER INCOME (CHARGES) – NET

Particulars	2025	2024	2023
Reversal of long outstanding payable	₱ 54,508,868	₱ 32,293,806	₱ -
Gain (loss) on property disposal	9,285,714	(89,327,335)	-
Loss on stock transaction	-	-	(17,200,000)
Others	5,063,440	19,547,524	2,763,269
Total	₱ 68,858,022	₱ (37,486,005)	₱ (14,436,731)

In January 2023, the Group acquired listed shares for ₱25.8 million. These were subsequently sold in September 2023 for total consideration of ₱8.6 million, resulting to a loss of ₱17.12 million.

Others consist of income from the cancellation of a real estate project, income from repair and maintenance, replacements, installment of additional equipment and other services rendered for the development of units.

NOTE 24 – INCOME TAXES

On January 5, 2024, Ease of Paying Taxes (EOPT) Act was passed into law. The EOPT Act introduced significant amendments to the National Internal Revenue Code of 1997 ("The Code") which are intended to protect and safeguard taxpayer rights and welfare to modernize tax administration by providing mechanisms that encourage easy compliance at the best cost and resources, and to update the tax system and adopt best practices.

The amendments include the following:

- File and pay anywhere mechanism. Taxes shall be paid either electronically or manually at the time the return is filed.
- Classification of taxpayers into micro, small, medium and large taxpayers.
- Withholding of tax on income payments only when payable.
- Imposing value-added tax (VAT) on services, based on gross sales, no longer on gross receipts.
- VAT invoices are sufficient to substantiate input VAT arising from the purchase at both goods and services.
- Removal of "business style" as a VAT invoicing requirement.
- Removal of withholding tax as requirement for deductibility of income payments.

On November 8, 2024, the President signed the Corporate Recovery and Tax Incentives for Enterprises to Maximize Opportunities for Reinvigorating the Economy (CREATE MORE) Act into law (Republic Act No. 12066). The CREATE MORE Act aims to generate jobs and spur economic growth. It builds on the earlier CREATE Act by enhancing the tax regime and incentive framework to attract both domestic and international investments, particularly, in strategic industries. The features include.

- Registered business enterprises under the Enhanced Deduction Regime subject to the 20% corporate income tax rate
- Sales to export-oriented enterprises (70% export sales) Value-Added Tax (VAT) zero-rated if directly attributable to export activities
- Export sales as defined under Executive Order No. 226 generally omitted from enumeration of VAT zero-rated sales
- Sales to bonded manufacturing warehouses of export-oriented enterprises are VAT zero-rated
- Additional due process requirements in the processing of input VAT refund claims
- Mandatory issuance of electronic invoices (e-Invoices) for certain taxpayers
- Additional deduction for micro/small taxpayers and medium/large using e-Invoices
- The 5% Special Corporate Income Tax is in lieu of all taxes including local fees and charges

- Additional deductions for export and domestic market enterprises under the Enhanced Deductions Regime
- Local government units may impose local taxes on RBEs up to 2% of gross income

The provision for (benefit from) income tax shown in the consolidated statements of comprehensive income consists of:

Particulars	2025	2024	2023
Current	₱ **615,253**	₱ 26,020,759	₱ 1,658,764
Deferred	**106,961,147**	180,140,556	26,622,871
Total	₱ **107,576,400**	₱ 206,161,315	₱ 28,281,635

The reconciliation of provision for (benefit from) income tax expense computed at the statutory income tax rate is as follows:

Particulars	2025	2024	2023
Provision for (benefit from) income tax expense at statutory tax rate	₱ **6,241,465**	₱ 135,603,263	₱ 8,802,527
Tax effects of:			
Nondeductible expense	**2,143,791**	871,442	10,064,670
Expired excess MCIT over RCIT	**-**	-	5,494,750
Income subject to final tax	**(7,497)**	(15,196)	(41,395)
Prior period adjustment	**-**	15,992,311	-
Lease liability	**-**	13,216	-
Change in unrecognized deferred tax assets	**99,198,641**	53,696,279	3,961,083
Total	₱ **107,576,400**	₱ 206,161,315	₱ 28,281,635

The components of the Group's deferred tax assets (liabilities) are as follows:

Particulars	2025	2024
NOLCO	₱ **33,123,448**	₱ 33,123,448
Difference in the tax base and accounting base of land and land development	**-**	12,511,825
Retirement liability	**6,133,092**	5,320,844
Allowance for impairment losses on receivables	**22,114,268**	736,810
Lease liabilities	**-**	2,655
Unrealized gain on fair valuation of investment property	**(719,697,021)**	(603,395,096)
Gross profit on real estate sales	**(113,426,032)**	(100,716,782)
Increase in fair value due to purchase price allocation	**-**	(66,450,512)
Right-of-use asset	**(137,024)**	-
Remeasurement gain on defined benefit obligation	**(3,939,461)**	(3,737,604)
Total	₱ **(775,828,730)**	₱ (722,604,412)

The Group has deductible temporary differences that are available for offset against future taxable income or income tax payable for which deferred tax assets have not been recognized. These deductible temporary differences are as follows:

Particulars	2025	2024
NOLCO	₱ **1,146,106,657**	₱ 929,562,565
Allowance for impairment losses	**270,954,598**	177,723,623
Retirement liability	**44,960,526**	44,850,751
Excess of MCIT over RCIT	**2,604,572**	433,419
Total	₱ **1,464,626,353**	₱ 1,152,570,358

The details of the Group's unused NOLCO which can be claimed as deduction from future taxable income during the stated validity are as follows:

Year Incurred	Valid Until	Beginning Balance	Incurred	Applied/ Expired	Ending Balance
2025	2028	₱ 216,544,092	₱ -	₱ -	₱ 216,544,092
2024	2027	215,850,504	-	-	215,850,504
2023	2026	167,916,063	-	-	167,916,063
2022	2025	218,184,232	-	-	218,184,232
2021	2026	167,502,963	-	-	167,502,963
2020	2025	160,108,803	-	-	160,108,803
Total		₱ 1,146,106,657	₱ -	₱ -	₱ 1,146,106,657

Under the Republic Act No. 11494, also known as "*Bayanihan to Recover As One Act*", and as implemented by the BIR under RR No. 25-2020, the Group is allowed to carry-over the NOLCO incurred for taxable years 2021 and 2020 as a deduction from gross income for the next five taxable years.

NOLCO and MCIT presented in the above tables include the amount of NOLCO and MCIT of GLCI.

Corporate Recovery and Tax Incentives for Enterprises (CREATE) Act

Under the CREATE Act, the RCIT of domestic corporations was reduced from 30% to 25% or 20% depending on the amount of total assets or total amount of taxable income. MCIT was changed from 2% to 1% of gross income for a period of three years up to June 30, 2023.

The rate of MCIT reverted to 2% based on gross income starting July 1, 2023. The impact of the revision is accounted for in 2023, if any.

NOTE 25 – INTEREST EXPENSE

This account consists of:

Particulars	2025	2024	2023
Loans payable			
Long-term loans (Note 16)	₱ **51,697,878**	₱ 48,623,710	₱ 41,807,979
Convertible loans (Note 16)	**9,339,460**	7,500,000	9,160,022
Unsecured short-terms loans (Note 16)	**8,579,447**	14,351,145	21,048,268
Share lending agreement (Note 20)	**32,980,880**	24,075,180	29,970,180
Lease liabilities	**242,402**	328,942	41,437
Total	₱ **102,840,067**	₱ 94,878,977	₱ 102,027,886

NOTE 26 – PERSONNEL COSTS

This account consists of:

Particulars	2025	2024	2023
Cost of services (Note 21)			
Salaries and wages	₱ 16,303,586	₱ 18,949,290	₱ 20,140,036
Retirement benefit cost	-	-	4,392,993
Other employee benefits	3,218,921	4,101,410	10,182,583
	19,522,507	23,050,700	34,715,612
General and administrative expenses (Note 22)			
Salaries and wages	18,579,336	18,369,980	14,180,538
Retirement benefit cost	1,618,871	-	1,882,086
Other employee benefits	9,912,321	10,581,497	12,205,117
	30,110,528	28,951,477	28,267,741
Total	₱ 49,633,035	₱ 52,002,177	₱ 62,983,353

NOTE 27 – BASIC/DILUTED EPS

Basic earnings per share is calculated by dividing the net income attributable to equity holders of the Parent Company for the year over the weighted average number of common shares outstanding during the year.

Basic and Diluted EPS Attributable to Equity Holders of the Parent Company

Particulars	2025	2024	2023
Net income (loss) attributable to equity holders of the Parent Company	₱ (14,505,899)	₱ 264,326,536	₱ (32,762,270)
Weighted average number of outstanding common shares*	5,708,359,594	5,708,359,594	5,162,222,637
Basic and Diluted Earnings (Loss) Per Share	₱ (0.0025)	₱ 0.0463	₱ (0.0063)

**The weighted average number of shares takes into account the weighted average effect of changes in treasury shares transactions and new subscriptions during the year.*

The weighted average number of common shares outstanding are computed as follows:

Particulars	2025	2024	2023
Number of shares at beginning of year	5,708,359,594	5,708,359,594	4,703,359,131
Weighted average number of Parent Company shares issued during the year	-	-	458,863,506
Weighted average common shares	5,708,359,594	5,708,359,594	5,162,222,637

Diluted EPS is computed similar to the computation of the basic EPS except that the net income attributable to equity holders of the parent and the weighted average number of shares outstanding should be adjusted for the effects of all dilutive potential common shares. The effect of the conversion option of the convertible loans is anti-dilutive in 2025, 2024 and 2023. Thus, the basic and diluted EPS are the same in 2025 and 2024.

NOTE 28 – LEASES

The Group has a lease contract for office space used in its operations which has a lease term of four years. The Group's obligations under its leases are secured by the lessor's title to the leased assets. The Group applies the short-term lease recognition exemption for these leases.

Movements of ROU assets are as follows:

Particulars	2025	2024
Cost		
Balance at beginning of year	₱ 5,336,576	₱ -
Additions	198,685	5,336,576
Derecognition	-	-
	5,535,261	5,336,576
Accumulated depreciation		
Balance at beginning of year	3,424,625	-
Depreciation	863,878	899,630
Adjustment	-	2,524,995
Derecognition	-	-
	4,288,503	3,424,625
Net Carrying Amount	₱ 1,246,758	₱ 1,911,951

Movements of lease liabilities are as follows:

Particulars	2025	2024
Balance at beginning of year	₱ 2,788,383	₱ 239,478
Payments	(1,382,289)	(1,457,429)
Interest expense	242,402	328,942
Additions	198,686	5,336,576
Adjustment	-	(1,659,184)
Balance at end of year	₱ 1,847,182	₱ 2,788,383

The following are the amounts recognized in the consolidated statements of comprehensive income:

Particulars	2025	2024	2023
Expenses relating to short-term leases	₱ -	₱ 1,414,237	₱ 3,519,616
Depreciation expense of ROU assets	863,878	1,086,245	764,156
Interest expense on lease liabilities	242,402	328,942	41,437
Total	₱ 1,106,280	₱ 2,829,424	₱ 4,325,209

NOTE 29 – FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's principal financial assets and financial liabilities comprise of loans payable and due to and from related parties. The main purpose of these financial assets and financial liabilities is to finance the Group's operations. The Group has other financial assets and financial liabilities such as trade and other receivables and trade and other payables which arise directly from its operations.

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 main risks arising from the Group's financial assets and financial liabilities are liquidity risk, credit risk and interest rate risk. Exposure to these risks arises in the normal course of business activities. The Group's BOD reviews and approves actions for managing each of these risks which are summarized below:

Liquidity risk. Liquidity risk is generally defined as the current and prospective risk to earnings or capital arising from the Group's inability to meet its obligations when they become due without incurring unacceptable losses or costs.

The major liquidity risk confronting the Group pertains to the daily calls on its available cash resources in respect of claims arising from trade and other payables and the maturity of loans payable. In this regard, the Group maintains a level of cash deemed sufficient to finance its operations.

The following table summarizes the maturity profile of the Group's financial liabilities as at December 31, 2025 and 2024 based on contractual undiscounted cash flows. The maturity grouping is based on the remaining period from the end of the reporting period to the contractual maturity date. When counterparty has a choice of when the amount is paid, the liability is allocated to the earliest period in which the Group can be required to pay.

	2025			
Particulars	120 days	121-360 days	>360 days	**Total**
Financial liabilities				
Trade and other payables*	₱ 666,775,473	₱ -	₱ -	₱ **666,775,473**
Loans payable:				
Long-term loans	41,782,794	125,348,381	341,143,553	**508,274,728**
Short-term loans	201,571,532	-	-	**201,571,532**
Convertible loan	100,000,000	-	-	**100,000,000**
Lease liabilities	461,796	1,385,387	-	**1,847,182**
Total	₱ 1,010,591,595	₱ 126,733,768	₱ 341,143,553	₱ **1,478,468,915**

**excluding government liabilities*

	2024			
Particulars	120 days	121-360 days	>360 days	Total
Financial liabilities				
Trade and other payables*	₱ 516,456,983	₱ -	₱ -	₱ 516,456,983
Loans payable:				-
Long-term loans	30,771,253	92,313,758	457,214,810	580,299,820
Short-term loans	191,818,862	-	-	191,818,862
Convertible loan	100,000,000	-	-	100,000,000
Lease liabilities	697,096	2,091,287	-	2,788,383
Total	₱ 839,744,194	₱ 94,405,045	₱ 457,214,810	₱ 1,391,364,048

**excluding government liabilities*

Credit risk. Credit risk is the risk that the Group will incur a loss because its customers or counterparties fail to discharge their contractual obligations. The Group's credit risks are primarily attributable to cash in banks, receivables, due from related parties and security deposits. The Group's receivables and due from related parties are monitored on an ongoing basis.

With respect to credit risk arising from cash in banks, receivables, due from related parties, and other noncurrent assets, 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.

The credit quality of the Group's financial assets are as follows:

Particulars	2025					
	Neither Past Due nor Impaired			Past due but not impaired	Impaired	**Total**
	High Grade	Medium Grade	Total			
Cash in banks	₱ 30,262,699	₱ -	₱ 30,262,699	₱ -	₱ -	₱ **30,262,699**
Receivables:						
Contract receivables	109,692,176	-	109,692,176	-	-	**109,692,176**
Trade	-	793	793	-	13,168,670	**13,169,463**
Others	-	32,639,813	32,639,813	-	121,514,939	**154,154,752**
Security deposit	-	457,552	457,552	-	-	**457,552**
Total	₱ 139,954,875	₱ 33,098,158	₱ 173,053,033	₱ -	₱ 134,683,609	₱ **307,736,642**

Particulars	2024					
	Neither Past Due nor Impaired			Past due but not impaired	Impaired	Total
	High Grade	Medium Grade	Total			
Cash in banks	₱ 56,356,457	₱ -	₱ 56,356,457	₱ -	₱ -	₱ 56,356,457
Receivables:						-
Contract receivables	356,086,870	-	356,086,870	-	-	356,086,870
Trade	-	9,157,816	9,157,816	-	4,010,783	13,168,599
Others	-	80,781,794	80,781,794	-	13,939,529	94,721,323
Security deposit	-	433,142	433,142	-	-	433,142
Total	₱ 412,443,327	₱ 90,372,752	₱ 502,816,079	₱ -	₱ 17,950,312	₱ 520,766,391

The Group has determined that the credit quality of all neither past nor impaired financial assets as at December 31, 2025 and 2024 are classified as high grade based on the following:

- Cash - based on the financial and credit standing of the counterparty.
- Receivables - high grade pertains to receivables with no default in payment; medium grade pertains to receivables with up to 3 defaults in payment; and low grade pertains to receivables with more than 3 defaults in payment. All receivables are deemed high grade by the Group.
- Security deposits - based on the credit standing/reputation of counterparty.

The table below shows the Group's aging analysis of financial assets.

Particulars	2025					
	Neither past due nor impaired	Past due but not impaired			Impaired	**Total**
		120 days	121-360 days	>360 days		
Cash in banks	₱ 30,262,699	₱ -	₱ -	₱ -	₱ -	₱ **30,262,699**
Receivables:						
Contract receivables	109,692,176	-	-	-	-	**109,692,176**
Trade	793	-	-	-	13,168,670	**13,169,463**
Others	32,639,813	-	-	-	121,514,939	**154,154,752**
Security deposit	457,552	-	-	-	-	**457,552**
Total	₱ 173,053,033	₱ -	₱ -	₱ -	₱ 134,683,609	₱ **307,736,642**

Particulars	2024					
	Neither past due nor impaired	Past due but not impaired			Impaired	Total
		120 days	121-360 days	>360 days		
Cash in banks	₱ 56,356,457	₱ -	₱ -	₱ -	₱ -	₱ 56,356,457
Receivables:						
Contract receivables	356,086,870	-	-	-	-	356,086,870
Trade	9,157,816	-	-	-	4,010,783	13,168,599
Others	80,781,794	-	-	-	13,939,529	94,721,323
Security deposit	433,142	-	-	-	-	433,142
Total	₱ 502,816,079	₱ -	₱ -	₱ -	₱ 17,950,312	₱ 520,766,391

Interest rate risk. Interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Changes in market interest rates relate primarily to the Group's interest-bearing debt obligations with floating interest rates or rates subject to repricing as it can cause a change in the amount of interest payments. The Group has interest bearing loans with floating interest rate subject to repricing amounting to ₱513.2 million and ₱445.2 million as at December 31, 2025 and 2024, respectively.

NOTE 30 – COMMITMENTS

Cagdianao Mining Corporation (CMC)

In December 2014, the Group entered into a Saprolite Mining Contract with CMC for the hauling and extraction of mineral ores in Municipality of Cagdianao, Province of Dinagat Islands. The Contract shall be for a period of three years, from January 1, 2015 to December 31, 2017, which may be extended by written mutual agreement of the parties.

If the Group fails to deliver the required tonnage, CMC shall impose a penalty upon the Group computed based on the required WMT multiplied by $0.50 per WMT of materials not delivered.

In April 2018, the Group renewed its agreement with CMC effective April 1, 2018 to October 31, 2018. Under the scope of work indicated in the contract, the Group shall perform mining services which include loading and hauling, road and bench maintenance and barge loading services.

In May 2019, the Group has secured a three-year contract with CMC covering the periods of 2019 until 2021, with the Group rendering services to CMC starting March 1 until October 31 of each year.

In March 2023, the Group renewed its contract valid until September 2025.

Taganito Mining Corporation

In February 2024, the Group has secured a new three-year contract with TMC covering the periods of 2024 until 2027, with the Group rendering services to TMC starting March 1 until and including February 28.

The Group shall render mining services that include loading and hauling, road and bench maintenance, barge loading services and rental of heavy equipment.

Service income recognized by the Group amounted to ₱41.3 million and ₱45.8 million in 2025 and 2024, respectively.

NOTE 31 – LEGAL CASES AND CONTIGENCIES

The Group is involved in legal proceedings relating to transactions with stockholders and former officers, as well as compliance with corporate rules and regulations. As of December 31, 2025, the details of these legal proceedings are as follows:

Parent Company

a. *Augusto Antonio C. Serafica Jr. (Plaintiff) vs. Premiere Horizon Alliance Corp, Eugenio T. Tan, Raul Ma. F. Anonas, Andres A. Del Rosario, Brandon P. Leong, Geronimo B. Halili, Esteban G. Pena Sy, Gloria Victoria Y. Taruc, Ernest Sze Lok Yeung, and Marian Pena* NPS Docket No XV-14-INV-23H-01089

This involves the alleged Twenty-Five Million PHA shares supposedly valued at Four Million Seven Hundred Fifty Thousand Pesos that were not returned by the Company to the Plaintiff. The Office of the City Prosecutor of Pasig City (OCP – Pasig) dismissed the case based on insufficiency of evidence. Pertinently, the OCP – Pasig held that there was no evidence presented to prove that the subject shares were not utilized in accordance with the pertinent contracts.

The *Complaint* as well as the subsequent *Motion for Reconsideration* filed by the plaintiff were both dismissed by the OCP – Pasig. Plaintiff filed a *Petition for Review* with the Department of Justice – Manila to assail such dismissal last August 2024.

In response thereto, the individual officers and directors of PHA have filed their respective *Comments/Opposition*, highlighting the failure of the Plaintiff to raise any new substantial matter that will warrant the reversal of the dismissal of the case. The case is now deemed submitted for resolution.

b. *People of the Philippines v. Augusto Antonio Serafica Jr., Raul Ma. Anonas, and Andres Del Rosario* Crim Case No. R-PSG-26-00006-CR

This criminal case for Estafa under Articles 315 (1)(b) files against PHA's former officers, Messrs. Augusto Antonio C. Serafica, Jr. (Serafica), Raul Ma. F. Anonas, and Andres A. Del Rosario and is now pending before the RTC Pasig.

This criminal case stemmed from PHA's internal audit, which exposed certain anomalous transactions involving an elaborate scheme, where the accused Serafica, with the indispensable cooperation of accused Anonas and Del Rosario, siphoned money from PHA and used the same to purchase shares in his own name. Accused Serfica was able to obtain money amounting to ₱66 million which was done by issuing PHA checks in his favor, allegedly as payment for his advances or loans, and using the proceeds thereof as payment for his subscription.

The arraignment and pre-trial of the case is tentatively scheduled on March 15, 2026 at 8:30 in the morning, in view of the pendency of the *Petition for Review* filed by all of the accused.

All of the accused filed a *Motion to Defer Proceeding*, arguing that the matters raised in the collection case filed by Serafica before RTC Makati, specifically those pertaining to the ₱66 million civil liability, constitute a prejudicial question that warrant the suspension of the instant proceedings. In response thereto, PHA filed a *Consolidated Opposition*, arguing that there is no prejudicial question to speak of considering that the RTC Makati already dismissed the counterclaims filed by PHA.

c. *People of the Philippines v. Raul Ma. Anonas, and Andres Del Rosario* Crim Case No. R-PSG-26-0007-CR

This criminal case for Estafa under Articles 315(1)(a) filed against PHA's former officers, Raul Ma. F. Anonas (Anonas), and Andres A. Del Rosario (Del Rosario) which is also pending before the RTC Pasig.

This criminal case stemmed from PHA's internal audit, which exposed certain anomalous transactions involving an elaborate scheme, where accused Anonas, with the indispensable cooperation of accused Del Rosario, siphoned money from PHA in the amount of ₱12.3 million, despite the absence of any loan agreement or promissory note as proof of such obligation to one Angelica San Luis. Thereafter, accused Anonas used the check payment issued by PHA to Ms. San Luis as payment for his own subscriptions with the Company.

The arraignment and pre-trial of the case is tentatively scheduled on March 15, 2026 at 8:30 in the morning, in view of the pendency of the *Petition for Review* filed by all of the accused.

All of the accused filed a *Motion to Defer Proceedings,* arguing that the matters raised in the collection case filed by Serafica before RTC Makati, specifically those pertaining to the ₱66 million civil liability, constitute a prejudicial question that warrant the suspension of the instant proceedings. In response thereto, PHA filed a *Consolidated Opposition,* arguing that there is no prejudicial question to speak of considering that the RTC Makati already dismissed the counterclaims filed by PHA.

d. *Premiere Horizon Alliance Corporation. v Augusto Antonio Serafica Jr., Raul Ma. Anonas, and Andres Del Rosario* NPS Docket No. XV-14-INV-25H-02476-02478

This is a *Petition for Review* filed by all of the accused in relation to the abovementioned cases, questioning the findings of the Office of the City Prosecutor-Pasig City (OCP-Pasig) which indicated accused Serafica, Anonas and Del Rosario for the crime of Estafa under Article 315(1)(b) and accused Anonas and Del Rosario for the crime of Estafa under Article 315(2)(1) of the Revised Penal Code.

All of the accused argue that there was an apparent haste on the part of OCP-Pasig in resolving the present *Complaint-Affidavit* and that OCP-Pasig erred in finding that they are liable for the crimes against them.

In response to the *Petition for Review* filed by accused Anonas and Del Rosario, PHA filed its *Verified Comment* last February 2, 2026. Meanwhile, PHA also filed its *Comment* to the *Petition for Review* filed by accused Serafica in February 18, 2026.

Considering that the matters raised are mere rehash of the arguments previously ruled upon by the OCP, if not unsubstantial matters that deserve scant consideration, PHA is hopeful that DOJ will dismiss the *Petition for Review,* especially considering that the criminal cases are already pending before the RTC-Pasig.

e. *Premiere Horizon Alliance Corporation and People of the Philippines v. Hon. Ira Fritzie C. Cruz-Rojo, in her capacity as presiding judge of the Regional Trial Court of Pasig City-Branch 67, Augusto Antonio C. Serafica Jr. and Marvin C. Dela Cruz* C.A. G.R. No. 182115 (formerly Crim Case No. R-PSG-22-00208-C) Petition for Certiorari (Re: Estafa under Art. 315(1)(b) of the Revised Penal Code)

In relation to the abovementioned cases, this is a *Petition for Certiorari* filed by the Company, assailing the *Orders* issued by the RTC Pasig, Branch 67 ("Dismissal Orders"), ordering the dismissal of the Estafa case against Mr. Serafica and Mr. Dela Cruz, citing as sole basis thereto the *Decision* issued by the Court of Appeals in CA-G.R. No. 183768, despite the fact that the same has yet to attain finality and tackles an entirely different issue regarding the determination of executive probable cause.

Both parties have already filed their respective *Memoranda* and the case is now submitted for Decision.

Management, in consultation with its legal counsels, believes that the outcome of these proceedings will not have a material adverse effect on the financial position and performance of the Company.

Premiere Georesources Development Inc.

Carlos Cruz and Belina Cruz (Sps. Cruz), vs. PGDI, PHA, Roberto Ortiz, et. Al. – Civil case for damages with prayer of temporary restraining order and/or writ of preliminary injunction – Allegation made by the Sps. Cruz (the "defendant") that caused them to suffer damages through unreasonable, irresponsible, false, and malicious accusations and demands. The Court denied the motion for production and inspection of documents filed by Sps. Cruz, this is now subject for reconsideration. Additionally, based on the arguments presented by both parties, the Court is likely to dismiss the complaint (compensatory, moral and exemplary damages) filed by Sps. Cruz. as their claim for damages has no factual or legal basis. However, PGDI/PHA need to prove damages suffered by them. There are no significant judgements rendered, or settlements made during the period either for or against the Company.

Management, in consultation with its legal counsels, believes that the outcome of these proceedings will not have a material adverse effect on the financial position and performance of the Company.

There are also other pending minor legal cases against the non-operating subsidiaries of the Group. Based on the facts of these cases, management believes that its positions have legal merits and the resolution thereof will not materially affect the Group's financial position and result of operations.

NOTE 32 – OTHER MATTERS

In 2025, Premiere Horizon Business Services, Inc., a subsidiary of the Company proposed the execution of a Management Services Contract with PHA to manage, preserve, enhance, and commercially develop the dormant film-related intellectual property (IP) owned by PHA, including the licensing, digitization, and distribution of PHA's fully depreciated film library.

On April 06, 2026, the proposed arrangement was approved by the Company's Board of Directors and Officers. Key matters include the recitals and purpose, appointment and scope of management, related party transaction compliance, management fees and expenses, ownership, the authority and exclusivity of the Company in representing the Company in domestic and international business transactions were finalized as stated in the management agreement. The contract term of five (5) years, subject to renewal unless otherwise terminated by the Company's Board.

In 2025, the Company has identified anomalies involving the withdrawal of funds and their subsequent reinvestment into the Company's account as capital, amounting to ₱78.3 million. On August 5, 2025, the Company filed a criminal complaint before the Pasig City Prosecutor's Office against its former officers, Messrs. Augusto Antonio C. Serafica, Jr., Raul Ma. F. Anonas, and Andres A. Del Rosario. The complaint includes charges for Estafa under Articles 315(1)(b) and 315(2)(a), and/or Qualified Theft under Article 310 of the Revised Penal Code, as well as violation of Section 168 of the Revised Corporation Code. The Company filed a *Consolidated Opposition* for the criminal cases; Crim Case No. R-PSG-26-00006-CR and Crim Case No. R-PSG-26-0007-CR with the subject of matter amounted to ₱66 million and ₱12.3 million, respectively. (Note 21)

On *June 16, 2025* the Company received a case filed by its former officer Augusto Antonio C. Serafica, demanding for collection of sum of money for the personal advances made in favor of the corporation to allow it to continue its business pursuits and operations while dealing with liquidity issues in the amount of ₱56,232,153. In response, the Company defense that it does not owe any money allegedly advanced and those same funds came from the Corporation. The Corporation is preparing to file its Answer in due course and allege PHA's counterclaims against Serafica.

Management believes that the resolution of these matters will not have a material adverse effect on the Company's financial position. Accordingly, no provision has been recognized in the financial statements.

NOTE 33 – RECLASSIFICATION OF ACCOUNTS

Reclassification of accounts was made for prior year's balances in order to conform to current year financial statements presentation.

Accounts		As Previously Reported	Reclassification	**As Restated**
Receivables – net	₱	663,744,950	167,278,387	**496,466,563**
Real estate for sale		785,482,296	523,229,058	**262,253,238**
Deferred tax assets		61,886,227	61,886,227	-
Trade and other payables		561,310,860	47,429,578	**513,881,282**
Short-term loans		191,818,862	31,050,000	**160,768,862**
Advances from third parties		100,000,000	100,000,000	-

For the year ended December 31, 2024, the Group reclassified the following accounts:

- Receivables amounted to ₱167,278,387 reclassified under non-current receivables. (Note 10)
- Real estate for sale amounted to ₱523,229,058 as component of investment properties instead. (Note 12)
- Deferred tax assets amounted to ₱61,886,227 offset against the deferred tax liabilities. (Note 24)
- Trade and other payables amounted to ₱47,429,578, short-term loans amounted to ₱31,350,000, and advances from third parties amounted to ₱100,000,000 as component of non-current payables amounted to ₱178,779,578. (Note 17)

The above reclassification has no impact on the previously reported profit or loss, total equity, and cash flows.

NOTE 34 – APPROVAL OF THE CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements as at December 31, 2025 and 2024 and for the years ended December 31, 2025, 2024 and 2023 were approved and authorized for issuance by the Board of Directors (BOD) on April 14, 2026, as recommended for approval by the Audit Committee on the same date.

PREMIERE HORIZON ALLIANCE CORPORATION
SUPPLEMENTARY SCHEDULE OF EXTERNAL AUDITOR
FEE-RELATED INFORMATION
December 31, 2025

	2025	2024
Total Audit Fees (Section 2.1a)	**₱ 550,000**	**₱ 480,000**
Non-audit services fess:		
Other assurance services	-	-
Tax services	-	-
All other services	-	-
Total Non-audit Fees	-	-
Total Audit and Non-Audit Fees	**₱ 550,000**	**₱ 480,000**

Audit and non-audit fees of other related entities

	2025	2024
Audit fess	**₱ 1,600,000**	**₱ 1,520,000**
Non-audit service fees:		
Other assurance services	-	-
Tax services	-	-
All other services	-	-
Total Audit and Non-audit fees of other related entities	**₱ 1,600,000**	**₱ 1,520,000**

Valdes Abad & Company, CPAs
(Formerly: Valdes Abad & Associates)

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BOA/PRC Reg. No. 0314
SEC Accreditation No. 0314-SEC

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INDEPENDENT AUDITOR'S REPORT ON COMPONENTS OF FINANCIAL SOUNDNESS INDICATORS

The Board of Directors and Stockholders
PREMIERE HORIZON ALLIANCE CORPORATION AND SUBSIDIARIES
Unit E–1705, 17F, East Tower
Philippine Stock Exchange Center, Exchange Road
Ortigas Center, Pasig City

We have in accordance with the Philippine Standard on Auditing, the consolidated financial statements of **PREMIERE HORIZON ALLIANCE CORPORATION AND SUBSIDIARIES** as at December 31, 2025 and 2024. Our audits were made for the purpose of forming an opinion on the consolidated financial statements taken as a whole. The supplementary Schedule on Financial Soundness indicator, including their definitions, formulas, calculations, and their appropriateness or usefulness to the intended users, are the responsibility of the company's management. These financial soundness indicators are not measures of operating performance defined by the Philippine Financial Reporting Standards (PFRS) and may not be comparable to similarly titled measures presented by the other companies. This schedule is presented for the purpose of complying with the Revised Securities Regulation Code Rule 68 issued by the Securities and Exchange Commission and is not a required part of the consolidated financial statements prepared in accordance with PFRS. The components of these financial soundness indicators have been traced to the consolidated financial statements as at December 31, 2025 and 2024 and no material exceptions were noted.

VALDES ABAD & COMPANY, CPAs
BOA/PRC Reg. No. 0314
Issued on July 15, 2024, Valid until July 14, 2027
SEC Accreditation No. 0314 - SEC, Group A
Valid for 2022 – 2026 audit periods
BIR Accreditation No. 08-002126-000-2024
Issued on April 5, 2024, Valid until April 4, 2027

For the firm:

ALFONSO L. CAY-AN
Partner
CPA Registration No. 99805, Valid until December 14, 2026
TIN No. 213-410-741-000
PTR No. 10777156, Issued Date: January 13, 2026, Makati City
BOA/PRC Reg. No. 0314 / P-004
Issued on July 15, 2024, Valid until July 14, 2027
SEC Accreditation No. 99805 - SEC, Group A
Valid for 2022 – 2026 audit periods
BIR Accreditation No. 08-002126-005-2024
Issued on April 5, 2024, Valid until April 4, 2027

Makati City, Philippines
May 13, 2026

PREMIERE HORIZON ALLIANCE CORPORATION AND SUBSIDIARIES

IV. SCHEDULE OF FINANCIAL SOUNDNESS INDICATORS AS REQUIRED BY REVISED SRC RULE 68 ANNEX 68-E

Ratio	Formula	As of December 31, 2025	2024
Current Ratio	Total current assets	**1,329,984,306**	1,441,538,121
	Divided by: Total current liabilities	**1,143,875,138**	906,475,478
	Current ratio	**1.16**	1.59
Acid test ratio	Total current assets	**1,329,984,306**	1,441,538,121
	Less: Other current assets	**193,062,885**	183,576,161
	Quick assets	**1,136,921,421**	1,257,961,960
	Divide by: Total current liabilities	**1,143,875,138**	906,475,478
	Acid test ratio	**0.99**	1.39
Solvency Ratio	Net income (loss)	**31,067,533**	336,251,738
	Add: Depreciation	**14,978,289**	24,334,000
	Total	**46,045,822**	360,585,738
	Divide by: Total liabilities	**2,499,754,951**	2,275,495,413
	Solvency ratio	**0.02**	0.16
Net Debt-to-Equity Ratio	Total liabilities	**2,499,754,951**	2,275,495,413
	Less: Cash and cash equivalents	**31,032,699**	60,351,442
		2,468,722,252	2,215,143,971
	Divided by: Total equity	**3,101,242,326**	3,069,402,005
	Net debt-to-equity ratio	**0.80**	0.72
Debt-to-Equity Ratio	Total liabilities	**2,499,754,951**	2,275,495,413
	Divided by: Total Equity	**3,101,242,326**	3,069,402,005
	Debt-to-equity ratio	**0.81**	0.74
Asset-to-equity ratio	Total assets	**5,600,997,277**	5,344,897,418
	Divided by: Total equity	**3,101,242,326**	3,069,402,005
	Asset-to-equity ratio	**1.81**	1.74
Interest rate coverage ratio	Income (Loss) before income tax	**138,643,933**	542,413,053
	Add: Interest expense	**102,840,067**	94,878,977
	Total	**241,484,000**	637,292,030
	Divided by: Interest expense	**102,840,067**	94,878,977
	Interest rate coverage ratio	**2.35**	6.72
Return on average equity	Net income (loss)	**31,067,533**	336,251,738
	Divided by: Average total capital accounts	**3,085,322,166**	2,849,824,420
	Return on equity	**0.01**	0.12
Return on average assets	Net income (loss)	**31,067,533**	336,251,738
	Divided by: Average total assets	**5,472,947,348**	5,016,850,979
	Return on average assets	**0.01**	0.07
Net profit margin	Net income (loss)	**31,067,533**	336,251,738
	Net sales	**106,311,225**	225,136,322
	Net profit margin	**0.29**	1.49

Valdes Abad & Company, CPAs
(Formerly: Valdes Abad & Associates)

CJV Building 108 Aguirre Street, Legaspi Village, Makati City, Philippines

Branches:
Cebu and Davao

Phone: (632) 8892-5931 to 35
(632) 8519-2105
Fax: (632) 8819-1468
Website: www.vacpa.ph
BOA/PRC Reg. No. 0314
SEC Accreditation No. 0314-SEC

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INDEPENDENT AUDITOR'S REPORT TO ACCOMPANYING FINANCIAL STATEMENTS FOR FILING WITH THE SECURITIES AND EXCHANGE COMMISSION

The Board of Directors and Stockholders
PREMIERE HORIZON ALLIANCE CORPORATION AND SUBSIDIARIES
Unit E–1705, 17F, East Tower
Philippine Stock Exchange Center, Exchange Road
Ortigas Center, Pasig City

We have examined the consolidated financial statements of **PREMIERE HORIZON ALLIANCE CORPORATION AND SUBSIDIARIES** for the year ended December 31, 2025, on which we have rendered the attached report dated May 13, 2026.

In compliance with Revised SRC Rule 68, we are stating that the Company has one hundred thirty-four (134) stockholders owning one hundred (100) or more shares each as of December 31, 2025.

VALDES ABAD & COMPANY, CPAs
BOA/PRC Reg. No. 0314
Issued on July 15, 2024, Valid until July 14, 2027
SEC Accreditation No. 0314 - SEC, Group A
Valid for 2022 – 2026 audit periods
BIR Accreditation No. 08-002126-000-2024
Issued on April 5, 2024, Valid until April 4, 2027

For the firm:



ALFONSO L. CAY-AN
Partner
CPA Registration No. 99805, Valid until December 14, 2026
TIN No. 213-410-741-000
PTR No. 10777156, Issued Date: January 13, 2026, Makati City
BOA/PRC Reg. No. 0314 / P-004
Issued on July 15, 2024, Valid until July 14, 2027
SEC Accreditation No. 99805 - SEC, Group A
Valid for 2022 – 2026 audit periods
BIR Accreditation No. 08-002126-005-2024
Issued on April 5, 2024, Valid until April 4, 2027

Makati City, Philippines
May 13, 2026

Valdes Abad & Company, CPAs
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REPORT OF INDEPENDENT PUBLIC AUDITORS TO ACCOMPANY SEC SCHEDULES FILED CONSOLIDATEDLY FROM THE BASIC FINANCIAL STATEMENTS

The Board of Directors and Stockholders
PREMIERE HORIZON ALLIANCE CORPORATION AND SUBSIDIARIES
Unit E–1705, 17F, East Tower
Philippine Stock Exchange Center, Exchange Road
Ortigas Center, Pasig City

We have examined the consolidated financial statements of **PREMIERE HORIZON ALLIANCE CORPORATION AND SUBSIDIARIES** as of December 21, 2025, on which we have rendered the attached report dated May 13, 2026. Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The applicable supplementary schedule of the Company as of December 31, 2025, and for the year then ended, required by the Securities and Exchange Commission, are presented for purpose of additional analysis and are not a required part of the consolidated financial statements. The information in such supplementary schedules has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

VALDES ABAD & COMPANY, CPAs
BOA/PRC Reg. No. 0314
Issued on July 15, 2024, Valid until July 14, 2027
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ALFONSO L. CAY-AN
Partner
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Issued on April 5, 2024, Valid until April 4, 2027

Makati City, Philippines
May 13, 2026

PREMIERE HORIZON ALLIANCE CORPORATION AND SUBSIDIARIES
Schedule of Philippine Financial Reporting Standards

SCHEDULE OF RECONCILIATION OF RETAINED EARNINGS AVAILABLE FOR DIVIDEND DECLARATION

December 31, 2025 and 2024

Items	2025	2024
Unappropriated Retained Earnings, beginning	₱ (242,136,715)	₱ 132,711,701
Prior Period Adjustment	1,262,593	102,903,433
Net Income (Loss) based on the face of AFS	(14,505,899)	264,326,536
Less: Non-actual/unrealized income net of tax		
• Equity in net income/(loss) of associate/joint venture	-	-
• Unrealized foreign exchange gain - net (except those attributable to Cash and Cash Equivalents)		
Unrealized actuarial gain	-	-
• Fair value adjustment (M2M gains)	-	-
• Fair value adjustment of Investment Property resulting to gain adjustment due to deviation from PFRS/GAAP-gain	(465,207,700)	(742,078,385)
• Other unrealized gains or adjustments to the retained earnings as a result of certain transactions accounted for under the PFRS	-	-
Add: Non-actual losses		
• Depreciation on revaluation increment (after tax)	-	-
• Adjustment due to deviation from PFRS/GAAP – loss	-	-
• Loss on fair value adjustment of investment property (after tax)	-	-
FMV gain/(loss) transferred to equity as a result of disposal of equity investment at FVOCI	-	-
Gain/(loss) from disposal of financial assets at FVOCI	-	-
Net Income Actual/Realized	-	-
Unappropriated Retained Earnings, as adjusted, ending	₱ (720,587,721)	₱ (242,136,715)

PREMIERE HORIZON ALLIANCE CORPORATION AND SUBSIDIARIES
INDEX TO THE CONSOLIDATED FINANCIAL STATEMENTS AND
SUPPLEMENTAL SCHEDULES

I.	Supplemental schedules required by Revised SRC Rule Annex 68-J	
	A. Financial Assets	1
	B. Amounts receivables from directors, officers, employees, related parties and principal stockholders (other than related parties)	1
	C. Amounts receivables and payable from/to related parties which are eliminated during consolidation process of financial statements	1
	D. Intangible assets – other asset	2
	E. Long-term	2
	F. Indebtedness to related parties (Long-term loans from related parties)	Not applicable
	G. Guarantees of securities of other issuers	Not applicable
	H. Capital Stock	3
II.	Map of the relationships of the Parent Company within the Parent Company	4
III.	Schedule of Reconciliation of Retained Earnings Available for Dividend Declaration as required by Revised SRC Rule Annex 68-D	5
IV.	Schedule of Financial Soundness Indicators as required by Revised SRC Rule Annex	6

PREMIERE HORIZON ALLIANCE CORPORATION AND SUBSIDIARIES

I. SUPPLEMENTAL SCHEDULES REQUIRED BY REVISED SRC RULE ANNEX 68-J AS AT DECEMBER 31, 2025

SCHEDULE A. Financial Assets

Name of issuing entity and association of each issue	Number of shares or principal amount of bonds and rates	Amount shown in the financial position	Value based on market quotation at end of reporting period	Income received and accrued
Financial assets at amortized cost				
Cash	-	₱ 31,032,699	₱ 31,032,699	₱ -
Receivables	-	188,312,688	188,312,688	-
Security deposits	-	457,552	457,552	
Total		₱ 219,802,939	₱ 219,802,939	₱ -

SCHEDULE B. Amounts of Receivable from Directors, Officers, Employees Related Parties and Principal Stockholders (Other Than Related Parties)

Name and designation of debtor	Balance at beginning of period	Amounts (collected) /transferred	Provision for expected credit losses (ECL)	Amounts written - off	Current	Non-current	Balance at end of period
Officers and Employees	₱ 55,501,332	₱ (22,690,889)	₱ -	₱ -	₱ -	₱ -	₱ 32,810,443

SCHEDULE C. Amounts of Receivable from and Payable to Related parties which are Eliminated during the Consolidation of Financial Statements

Name and designation of debtor	Balance at beginning of period	Additions	Amounts collected/ consolidated	Amounts written - off	Current	Non-current	Balance at end of period
Goshen Land Capital, Inc.	₱ -	₱ 11,611,111	₱ -	₱ -	₱ -	₱ 11,611,111	₱ 11,611,111
West Palawan Premiere Development, Corp.	293,526,085	25,592,424	-	-	-	319,118,509	319,118,509
Treasure Cove At Nagtabon Beach Inc.	5,365,993	51,520		(81,277)	-	5,336,236	5,336,236
Premiere Georesources	61,588,849	33,066,014	-	-	-	94,654,863	94,654,863

and Developmei Inc.							
Palawan Star Mining Venture Inc.	2,400,000	-				2,400,000	2,400,000
Pyramid Hill Mining and Industrial Corporation	2,400,000	-				2,400,000	2,400,000
PH Mining and Development Corporation	14,728,200	354,311	-	-	-	15,082,511	15,082,511
Concepts Unplugged Business Environment Solutions (CUBES), Inc.	36,856,570	51,520	-	-	-	36,908,090	36,908,090
PH Agriforest Corporation	354,115	-	56,321	-	-	297,794	297,794
Premiere Horizc Business Servic Inc.	4,507,983	-	56,321	-	-	4,451,662	4,451,662
PH Big Bounty Entertainment, Inc.	635,740	-	51,520	-	-	584,220	584,220
Digiwave Solutions	101,365,488	-	271,138	-	-	101,094,350	101,094,350
Total	₱ 523,729,023	₱ 70,726,900	₱ 435,300	₱ (81,277)	₱ -	₱ 593,939,346	₱ 593,939,346

SCHEDULE D. Intangible Assets – Other Assets

Description	Balance at beginning of period	Additions at cost	Charged to cost and expenses	Charged to other accounts	Other charges additions (deductions)	Balance at end of period
Intangible assets	₱ 2,027,509	₱ -	₱ (405,501)	₱ -	₱ -	₱ 1,622,008
Goodwill	15,701,804	-	-	-	-	15,701,804
Right-of-use asset	1,991,951	-	(665,194)	-	-	1,246,757
Idle property	15,709,422	-	-	-	-	15,709,422
Total	₱ 35,430,686	₱ -	₱ (1,070,695)	₱ -	₱ -	₱ 34,279,991

SCHEDULE E. Long-term Debt

Title of issue	Amount authorized by indenture	Amount shown under caption "Current portion of long-term loan"	Amount shown under caption "Long term loan" in related financial position
Loans and Borrowings	₱ -	₱ 167,131,174	₱ 341,143,553

SCHEDULE F. Indebtedness to Related Parties (Long Term Loans from Related Parties)

Name of related party	Balance at beginning of period	Balance at end of period
Not Applicable		

SCHEDULE G. Guarantees of Securities of Other Issuers

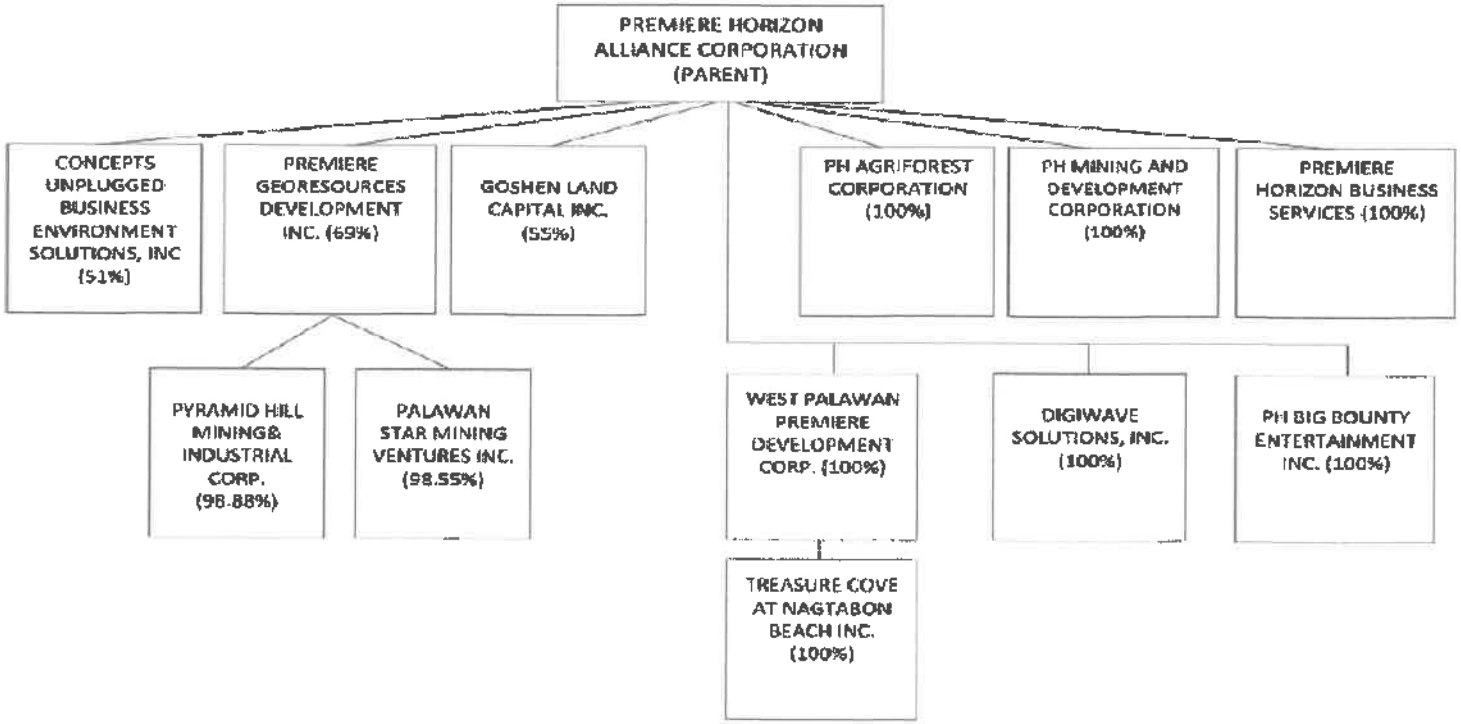
Name of issuing entity of securities guaranteed by the Parent Company for which this statement is filed	Title of issue of each class of securities guaranties	Total amount guaranteed and outstanding	Amount owned by person for which statement is filed	Nature of guarantee
Not Applicable				

SCHEDULE H. Capital Stock

Title of issue	Number of shares authorized	Number of shares issued and outstanding as shown under related financial position	Number of shares reserved for options, warrants, conversion and other rights	Number of shares held by related parties	Directors, officers, and employees	Others
Common	6,000,000,000	5,708,359,504	-	-	2,435,913,367	3,272,446,137
Total	**₱ 6,000,000,000**	**₱ 5,708,359,504**	**₱ -**	**₱ -**	**₱ 2,435,913,367**	**₱ 3,272,446,137**

PREMIERE HORIZON ALLIANCE CORPORATION AND SUBSIDIARIES

II. MAP OF THE RELATIONSHIP OF THE PARENT COMPANY WITHIN THE PARENT COMPANY FOR THE YEAR ENDED DECEMBER 31, 2025



ANNEX G

COVER SHEET

				1	4	7	5	8	4

SEC Registration Number

PREMIERE HORIZON ALLIANCE CORPORATION AND SUBSIDIARIES

(Company's Full Name)

UNIT 1705 17TH FLOOR EAST TOWER TEKTITE TOWERS EXCHANGE ROAD ORTIGAS CENTER, PASIG CITY

(Business Address: No., Street City / Town / Province)

GERONIMO B. HALILI	8632-7715
Contact Person	Company Telephone Number

SEC FORM 17-Q

1	2		3	1			0	5		
Month		*Day*			*FORM TYPE*		*Month*		*Day*	
Calendar Year							Annual Meeting			

Secondary License Type, If Applicable

Dept Requiring this Doc		Amended Articles Number / Section	

Total Amount of Borrowings

Total No. of Stockholders	Domestic	Foreign

To be accomplished by SEC Personnel concerned

File Number	LCU
Document ID	Cashier

STAMPS

Remarks: Please use BLACK ink for scanning purposes

SECURITIES AND EXCHANGE COMMISSION
SEC FORM 17-Q

QUARTERLY REPORT PURSUANT TO SECTION 17 OF THE SECURITIES REGULATION CODE SRC RULE 17(2)(b) THEREUNDER

1. For the quarterly period ended: **March 31, 2026**

2. Commission identification number: **147584**

3. BIR Tax Identification No.: **002-727-376-000**

4. Exact name of registrant as specified in its charter:

   PREMIERE HORIZON ALLIANCE CORPORATION

5. Province, country or other jurisdiction of incorporation or organization:
   PHILIPPINES

6. Industry Classification Code: _____ {SEC Use Only)

7. Address of registrant's principal office: Postal Code

   Unit 1705, 17th Floor, East Tower, Tektite Towers, Exchange Road, Ortigas Center, Pasig City. 1605

8. Registrant's telephone number, including area code: **(02) 8362-7715**

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

   NOT APPLICABLE

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

Title of Each Class	Number of Shares of Common Stock Outstanding and Amount of Debt Outstanding
Common Stock Php0.25 Par Value	
Number of Shares of Common Stock Outstanding	5,708,359,504
Amount of Debt Outstanding	Php768,579,880.00

11. Are any or all of the securities listed on the Philippine Stock Exchange?

    Yes [X] No [] (Please refer to item 10.)

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 RSA and RSA Rule ll(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 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 **[XI** No [ ]

PART I-FINANCIAL INFORMATION

Item 1. Financial Statements

The Unaudited Financial Statements as of First Quarter of 2026 are attached to this Report.

1. The accompanying financial statements are prepared in accordance with the generally accepted accounting principles in the Philippines.

2. The same accounting policies and methods of computation are followed in interim financial statements as compared with the most recent annual financial statements.

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

The Company and its subsidiaries use the following key performance indicators:

1) Revenues;
2) Gross profit/ loss;
3) Gross profit ratio (computed as gross profit divided by the gross revenues);
4) Net income/ loss;
5) Net profit ratio (computed as net profit divided by the gross revenues);
6) Net profit attributable to parent;
7) 12 months trailing net income (loss) (computed as year-to-date net income (loss) plus net income of the latest annual income minus the previous year to date net income (loss);
8) 12 months trailing net income (loss) per share (computed as 12 months trailing net income (loss) divided by weighted average number of shares);
9) Debt-to-equity ratio (computed as total liabilities divided by total Stockholders' Equity);
10) Current ratio (computed as total current assets divided by total current liabilities);
11) Debt ratio (computed as total liabilities divided by total assets); and
12) Return on assets (computed as net income divided by assets).

	March 31, 2026	March 31, 2025	Inc (Dec)
1. Revenues	52,306,385	2,555,870	49,750,515
2. Gross Profit (Loss)	17,146,869	(4,097,451)	21,244,320
3. Gross Profit (Loss) Ratio	0.33	(1.60)	1.93
4. Net Profit (Loss)	(31,822,679)	(62,890,887)	31,068,208
5. Net Profit (Loss) Ratio	(0.61)	(24.61)	24.00
6. Net Profit Attributable to Parent	26,119,964	(48,112,730)	74,232,694
7. 12 months trailing net income/(loss)	62,135,741	303,971,449	(241,835,708)
8. Trailing 12 months earnings/(loss) per share basic	.01	.05	(.04)
9. Debt-to-Equity Ratio	0.84	0.78	0.06
10. Current Ratio	1.27	1.51	(0.24)
11. Debt Ratio	0.46	0.44	0.02
12. Return of Assets	(0.01)	(0.01)	0.00

Financial Condition

Interim Report (March 31, 2026)

The Company employed total assets of Php5,639,587,894 financed by total liabilities of Php2,570,168,249 and total stockholders' equity of Php3,069,419,645. Noncurrent assets amounted to Php4,267,986,276 consisting of deferred exploration costs, investment properties, property and equipment, goodwill and intangible assets, right-of-use assets, deferred tax assets and other noncurrent assets. Current assets stood at Php1,371,601,681.

Material Changes - Increase/ Decrease of 5% or more (March 31, 2026 vs. December 31, 2025)

- ***Cash*** - As of March 31, 2026 and December 31, 2025, this account amounted to Php94.51 million and Php31.03 million, respectively, which shows an increase of Php63.47 million or 204.53% change. Cash used in operation activities amounted to Php4.97 million; cash used in investing activities amounted to Php(0.23) million; while cash provided by financing activities amounted to Php58.73 million. The said cash flows represent the net increase/decrease during this financial reporting period.
- ***Contract assets***- As of March 31, 2026 and December 31, 2025, this account amounted to Php526.77 million and Php481.00 million, which shows decrease of Php45.77 million or 9.51%. The decrease primarily came from collection of receivables.
- ***Real Estate for Sale*** - As of March 31, 2026 and December 31, 2025, this account amounted to Php408.80 and Php436.57 million, which shows an increase of Php27.77 million or 6.36% due to the higher percentage of completion met for construction projects in 2025.
- ***Property and equipment,*** **net**- As of March 31, 2026 and December 31, 2025, this account amounted to Php50.42 million and Php53.52 million, respectively, which shows a decrease of Php3.10 million or 5.79%. The net decrease primarily came from the depreciation expense and partial disposal of mining equipment.
- ***Trade and other payables-*** As of March 31, 2026 and December 31, 2025, , this account amounted to Php671.75 million and Php666.78 million, which shows an increase of Php4.71 million or 0.71% The increase is mainly due to additional outstanding obligations from external vendors, increase in the refundable deposits and accrued expenses.
- **Loans payable** - As of March 31, 2026 and December 31, 2025, this account amounted to Php642.12 million and Php508.27 million respectively, which shows an increase of Php133.85 million or 26.33% due to availment of loans needed for business development funding.
- **Retained Earnings**- As of March 31, 2026 and December 31, 2025, it was decreased by Php26.12 million or 5.37% due to net loss incurred during the period.

Results of Operation

A comparative review of the Company's financial operations for the quarter ending March 31, 2026 vis-a- vis the same period last year showed the following (material changes - increase/ decrease of 5% or more):

- **Revenues** - The Group's revenue for the quarter pertains to the real estate sales and mining-related services which posted an increase of Php49.75 million or 1,946.52%. While an increase in value and percentage is observed, this is entirely attributable to the resumption of property sales in 1Q2026.
- **Cost of sales and services-** increased by Php28.51 million or 428.45%. The increase in cost of sales is attributable to the same underlying factor as mentioned in the change in Revenue above.
- **Gross Profit-** increased by Php21.24 million or 518.48%. Similarly, the increase in cost of sales reflects the same resumption of property sales.
- **General and administrative expenses** - decreased by Php7.32 million or 18.54% mainly coming from reduction in the professional fees and transportation and travel costs.
- **Other income - net** – decreased by Php2.50 million or 12.97% due to lower interest expenses resulting from the falling peso interest rates.

For assessing impairment of goodwill, a test of impairment is performed annually or when circumstances indicate that the carrying value may be impaired.

Discussion of Material Events/Uncertainties Known to Management that would Address the Past and Impact on Future Operations

a. The Management does not foresee any event that will trigger direct or contingent financial obligation that is material to the Company, including any default or acceleration of an obligation.

b. The Company does not have any material off-balance sheet transactions, arrangements, obligations (including contingent obligations) and other relationships with unconsolidated entities or other persons created during the reporting period.

c. The Management is not aware of any known trends, demands, commitments, events or uncertainties that have had or that are reasonably expected to have a material favourable or unfavourable impact on the company's liquidity, net sales or revenues or income from continuing operations.

d. The Company does not have any significant elements of income or loss that did not arise from the company's continuing operations.

PREMIERE HORIZON ALLIANCE CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
As at March 31, 2026 and December 31, 2025
(All amounts in Philippine Peso)

ASSETS	Note	March 31, 2026 (Unaudited)	December 31, 2025 (Audited)
CURRENT ASSETS			
Cash	**2**	**94,505,178**	31,032,699
Receivables - net	**3**	**143,341,373**	188,312,688
Contract assets - current		**526,768,100**	481,004,251
Real estate for sale	**4**	**408,804,576**	436,571,783
Other current assets - net	**5**	**198,182,391**	193,062,885
Total Current Assets		**1,371,601,618**	1,329,984,306
NON-CURRENT ASSETS			
Non-current receivables - net		**79,863,206**	79,863,206
Deferred exploration costs		**436,354,211**	436,189,548
Investment properties		**3,667,156,458**	3,667,156,458
Property and equipment - net		**50,423,054**	53,523,768
Intangible assets - net		**1,520,632**	1,622,007
Right-of-use assets - net		**1,246,759**	1,246,758
Deferred tax assets			
Other noncurrent assets - net		**31,421,956**	31,411,226
Total Non-Current Assets		**4,267,986,276**	4,271,012,971
TOTAL ASSETS		**5,639,587,894**	5,600,997,277
LIABILITIES AND EQUITY			
CURRENT LIABILITIES			
Trade and other payables	**6**	**671,488,616**	666,775,473
Short-term loans		**126,461,265**	201,571,532
Contract liabilities		**13,516,311**	6,549,777
Lease liability - current portion		**1,847,182**	1,847,182
Loans payable - current portion		**164,536,288**	167,131,174
Convertible loans - current portion		**100,000,000**	100,000,000
Total Current Liabilities		**1,077,849,662**	1,143,875,138
NON-CURRENT LIABILITIES			
Non-current payables		**226,579,578**	226,579,578
Loans payable - net of current portion		**477,582,327**	341,143,553
Pension liabilities		**12,327,952**	12,327,952
Deferred tax liabilities		**775,828,730**	775,828,730
Advances from third parties		**-**	-
Total Non-Current Liabilities		**1,492,318,587**	1,355,879,813
TOTAL LIABILITIES		**2,570,168,249**	2,499,754,951
EQUITY			
Share capital		**1,414,348,522**	1,414,348,522
Additional paid-in capital		**629,410,181**	629,410,181
Retained earnings		**460,578,398**	486,698,364
Remeasurement gain on retirement plan		**30,776,193**	30,776,193
Total equity attributable to Parent Company's Shareholders		**2,535,113,294**	2,561,233,260
Equity attributable to non-controlling interest		**534,306,351**	540,009,066
Total Equity		**3,069,419,645**	3,101,242,326
TOTAL LIABILITIES AND EQUITY		**5,639,587,894**	5,600,997,277

PREMIERE HORIZON ALLIANCE CORPORATION AND SUBSIDIARIES

UNAUDITED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
For the three-month period ended March 31, 2026 and 2025
(All amounts in Philippine Peso)

	Note	Quarters Ended Jan 1 – Mar 31		Year to Date Jan 1 – Mar 31	
		2026	2025	**2026**	2025
		(Unaudited)	(Unaudited)	**(Unaudited)**	(Unaudited)
REVENUES					
Real estate sales		**51,398,433**	-	**51,398,433**	-
Mining-related services		**907,952**	2,555,870	**907,952**	2,555,870
Service income		**-**	-	**-**	-
		52,306,385	2,555,870	**52,306,385**	2,555,870
COSTS OF SALES AND SERVICES					
Cost of real estate sales		**27,767,207**	-	**27,767,207**	-
Cost of services		**7,392,310**	6,653,321	**7,392,310**	6,653,321
		35,159,516	6,653,321	**35,159,516**	6,653,321
GROSS PROFIT		**17,146,869**	(4,097,451)	**17,146,869**	(4,097,451)
GENERAL AND ADMINISTRATIVE EXPENSES	**7**	**32,165,512**	39,484,552	**32,165,512**	39,484,552
OTHER INCOME (CHARGES)					
Unrealized gain on fair valuation of investment property		**-**		**-**	
Interest expense		**(17,621,255)**	(20,291,074)	**(17,621,255)**	(20,291,074)
Interest income		**201,452**	9,624	**201,452**	9,624
Others – net		**615,767**	972,566	**615,767**	972,566
		(16,804,036)	(19,308,884)	**(16,804,036)**	(19,308,884)
INCOME (LOSS) BEFORE INCOME TAX		**(31,822,679)**	(62,890,887)	**(31,822,679)**	(62,890,887)
PROVISION FOR (BENEFIT FROM) INCOME TAX		**-**	-	**-**	-
NET INCOME (LOSS)		**(31,822,679)**	(62,890,887)	**(31,822,679)**	(62,890,887)
OTHER COMPREHENSIVE INCOME (LOSS)					
Not to be reclassified to profit or loss in subsequent years -					
Remeasurement gains (losses) on retirement liability - net of deferred tax		**-**	-	**-**	-
TOTAL COMPREHENSIVE INCOME (LOSS)		**(31,822,679)**	(62,890,887)	**(31,822,679)**	(62,890,887)
Net income (loss) attributable to:					
Equity holders of the Parent Company		**(26,119,964)**	(48,112,730)	**(26,119,964)**	(48,112,730)
Noncontrolling interests		**(5,702,715)**	(14,778,157)	**(5,702,715)**	(14,778,157)
		(31,822,679)	(62,890,887)	**(31,822,679**	(62,890,887)
Other comprehensive income (loss) attributable to:					
Equity holders of the Parent Company					
Noncontrolling interests					
		-	-	**-**	-

PREMIERE HORIZON ALLIANCE CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOW

As at March 31, 2026 and 2025

(All amounts in Philippine Peso)

	Note	March 31, 2026 (Unaudited)	March 31, 2025 (Unaudited)
CASH FLOWS FROM OPERATING ACTIVITIES			
Income before tax		**(31,822,679)**	(62,890,887)
Adjustments for:			
Prior period adjustment		**-**	-
Gain on change in fair value of investment property		**-**	-
Provision for impairment loss		**101,375**	101,375
Depreciation and amortization		**3,292,991**	599,643
Gain on disposal of equipment		**(127,500)**	-
Retirement benefit expense			-
Interest expense		**17,621,255**	20,291,074
Interest income		**(201,452)**	(304,390)
Operating income before working capital changes		**(11,136,010)**	(42,203,185)
Changes in assets and liabilities:			
Receivables and contract assets		**(792,534)**	21,227,774
Real estate inventories		**27,767,207**	(925,000)
Other current assets		**(5,119,506)**	(6,821,121)
Noncurrent receivables		**-**	-
Other non-current receivables		**(10,730)**	-
Trade and other payables		**4,713,143**	(9,978,062)
Contract liabilities		**6,966,534**	(6,251,941)
Noncurrent payables		**-**	-
Cash used in operations		**22,388,104**	(44,951,535)
Interest paid		**(17,621,255)**	(20,291,074)
Interest received		**201,452**	304,390
Income tax paid		**-**	-
Benefits paid		**-**	-
Net Cash Flows from Operating Activities		**4,968,301**	(64,938,219)
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from:			
Disposal of property and equipment		**127,500**	-
Acquisition of:			
Property and equipment		**(192,278)**	2,942,744
Deferred exploration cost		**(164,663)**	(238,266)
Investment properties		**-**	-
Decrease in other non-current assets			
Proceeds from sale of property and equipment			
Net Cash Flows from Investing Activities		**(229,441)**	2,704,518
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from:			
Collection of subscription receivable		**-**	-
Availment of long-terms loans		**142,890,000**	36,405,102
Availment of short-terms loans		**6,000,000**	-
Payments of:			
Long-term loans		**(59,046,113)**	-
Short-term loans		**(31,110,268)**	(5,000,000)
Lease liablity		**-**	-
Callable loans		**-**	-
Net Cash Flows from Financing Activities		**58,733,620**	31,405,102)
NET INCREASE (DECREASE) IN CASH		**63,472,480**	(30,828,599)
CASH AT BEGINNING OF YEAR		**31,032,699**	60,351,442
CASH AT END OF YEAR		**94,505,178**	29,522,843

PREMIERE HORIZON ALLIANCE CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

As at March 31, 2026 and 2025

(All amounts in Philippine Peso)

	Note	March 31, 2026 (Unaudited)	March 31, 2025 (Unaudited)
CAPITAL STOCK			
Balance at beginning of year		**1,414,348,522**	1,414,348,522
Collection of subscription receivable		**-**	-
Additional subscription		**-**	-
Balance at end of year		**1,414,348,522**	1,414,348,522
ADDITIONAL PAID-IN CAPITAL			
Balance at beginning of year		**629,410,181**	629,410,181
Collection of subscription receivable		**-**	-
Additions		**-**	-
Balance at end of year		**629,410,181**	629,410,181
RETAINED EARNINGS			
Balance at beginning of year		**486,698,364**	499,941,658
Prior period adjustment		**-**	-
Net income (loss)		**(26,119,966)**	(48,112,730)
Balance at end of year		**460,578,398**	451,828,928
CUMULATIVE REMEASUREMENT GAINS ON RETIREMENT LIABILITY			
Balance at beginning of year		**30,776,193**	31,265,998
Net remeasurement gain (losses)		**-**	-
Balance at end of year		**30,776,193**	31,265,998
NON-CONTROLLING INTEREST			
Balance at beginning of year		**540,009,066**	494,435,635
Net income (loss)		**(5,702,715)**	(14,778,157)
Other comprehensive income (loss)		**-**	-
Balance at end of year		**534,306,351**	479,657,478
TOTAL EQUITY		**3,069,419,645**	3,006,511,107

PREMIERE HORIZON ALLIANCE CORPORATION AND SUBSIDIARIES NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1. **General Information**

Premiere Horizon Alliance Corporation (PHA or the Parent Company) was registered with the Philippine Securities and Exchange Commission (SEC) on January 13, 1988 and listed in the Philippine Stock Exchange (PSE) on May 5, 1997. The Parent Company's primary and secondary purpose is to engage in business activities relating to entertainment, gaming, hotel, and leisure and to expand mining and real estate industries, respectively.

On August 10, 2016, the SEC approved the change in the Parent Company's primary purpose to that of an investment holding company and the secondary purpose to engage in business activities relating to entertainment, gaming, hotel, and leisure.

The Parent Company and its subsidiaries (collectively referred to herein as "the Group") is currently involved in mining and real estate activities.

The Parent Company's registered address and principal place of business is at Unit E-1705, 17F, East Tower, Tektite Towers, Exchange Road, Ortigas Center, Pasig City.

As at March 31, 2026 and December 31, 2025, the subsidiaries of the Parent Company, which are all incorporated in the Philippines, are as follows:

		Percentage of Ownership		
Subsidiary	**Industry**	**Direct**	**Indirect**	**Total**
West Palawan Premiere Development Corp (WPP)	Real Estate	100	-	100
Treasure Cove at Nagtabon Beach, Inc. (TCNBI)*	Real Estate	-	100	100
Premiere Georesources and Development Inc. (PGDI)	Mining	69	-	69
Pyramid Hill Mining & Industrial Corp(PHMIC)*	Mining		68	68
Palawan Star Mining Ventures, Inc. (PSMVI)*	Mining		68	68
Goshen Land Capital, Inc. (GLCI)	Real Estate	55	-	55
Concepts Unplugged: Business Environment Solutions	Management, investment and/or technical solutions	51	-	51
Premiere Horizon Business Services, Inc. (PHBSI)*	Human Resource Mgt	100	-	100
PH Mining and Development Corporation (PHMDC)*	Mining	100	-	100
PH Agriforest Corporation (PHAC)*	Forestry	100	-	100
PH Big Bounty Entertainment, Inc. (PBBEI)*	Amusement	100	-	100
Digiwave Solutions Incorporated (DSI)*	Information technology	100	-	100
Premiere e-Teleservices, Inc. (PeTI)*	Entertainment	100	-	100

***Non-operating companies*

2. **Cash**

This account consists of:

	March 31, 2026 (UNAUDITED)	DECEMBER 31, 2025 (AUDITED)
Cash on hand	**210,606**	770,000.
Cash in banks	**94,294,572**	30,262,699
	94,505,178	31,032,699

3. **Receivable**

This account consists of:

	March 31, 2026 (UNAUDITED)	DECEMBER 31, 2025 (AUDITED)
Contract receivables	**65,801,533**	109,692,176
Advances to officers and employees	**34,313,860**	32,810,443
Trade receivables	**14,059,256**	13,169,463
Others	**150,680,870**	154,154,752
	264,855,519	309,826,834
Less: Allowance for ECL	**121,514,146**	121,514,146
	143,341,373	188,312,688

Aging of receivables

	Total	**0-30days**	**31-60 days**	**61-90 days**	**Over90days**
Contract receivables	**65,801,533**	35,807,162	15,123,714	810,704	14,059,953
Advances to officers and employees	**34,313,860**	11,801,929	-	-	22,511,931
Trade receivables	**14,059,256**	890,658	-	-	13,168,599
Others	**150,680,870**	-	-	-	150,680,870
Total	**264,855,519**	48,499,748	15,123,714	810,704	200,421,353

4. **Real Estate Held for Sale**

This account consists of:

	March 31, 2026 (UNAUDITED)	DECEMBER 31, 2025 (AUDITED)
Real estate under development and subdivided lots held for sate	**401,523,073**	429,290,280
Land and land development	**7,281,502**	7,281,503
	408,804,576	436,571,783

5. **Other Current Assets**

This account consists of:

	March 31, 2026 (UNAUDITED)	DECEMBER 31, 2025 (AUDITED)
Input VAT	**89,599,807**	86,475,184
Prepaid income tax	**109,528,808**	107,375,659
Advances to suppliers and contractors	**200,119**	200,119
Security deposits	**457,552**	457,552
Deferred MCIT	**2,164,217**	2,408,816
Prepayments	**36,296**	102,950
Others	**697,622**	554,635
	202,684,421	197,564,915
Less: Allowance for impairment losses	**(4,502,030)**	(4,502,030)
	198,182,391	193,062,885

6. **Trade and Other Payables**

This account consists of:

	March 31, 2026 (UNAUDITED)	DECEMBER 31, 2025 (AUDITED)
Trade payables	**41,330,856**	24,155,346
Accrued expenses	**339,449,435**	446,670,334
Customers' deposits and advances	**101,820,961**	119,583,599
Advances from shareholders	**31,086,179**	11,268,758
Voucher's payable	**873,774**	1,207,504
Others	**156,927,411**	63,889,932
	671,488,616	666,775,473

7. **General and Administrative Expenses**

This account consists of:

	March 31, 2026 (UNAUDITED)	DECEMBER 31, 2025 (AUDITED)
Professional and legal fees	**10,292,068**	75,200,740
Personnel cost	**6,643,533**	30,110,528
Taxes and licenses	**5,004,299**	13,729,311
Commissions	**1,827,623**	7,571,924
Entertainment, amusement and recreation	**1,216,701**	8,596,389
Depreciation and amortization	**645,623**	3,539,124
Filing and listing fees	-	-
Rentals and utilities	**1,120,528**	3,429,291
Transportation and travel	**1,163,602**	5,892,407
Repairs and maintenance	**289,442**	1,232,818
Outside services	**398,234**	1,150,604
Supplies and materials	**191,864**	618,480
Advertising and promotions	**442,711**	56,800
Others	**2,929,284**	170,336,358
	32,165,512	321,464,774

8. **Summary Report on Deferred Exploration**

- For the period January 01 to March 31, 2026, no exploration activities were conducted for both Pyramid Hill Mining and Industrial Corp. (PHMIC) and Palawan Star Mining Ventures, Inc. (PSMVI)
- The Panitian Limestone Project in Barangay Isumbo and Barangay Pinaglabanan covers 10,384.11 hectares under MPSA 172-2001-IV and MPSA 173-2001-IV. The MPSAs were approved on January 16, 2001, and are valid for 25 years, expiring on January 16, 2026. An extension of the exploration period for the final two (2) years was granted in the prior year to allow drilling activities on the shale deposit for the purpose of determining the volume of extractable material for potential cement production. Similar to the PHMIC project, all exploration activities were suspended by the MGB Regional Office.
- The MPSA expired on January 16, 2026. The Company has applied for the renewal of the permit and has completed and submitted all documentary and regulatory requirements to the Mines and Geosciences Bureau Central Office (MGB CO). In connection with the pending renewal, the Company also applied for the suspension of all obligations under the MPSA until further notice or until the renewal is approved. In addition, the Company has submitted the limestone resource data to the MGB for validation. As at the reporting date, management is awaiting official action or instructions from the MGB with respect to the renewal of the MPSA, the suspension of permit obligations, and the validation of the limestone resource.

SIGNATURES

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

PREMIERE HORIZON ALLIANCE CORPORATION
Issuer



EUGENIO T. TAN
President & CEO

Date: May 13, 2026



ERNEST SZE LOK YEUNG
Chief Financial Adviser

Date: May 13, 2026

ANNEX H

COVER SHEET

1 4 7 5 8 4

SEC Registration Number

PREMIERE HORIZON ALLIANCE CORPORATION AND SUBSIDIARIES

(Company's Full Name)

UNIT 1705 17TH FLOOR EAST TOWER TEKTITE TOWERS EXCHANGE EXCHANGE ROAD ORTIGAS CENTER, PASIG CITY

(Business Address: No., Street City / Town / Province)

GERONIMO B. HALILI	8632-7715
Contact Person	Company Telephone Number

SEC FORM 17-Q

1 2	3 1		0 5	
Month	*Day*	*FORM TYPE*	*Month*	*Day*
Calendar Year			Annual Meeting	

Secondary License Type, If Applicable

Dept Requiring this Doc

Amended Articles Number / Section

Total Amount of Borrowings

Total No. of Stockholders	Domestic	Foreign

To be accomplished by SEC Personnel concerned

File Number

LCU

Document ID

Cashier

STAMPS

Remarks: Please use BLACK ink for scanning purposes

SECURITIES AND EXCHANGE COMMISSION
SEC FORM 17-Q

QUARTERLY REPORT PURSUANT TO SECTION 17 OF THE SECURITIES REGULATION CODE SRC RULE 17(2)(b) THEREUNDER

1. For the quarterly period ended: **June 30, 2026**

2. Commission identification number: **147584**

3. BIR Tax Identification No.: **002-727-376-000**

4. Exact name of registrant as specified in its charter:

   PREMIERE HORIZON ALLIANCE CORPORATION

5. Province, country or other jurisdiction of incorporation or organization:
   PHILIPPINES

6. Industry Classification Code: _____ {SEC Use Only)

7. Address of registrant's principal office: Postal Code

   Unit 1705, 17th Floor, East Tower, Tektite Towers, Exchange Road, Ortigas Center, Pasig City. 1605

8. Registrant's telephone number, including area code: **(02) 8362-7715**

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

   NOT APPLICABLE

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

Title of Each Class	Number of Shares of Common Stock Outstanding and Amount of Debt Outstanding
Common Stock Php0.25 Par Value	
Number of Shares of Common Stock Outstanding	5,708,359,504
Amount of Debt Outstanding	Php652,213,904.00

11. Are any or all of the securities listed on the Philippine Stock Exchange?

    Yes [X] No [] (Please refer to item 10.)

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 RSA and RSA Rule ll(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 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 **[XI** No [ ]

PART I-FINANCIAL INFORMATION

Item 1. Financial Statements

The Unaudited Financial Statements as of Second Quarter of 2026 are attached to this Report.

1. The accompanying financial statements are prepared in accordance with the generally accepted accounting principles in the Philippines.

2. The same accounting policies and methods of computation are followed in the interim financial statements as compared with the most recent annual financial statements.

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

The Company and its subsidiaries use the following key performance indicators:

1) Revenues;
2) Gross profit/ loss;
3) Gross profit ratio (computed as gross profit divided by the gross revenues);
4) Net income/ loss;
5) Net profit ratio (computed as net profit divided by the gross revenues);
6) Net profit attributable to parent;
7) 12 months trailing net income (loss) (computed as year-to-date net income (loss) plus net income of the latest annual income minus the previous year to date net income (loss);
8) 12 months trailing net income (loss) per share (computed as 12 months trailing net income (loss) divided by weighted average number of shares);
9) Debt-to-equity ratio (computed as total liabilities divided by total Stockholders' Equity);
10) Current ratio (computed as total current assets divided by total current liabilities);
11) Debt ratio (computed as total liabilities divided by total assets); and
12) Return on assets (computed as net income divided by assets).

	June 30, 2026	June 30, 2025	Inc (Dec)
1. Revenues	29,535,001	13,415,475	16,119,526
2. Gross Profit (Loss)	6,476,701	(4,286,067)	10,762,768
3. Gross Profit (Loss) Ratio	0.22	(0.32)	0.54
4. Net Profit (Loss)	(86,935,224)	(122,483,207)	35,547,983
5. Net Profit (Loss) Ratio	(2.94)	(9.13)	6.19
6. Net Profit (Loss) Attributable to Parent	(61,074,505)	(95,838,784)	34,764,279
7. 12 months trailing net income/(loss)	66,615,516	292,828,984	(226,213,468)
8. Trailing 12 months earnings / (loss) per share basic	0.01	0.05	(0.04)
9. Debt-to-Equity Ratio	0.82	0.84	(0.02)
10. Current Ratio	0.98	1.43	(0.45)
11. Debt Ratio	0.45	0.46	(0.01)
12. Return of Assets	(0.02)	(0.02)	0.00

Financial Condition

Interim Report (June 30, 2026)

The Company employed total assets of 5,485,830,159 financed by total liabilities of Php2,471,523,058 and total stockholders' equity of Php3,014,307,101. Noncurrent assets amounted to Php4,264,942,718 consisting of deferred exploration costs, investment properties, property and equipment, goodwill and intangible assets, right-of-use assets, deferred tax assets and other noncurrent assets. Current assets stood at Php1,220,887,441.

Material Changes - Increase/ Decrease of 5% or more (June 30, 2026 vs. December 31, 2025)

- ***Cash*** - As of June 30, 2026 and December 31, 2025, this account amounted to Php9.77 million and Php31.03 million, respectively, representing a decrease of Php21.26 million or 68.52% change. Cash used in operation activities amounted to Php36.64 million; cash used in investing activities amounted to Php0.268 million; while cash used in financing activities amounted to Php57.63 million. The said cash flows collectively represents the net decrease in cash during the financial reporting period.
- ***Receivables - net*** - As of June 30, 2026 and December 31, 2025, this account amounted to Php154.39 million and Php188.31 million, respectively, representing a decrease of Php33.9 million or 18.01% primarily due to collections of receivables.
- ***Contract assets*** - As of June 30, 2026 and December 31, 2025, this account amounted to Php422.25 million and Php481.00 million, respectively, representing a decrease of Php58.75 million or 12.21%. primarily due to collection of receivables.
- ***Other Current Assets*** - As of June 30, 2026 and December 31, 2025, this account amounted to Php202.97 million and Php193.06 million, which shows an increase of Php9.9 million or 5.13%. The increase was primarily attributable to higher input VAT, creditable withholding taxes, and other advances during the period.
- ***Property and equipment,*** **net**- As of June 30, 2026 and December 31, 2025, this account amounted to Php47.49 million and Php53.52 million, respectively, representing a decrease of Php6.04 million or 11.28%, primarily due to depreciation recognized during the period.
- ***Intangible assets -net*** - As of June 30, 2026 and December 31, 2025, this account amounted to Php1.42 million and Php1.62 million, respectively, representing a decrease of Php0.203 million or 12.5%, primarily due to the amortization expense recognized during the period.
- **Short-term loans** - As of June 30, 2026 and December 31, 2025, this account amounted to Php128.96 million and Php201.57 million respectively, representing a decrease of Php72.61 million or 36.02% due to partial settlement of outstanding loans.
- **Loans payable – current portion** - As of June 30, 2026 and December 31, 2025, this account amounted to Php310.29 million and Php167.13 million respectively, representing an increase of Php143.16 million or 85.66%. The increase was mainly due to the availment of additional loans for business development and working capital requirements.
- **Loans payable – net of current portion** - As of June 30, 2026 and December 31, 2025, this account amounted to Php212.96 million and Php341.14 million respectively, representing a decrease of Php128.18 million or 37.57%, primarily due to the partial settlement of long-term loans and the reclassification of certain loan balances to current liabilities.
- **Retained Earnings**- As of June 30, 2026 and December 31, 2025, retained earnings amounted to Php425.62 million and Php486.70 million, respectively, representing a decrease of Php61.07 million or 12.55%, primarily due to the net loss incurred during the period.

Results of Operation

A comparative review of the Company's financial operations for the year-to-date ending June 30, 2026 vis-a-vis the same period last year showed the following (material changes - increase/ decrease of 5% or more):

- **Revenues** - The Group's revenue for the year-to-date June 30, 2026 pertains to the real estate sales and mining-related services which posted an increase of Php16.11 million or 120.16%, primarily due to the resumption of ore-hauling activities. The decrease in real estate revenue in the second quarter was due to the adjustments to reflect the adjusted year-to-date (YTD) figures in accordance with PFRS 15.
- **Cost of sales and services-** increased by Php5.36 million or 30.26% due to higher operating costs associated with real estate sales and ore-hauling activities.
- **Gross Profit-** increased by Php10.76 million or 251.11% primarily due to improved revenue from ore-hauling operation.
- **General and administrative expenses** - decreased by Php18.18 million or 22.84% mainly due to lower professional fees, transportation and travel costs and entertainment, amusement and recreation costs.
- **Other income (charges)** – decreased by Php6.60 million or 17.11% primarily attributable to lower net benefits from financing activities, as interest expense on loans declined during the period.

For assessing impairment of goodwill, a test of impairment is performed annually or when circumstances indicate that the carrying value may be impaired.

Discussion of Material Events/Uncertainties Known to Management that would Address the Past and Impact on Future Operations

a. The Management does not foresee any event that will trigger direct or contingent financial obligation that is material to the Company, including any default or acceleration of an obligation.

b. The Company does not have any material off-balance sheet transactions, arrangements, obligations (including contingent obligations) and other relationships with unconsolidated entities or other persons created during the reporting period.

c. The Management is not aware of any known trends, demands, commitments, events or uncertainties that have had or that are reasonably expected to have a material favourable or unfavourable impact on the company's liquidity, net sales or revenues or income from continuing operations.

d. The Company does not have any significant elements of income or loss that did not arise from the company's continuing operations.

PREMIERE HORIZON ALLIANCE CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

As of June 30, 2026 and December 31, 2025

(All amounts in Philippine Peso)

ASSETS	Note	June 30, 2026 (Unaudited)	December 31, 2025 (Audited)
CURRENT ASSETS			
Cash	2	**9,769,690**	31,032,699
Receivables - net	3	**154,394,338**	188,312,688
Contract assets - current		**422,251,068**	481,004,251
Real estate for sale	4	**431,505,309**	436,571,783
Other current assets - net	5	**202,967,036**	193,062,885
Total Current Assets		**1,220,887,441**	1,329,984,306
NON-CURRENT ASSETS			
Non-current receivables - net		**79,863,206**	79,863,206
Deferred exploration costs		**436,348,658**	436,189,548
Investment properties		**3,667,156,458**	3,667,156,458
Property and equipment - net		**47,486,424**	53,523,768
Intangible assets - net		**1,419,257**	1,622,007
Right-of-use assets - net		**1,246,759**	1,246,758
Other noncurrent assets - net		**31,421,956**	31,411,226
Total Non-Current Assets		**4,264,942,718**	4,271,012,971
TOTAL ASSETS		**5,485,830,159**	5,600,997,277
LIABILITIES AND EQUITY			
CURRENT LIABILITIES			
Trade and other payables	6	**696,250,552**	666,775,473
Short-term loans		**128,962,025**	201,571,532
Contract liabilities		**6,475,160**	6,549,777
Lease liability - current portion		**1,847,182**	1,847,182
Loans payable - current portion		**310,291,696**	167,131,174
Convertible loans - current portion		**100,000,000**	100,000,000
Total Current Liabilities		**1,243,826,615**	1,143,875,138
NON CURRENT LIABILITIES			
Non-current payables		**226,579,578**	226,579,578
Loans payable - net of current portion		**212,960,183**	341,143,553
Pension liabilities		**12,327,952**	12,327,952
Deferred tax liabilities		**775,828,730**	775,828,730
Total Non-Current Liabilities		**1,227,696,443**	1,355,879,813
TOTAL LIABILITIES		**2,471,523,058**	2,499,754,951
EQUITY			
Share capital		**1,414,348,522**	1,414,348,522
Additional paid-in capital		**629,410,181**	629,410,181
Retained earnings		**425,623,858**	486,698,364
Remeasurement gain on retirement plan		**30,776,193**	30,776,193
Total equity attributable to Parent Company's shareholders		**2,500,158,754**	2,561,233,260
Equity attributable to non-controlling interest		**514,148,347**	540,009,066
Total Equity		**3,014,307,101**	3,101,242,326
TOTAL LIABILITIES AND EQUITY		**5,485,830,159**	5,600,997,277

PREMIERE HORIZON ALLIANCE CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
For the six-month period ended June 30, 2026 and 2025
(All amounts in Philippine Peso)

	Note	For the period Apr 1 – June 30		For the period Jan 1 – June 30	
		2026	2025	**2026**	2025
		(UNAUDITED)	(UNAUDITED)	**(UNAUDITED)**	(UNAUDITED)
REVENUES					
Real estate sales		**(43,694,516)**	1,962,625	**7,703,917**	1,962,625
Mining-related services		**20,923,132**	8,896,980	**21,831,084**	11,452,850
Service income		**-**	-	**-**	-
		(22,771,384)	10,859,606	**29,535,001**	13,415,475
COSTS OF SALES AND SERVICES					
Cost of real estate sales		**(22,700,733)**	428,247	**5,066,474**	428,247
Cost of services		**10,599,517**	10,619,974	**17,991,827**	17,273,295
		(12,101,216)	11,048,221	**23,058,300**	17,701,542
GROSS PROFIT		**(10,670,168)**	(188,615)	**6,476,701**	(4,286,067)
GENERAL AND ADMINISTRATIVE EXPENSES	7	**29,263,325**	39,850,936	**61,428,837**	79,612,659
OTHER INCOME (CHARGES)					
Unerealized gain on fair valuation of investment property		**-**	-	**-**	-
Interest expense		**(15,530,530)**	(26,182,810)	**(33,151,785)**	(46,473,884)
Interest income		**162,235**	769,394	**363,687**	779,018
Others – net		**189,243**	6,137,819	**805,010**	7,110,385
		(15,179,052)	(19,275,597)	**(31,983,088)**	(38,584,481)
INCOME (LOSS) BEFORE INCOME TAX		**(55,112,545)**	(59,315,148)	**(86,935,224)**	(122,483,207)
PROVISION FOR (BENEFIT FROM) INCOME TAX		**-**	-	**-**	-
NET INCOME (LOSS)		**(55,112,545)**	(59,315,148)	**(86,935,224)**	(122,483,207)
OTHER COMPREHENSIVE INCOME (LOSS)					
Not to be reclassified to profit or loss in subsequent years -					
Remeasurement gains (losses) on retirement liability - net of deferred tax					
TOTAL COMPREHENSIVE INCOME (LOSS)		**(55,112,545)**	(59,315,148)	**(86,935,224)**	(122,483,207)
Net income (loss) attributable to:					
Equity holders of the Parent Company		**(34,954,541)**	(47,555,719)	**(61,074,505)**	(95,838,784)
Noncontrolling interests		**(20,158,004)**	(11,759,429)	**(25,860,719)**	(26,644,423)
		(55,112,545)	(59,315,148)	**(86,935,224)**	(122,483,207)
Total comprehensive income (loss) attributable to:					
Equity holders of the Parent Company		**-**	-	**-**	-
Noncontrolling interests		**-**	-	**-**	-
		-	-	**-**	-

PREMIERE HORIZON ALLIANCE CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOW
As of June 30, 2026 and 2025
(All amounts in Philippine Peso)

	Note	**June 30, 2026 (Unaudited)**	June 30, 2025 (Unaudited)
CASH FLOWS FROM OPERATING ACTIVITIES			
Income before tax		**(86,935,224)**	(122,483,205)
Adjustments for:		**-**	-
Prior period adjustment		**-**	-
Gain on change in fair value of investment property		**-**	-
Provision for impairment loss		**202,751**	202,751
Depreciation and amortization		**6,273,394**	1,386,569
Gain on disposal of equipment		**(127,500)**	-
Retirement benefit expense		**-**	-
Interest expense		**33,151,785**	46,473,884
Interest income		**(363,686)**	(779,018)
Operating income (loss) before working capital changes		**(47,798,480)**	(75,199,019)
Changes in assets and liabilities:		**-**	-
Receivables and contract assets		**92,671,533**	100,975,624
Real estate inventories		**5,066,474**	(145,737,326)
Other current assets		**(9,904,151)**	(4,341,841)
Noncurrent receivables		**-**	-
Other non-current assets		**(10,730)**	-
Trade and other payables		**29,475,079**	29,971,350
Contract liabilities		**(74,617)**	(6,251,941)
Noncurrent payables		**-**	-
Cash used in operations		**69,425,108**	(100,583,153)
Interest paid		**(33,151,785)**	(46,473,884)
Interest received		**363,686**	779,018
Income tax paid		**-**	-
Benefits paid		**-**	-
		-	-
Net Cash Flows from Operating Activities		**36,637,009**	(146,278,019)
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from disposal of property and equipment		**127,500**	-
Acquisition of:			
Property and equipment		**(236,051)**	5,205,904
Deferred exploration cost		**(159,110)**	(535,576)
Investment properties		**-**	-
Net Cash Flows from Investing Activities		**(267,661)**	4,670,328
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from:			
Availments of long-terms loans		**142,890,000**	124,366,682
Availments of short-terms loans		**9,500,000**	-
Payments of:		**-**	-
Long-term loans		**(177,912,849)**	-
Short-term loans		**(32,109,508)**	(6,500,000)
Lease liability		**-**	-
Callable loans		**-**	-
			-
Net Cash Flows from Financing Activities		**(57,632,357)**	117,866,682
NET INCREASE (DECREASE) IN CASH		**(21,263,009)**	(23,741,009)
CASH AT BEGINNING OF YEAR		**31,032,699**	60,351,442
CASH AT END OF YEAR		**9,769,690**	36,610,433

PREMIERE HORIZON ALLIANCE CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

As of June 30, 2026 and 2025

(All amounts in Philippine Peso)

	Note	**June 30, 2026 (Unaudited)**	June 30, 2025 (Unaudited)
CAPITAL STOCK			
Balance at beginning of year		**1,414,348,522**	1,414,348,522
Collection of subscription receivable		**-**	-
Additional subscription		-	-
Balance at end of year		**1,414,348,522**	1,414,348,522
ADDITIONAL PAID-IN CAPITAL			
Balance at beginning of year		**629,410,181**	629,410,181
Collection of subscription receivable		**-**	-
Additions		**-**	-
Stock issuance costs		**-**	-
Balance at end of year		**629,410,181**	629,410,181
RETAINED EARNINGS			
Balance at beginning of year		**486,698,364**	499,941,670
Prior period adjustment		**-**	-
Net income (loss)		**(61,074,506)**	(95,838,795)
Balance at end of year		**425,623,858**	404,102,875
CUMULATIVE REMEASUREMENT GAINS ON RETIREMENT LIABILITY			
Balance at beginning of year		**30,776,193**	31,265,998
Net remeasurement gain (losses)		**-**	
Balance at end of year		**30,776,193**	31,265,998
NON-CONTROLLING INTEREST			
Balance at beginning of year		**540,009,066**	494,435,635
Net income (loss)		**(25,860,719)**	(26,644,423)
Other comprehensive income (loss)		**-**	
Balance at end of year		**514,148,347**	467,791,212
TOTAL EQUITY		**3,014,307,101**	2,946,918,788

PREMIERE HORIZON ALLIANCE CORPORATION AND SUBSIDIARIES NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1. **General Information**

Premiere Horizon Alliance Corporation (PHA or the Parent Company), was registered with the Philippine Securities and Exchange Commission (SEC) on January 13, 1988 and listed in the Philippine Stock Exchange (PSE) on May 5, 1997. The Parent Company's primary and secondary purpose is to engage in business activities relating to entertainment, gaming, hotel, and leisure and to expand to mining and real estate industries, respectively.

On August 10, 2016, the SEC approved the change in the Parent Company's primary purpose to that of an investment holding company and the secondary purpose to engaging in business activities relating to entertainment, gaming, hotel, and leisure.

The Parent Company and its subsidiaries (collectively referred herein as "the Group") is currently involved in mining and real estate activities.

The Parent Company's registered address and principal place of business is at Unit E-1705, 17F, East Tower, Tektite Towers, Exchange Road, Ortigas Center, Pasig City.

As at June 30, 2026 and December 31, 2025, the subsidiaries of the Parent Company, which are all incorporated in the Philippines, are as follows:

		Percentage of Ownership		
Subsidiary	**Industry**	**Direct**	**Indirect**	**Total**
West Palawan Premiere Development Corp (WPP)	Real Estate	100	-	100
Treasure Cove at Nagtabon Beach, Inc. (TCNBI)	Real Estate	-	100	100
Premiere Georesources and Development Inc. (PGDI)	Mining	69	-	69
Pyramid Hill Mining & Industrial Corp(PHMIC)	Mining		68	68
Palawan Star Mining Ventures, Inc. (PSMVI)	Mining		68	68
Goshen Land Capital, Inc. (GLCI)	Real Estate	55	-	55
Concepts Unplugged: Business Environment Solutions	Management, investment and/or technical solutions	51	-	51
Premiere Horizon Business Services, Inc. (PHBSI)*	Human Resource Mgt	100	-	100
PH Mining and Development Corporation (PHMDC)*	Mining	100	-	100
PH Agriforest Corporation (PHAC)*	Forestry	100	-	100
PH Big Bounty Entertainment, Inc. (PBBEI)*	Amusement	100	-	100
Digiwave Solutions Incorporated (DSI)*	Information technology	100	-	100
Premiere e-Teleservices, Inc. (PeTI)	Entertainment	100	-	100

***Non-operating companies*

2. **Cash**

This account consists of:

	June 30, 2026 (UNAUDITED)	DECEMBER 31, 2025 (AUDITED)
Cash on hand	**269,480**	770,000.
Cash in banks	**9,500,210**	30,262,699
	9,769,690	31,032,699

3. **Receivable**

This account consists of:

	June 30, 2026 (UNAUDITED)	DECEMBER 31, 2025 (AUDITED)
Contract receivables	**70.496,877**	109,692,176
Advances to officers and employees	**32,241,976**	32,810,443
Trade receivables	**23,938,797**	13,169,463
Others	**149,230,833**	154,154,752
	275,908,483	309,826,834
Less: Allowance for ECL	**121,514,146**	121,514,146
	154,394,337	188,312,688

Aging of receivables

	Total	**0 – 30 days**	**31 – 60 days**	**61 – 90 days**	**Over 90 days**
Contract receivables	**70,496,877**	41,398,579	14,867,781	798,604	13,431,913
Advances to Officers and employees	**32,241,977**	9,702,767	19,515	-	22,519,695
Trade receivables	**23,938,797**	4,148,229	6,621,105	-	13,169,463
Others	**149,230,833**	-	-	-	149,230,833
Total	**275,908,483**	55,249,574	21,508,400	798,604	198,351,905

4. **Real Estate Held for Sale**

This account consists of:

	June 30, 2026 (UNAUDITED)	DECEMBER 31, 2025 (AUDITED)
Real estate under development and subdivided lots held for sate	**424,223,806**	429,290,280
Land and land development	**7,281,503**	7,281,503
	431,505,309	436,571,783

5. **Other Current Assets**

This account consists of:

	June 30, 2026 (UNAUDITED)	DECEMBER 31, 2025 (AUDITED)
Input VAT	**91,619,079**	86,475,184
Prepaid income tax	**112,123,428**	107,375,659
Advances to suppliers and contractors	**155,172**	200,119
Security deposits	**457,552**	457,552
Deferred MCIT	**2,411,108**	2,408,816
Supplies	**-**	-
Prepayments	**5,106**	102,950
Others	**697,622**	554,635
	207,469,067	197,564,915
Less: Allowance for impairment losses	**(4,502,030)**	(4,502,030)
	202,967,037	193,062,885

6. **Trade and Other Payables**

This account consists of:

	June 30, 2026 (UNAUDITED)	DECEMBER 31, 2025 (AUDITED)
Trade payables	**50,170,431**	24,155,346
Accrued expenses	**320,789,794**	446,670,334
Customers' deposits and advances	**104,647,235**	119,583,599
Advances from shareholders	**42,152,583**	11,268,758
Voucher's payable	**3,435,890**	1,207,504
Others	**175,054,619**	63,889,931
	696,250,552	666,775,472

7. General and Administrative Expenses

This account consists of:

	June 30, 2026 (UNAUDITED)	DECEMBER 31, 2025 (AUDITED)
Professional and legal fees	**21,858,360**	75,200,740.30
Personnel cost	**13,308,155**	30,110,527.67
Taxes and licenses	**6,521,589**	13,729,311
Commissions	**4,330,520**	7,571,924
Entertainment, amusement and recreation	**2,261,102**	8,596,389
Depreciation and amortization	**1,271,844**	3,539,124
Rentals and utilities	**2,207,469**	3,429,291
Transportation and travel	**1,969,814**	5,892,407
Repairs and maintenance	**503,382**	1,232,818
Outside services	**695,781**	1,150,604
Supplies and materials	**340,495**	618,480
Advertising and promotions	**1,333,670**	56,800
Others	**4,826,659**	170,336,358
	61,428,840	321,464,774

8. Summary Report on Deferred Exploration

The MPSAs expired on January 16, 2026. Renewal applications for both MPSAs were filed prior to their expiration and are currently under processing. In parallel, the Company is also pursuing applications for the extension of both MPSAs.

The Company has completed and submitted the required documentary and regulatory requirements to the Mines and Geosciences Bureau Central Office (MGB CO). In connection with the pending renewal, the Company likewise applied for the suspension of all obligations under the MPSAs until further notice or until the renewal applications are approved.

Additionally, the resource validation for the PHMIC MPSA has been completed by the Mines and Geosciences Bureau (MGB). As of the reporting date, management is awaiting official action from the MGB regarding the renewal and extension applications, as well as guidance on the status of the suspension of obligations under the MPSAs

Signatures

Pursuant to the requirements of Securities Regulations Code, the issuer has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

PREMIERE HORIZON ALLIANCE CORPORATION
Issuer



ERNEST SZE LOK YEUNG
Chief Financial Adviser
Date: August 11, 2026



EUGENIO T. TAN
President and CEO
Date: August 11, 2026

ANNEX I

Minutes of the Annual Meeting
of the Stockholders
of
PREMIERE HORIZON ALLIANCE CORPORATION[1]
Held on 24 November 2025, 10:00 am
At Unit 1705, 17/F East Tower, Tektite Towers, Exchange Road, Ortigas Center, Pasig City, Metro Manila, Philippines via Zoom teleconferencing platform at:
https://us02web.zoom.us/j/88347918 98?omn=87278978520

STOCKHOLDERS PRESENT:[2]	**ALSO PRESENT:**
Esteban G. Peña Sy	Abdussabor Sawadjaan, Jr.
Marian Peña	Ma. Wincel D. Chang
Brandon P. Leong	Mariflor M. Sandoval
Geronimo B. Halili	Christine M. Galita
Christina P. Leong	Anne Renner
Maria Clara A. Camacho	Jarodelyn N. Mabalot
Leslie S. Tan	Mary Zoelli R. Velasco
Steven Cesar G. Virata	Kristina C. Durana
Orlando S. Mercado	Ma. Venica Gerardine Audrey I. Jose
Eugenio T. Tan[3]	Alfonso Cay-an (Valdes)
Ernest Sze Lok Yeung[4]	Christine Celestial (Valdes)
Raul Ma. F. Anonas[5]	Karen Joy Rogodo (Valdes)
	Ericka Dela Cruz (STSI)
	Jorge Roito Hirang, Jr.[6]

Prior to the start of the meeting proper, a video of the Philippine National Anthem was shown, which was followed by an invocation led by Ms. Christina P. Leong.

I. Call to Order

The Chairman of the Board of Directors ("Board") of Premiere Horizon Alliance Corporation ("PHA" or the "Corporation"), Mr. Esteban G. Peña Sy ("Mr. Peña Sy") welcomed all the stockholders to the Annual Stockholders Meeting ("ASM") of PHA.

[1] This draft minutes shall still be subject to the approval of the stockholders during the next stockholders' meeting.
[2] Attended in person either in the principal office or virtually.
[3] Attended virtually
[4] Attended virtually
[5] Attended virtually
[6] As Proxy for stockholders Andres A. Del Rosario and Augusto Antonio C. Serafica

Mr. Peña Sy acknowledged the presence of the following members of the Board and Management:

Director, President & CEO	*Eugenio T. Tan*
Director & Executive Vice President	*Marian Peña*
Director & Treasurer	*Brandon P. Leong*
Director & Group Chief Financial Adviser	*Ernest Sze Lok Yeung*
Director	*Esteban G. Peña Sy*
Director	*Atty. Geronimo B. Halili*
Director & Chief Investment Officer	*Christina P. Leong*
Senior Vice President	*Mariflor M. Sandoval*
Independent Director	*Maria Clara A. Camacho*
Corporate Secretary	*Atty. Jarodelyn N. Mabalot*

The Chairman also acknowledged the presence of the management team's legal counsel, Atty. Abdussabor Sawadjaan, Jr, and the Corporation's external auditors from Valdes Abad & Company, CPAs ("Valdes").

The meeting was called to order at 10:00 a.m.

The Corporate Secretary, Atty. Jarodelyn N. Mabalot ("Atty. Mabalot") recorded the meeting in compliance with the Securities and Exchange Commission's ("SEC") requirements for meetings held via remote communication. Atty. Mabalot advised all in attendance that there will be visual and audio recordings of the meeting. The participants verified that they can clearly see and hear the proceedings.

II. Proof of Notice and Certification of Quorum

Atty. Mabalot certified that the notice of the ASM, along with the Definitive Information Statement, have been uploaded in Philippine Stock Exchange ("PSE") Edge and the Corporation's website. Atty. Mabalot added that the notice of the ASM was also published in the business sections of the Daily Tribune and Manila Times on 22 and 23 October 2025, in compliance with the rules issued by the SEC.

Atty. Mabalot reported that based on the attendance record issued by Stock and Transfer Services Inc. ("STSI"), the Corporation's stock and transfer agent, as of 10:00 AM, the stockholders who were participating in the meeting virtually and by proxy totaled 3,265,304,832 of the Corporation's shares, constituting 57.20% of its total outstanding capital stock as of 20 October 2025 record date. Based on this, Atty. Mabalot stated that there was a quorum for the transaction of business.

Mr. Peña Sy stated that although the Corporation was holding the meeting virtually, PHA had taken steps to ensure that the stockholders would have an opportunity to participate in the meeting to the same extent as possible as they would have had they attended in person. Mr. Peña Sy turned the floor to Atty. Mabalot to discuss the participation and voting procedures adopted for the meeting.

Atty. Mabalot explained that under the Corporation's By-Laws, every stockholder was entitled to one vote for each share of stock standing in his/her name in the books of the Corporation.

Stockholders who have successfully registered for the meeting were given the opportunity to cast their votes through their registered proxy forms or submitted voting forms.

She explained that there were four (4) items for approval excluding the adjournment, as indicated in the agenda set out in the notice of the ASM. The proposed resolutions for each of these items were shown on the screen. For each item, the stockholders have the option to either vote in favor of or against a matter for approval, or to abstain.

For the election of directors, the stockholders have the option to vote their shares for each of the nominees, not vote for any nominee, or vote for one or some nominees only, in such number of shares as the stockholders prefer; provided that the total number of votes cast does not exceed the number of shares owned by them multiplied by the number of directors to be elected. The nominees receiving the highest number of votes of the stockholders present in person or by proxy and entitled to vote, shall be the directors, pursuant to the Corporation's By-Laws

It was also noted that the votes received through proxy forms and voting forms have been validated by STSI. The results of the voting, with full details of the affirmative and negative votes, as well as abstentions, will be reflected in the minutes of the meeting.

For all items in the agenda to be approved, except for the election of the directors, the vote of the stockholders representing at least a majority of the quorum present shall be sufficient to approve the matter.

Finally, stockholders, once successfully registered, were also given an opportunity to raise questions or express comments limited to the agenda items by submitting the same through electronic mail prior to the meeting, or through the Zoom portal, or by email during the meeting. Questions and comments would be replied to via email. These participation and voting procedures were also contained in the Definitive Information Statement, accessible to all stockholders through the Corporation's website and on PSE Edge.

III. Approval of Minutes of the Special Stockholders' Meeting held on 31 July 2025

Mr. Peña Sy informed the stockholders and directors that there was a group of stockholders that have manifested their objections to the items in the agenda as indicated in their "Letter Objection"[7]. He stated that the Corporation has formally responded to the letter and addressed each of the objections therein. Nonetheless, their objections have been duly noted and votes considered in determining whether each agenda item was approved or denied.

Mr. Peña Sy proceeded to the next item on the agenda which was the approval of the minutes of the Special Stockholders' Meeting ("SSM") held on 31 July 2025. Atty. Mabalot certified that an electronic copy of the minutes of the meeting was made available on the Corporation's website after the adjournment of the stockholders' meeting. Atty. Mabalot also certified that the same minutes were appended to the Definitive Information Statement, which was made available on the PSE Edge and the Corporation's website for stockholders to download prior to the meeting.

Mr. Peña Sy stated that since the minutes had been made available to all stockholders, it is presumed that these have been read and reviewed. Nonetheless, Mr. Peña Sy stated that any stockholder may send comments or questions in the chatbox or via email to CorpSec1@pha-corp.com, which shall be responded to via email after the meeting.

There being no comments made, Mr. Peña Sy entertained a motion to dispense with the reading of the minutes of the SSM dated 31 July 2025, and for the approval of the same.

A motion to dispense with the reading and approve the minutes of the SSM dated 31 July 2025 was duly made and seconded.

There being 3,002,729,074 votes representing 52.60 % of the issued and outstanding shares of the Corporation and 91.96 % of the quorum in favor of the approval of the minutes, and 262,575,758 votes representing 4.60% of the issued and outstanding shares of the Corporation and 8.04% of the quorum objecting thereto, Atty. Mabalot stated that the requisite majority vote for the dispensation of the reading of the minutes of the SSM dated 31 July 2025 and the approval thereof had been obtained.

The following resolution was approved:

[7] Letter Objection dated 10 November 2025.

"**WHEREAS,** the Board of Directors of Premiere Horizon Alliance Corporation ('Corporation') duly convened and held a Special Stockholders' Meeting on 31 July 2025 ('Meeting');

"**WHEREAS**, the minutes of the Meeting had been prepared and sent to each of the stockholders for their review and approval;

"**NOW, THEREFORE,** for and in consideration of the foregoing premises, the stockholders hereby resolve as follows:

"**RESOLVED,** that the Corporation hereby approves the minutes of the Meeting."

Mr. Peña Sy reminded Atty. Mabalot to ensure that the minutes of the meeting reflect the tabulation of votes for all agenda items requiring stockholders' approval.

Mr. Peña Sy took the opportunity to address the stockholders. He welcomed and thanked all who attended the ASM. Mr. Peña Sy noted that there were some stockholders who objected to certain agenda items and assured everyone that the rights and votes of the objecting stockholders would be respected and protected.

Mr. Peña Sy also expressed his honor and gratitude to be elected as the Chairman of the Board. He mentioned that he accepted the position with humility and a very strong sense of responsibility. He stated that while PHA had gone through a rough time, the future was bright for the Corporation. With the help of experts and the Corporation's management team, he hopes to achieve great things for the benefit of the shareholders, as well as for the benefit of the country's economy.

Further, Mr. Peña Sy stated that the Corporation was working to improve its governance in order to be a model publicly listed company. In line with this goal, he expressed his excitement in welcoming to the Board two new members, Mr. Orlando S. Mercado ("Mr. Mercado") and Mr. Steven Cesar G. Virata ("Mr. Virata") as the Corporation's potential independent directors, in addition to the incumbent independent director, Ms. Maria Clara A. Camacho ("Ms. Camacho"). He hoped that the stockholders would support them.

Mr. Peña Sy shared that Mr. Mercado was a former senator and secretary of National Defense and is also a regular lecturer in SEC and PSE accredited seminars for good corporate governance. On the other hand, Mr. Virata is an expert and an outstanding project consultant and this is what the Corporation currently needs. He added that with a very strong lineup of independent directors, the Corporation reinforces its commitment to good governance.

Mr. Peña Sy similarly expressed his confidence in the incumbent corporate secretarial team, Corporate Secretary, Atty. Mabalot, and Assistant Corporate Secretary, Atty. Nasha Jemimah R. Reyes-Ferrer, together with the assistance of the legal team, that PHA will experience smooth and efficient corporate operations. In addition, the Corporation has appointed Valdes as its external auditor, which would help ensure transparency and proper accounting of the Corporation's records.

He welcomed these new pillars of PHA, expressing confidence that their contributions would strengthen the Company's pursuit of good governance. Mr. Peña Sy also acknowledged the exceptional management team under the able leadership of Mr. Eugenio T. Tan ("Mr. Tan"), noting their professionalism and diligent efforts in steering the Corporation forward.

Finally, he assured shareholders that the Corporation was in capable hands. He emphasized the management team's commitment to doing its best, exercising strong foresight as it enters new projects, and pursues innovation. He expressed gratitude for the shareholders' continued support and conveyed optimism that PHA will deliver better results in the coming year.

After concluding his message, Mr. Peña Sy invited the President, Mr. Tan, to deliver his message.

Mr. Tan delivered the following message to the stockholders:

"My dear fellow shareholders, welcome to the annual stockholders meeting of Premiere Horizon Alliance Corp. This gathering reminds us of the resilience of nature --- how storms and earthquakes test the earth's strength yet our earth adapts and emerges stronger. In the same way, this past year has tested our resolve, but PHA has not only endured; we have transformed. Under the dynamic leadership of our new Chairman, Steven Peña Sy, and with the unwavering support of our Board and dedicated team, we have navigated turbulent waters with discipline and foresight. Chairman Sy brings decades of experience in leading public companies across Asia and a proven track record in hospitality ventures, thus positioning PHA for sustainable growth and innovation.

Our Board remains a cornerstone of strength and expertise, driven by unwavering dedication and hard work. We are honored to welcome two distinguished independent director nominees: Orlando S. Mercado, PhD, former Senator, Secretary of Defense, and Ambassador, whose governance and policy expertise will sharpen our strategic outlook; and Stevan Cesar G. Virata, a veteran in aviation and management consulting, who brings invaluable insights in real estate, renewable energy, and human capital development.

To reinforce governance and operational excellence, we have appointed a new Corporate Secretary, engaged new external auditors, and strengthened our legal and finance teams with Atty. Abdussabor Sawadjaan, Jr. as Group Legal Counsel and Ma. Lea Baligod as Group Finance Controller. These strategic additions ensure robust compliance and financial stewardship as we move forward.

Despite headwinds, our financial position remains stable, and we are implementing measures to further strengthen our balance sheet and liquidity. Our goal is clear: to strategically position PHA among the top publicly listed companies in governance and investor relations. We continue to uphold transparency in our plans of action, ensuring that every decision reflects accountability and long-term value creation for our shareholders.

Our subsidiaries continue to be engines of growth and innovation, delivering exceptional value across our portfolio. Goshen Land Capital Inc. ("GLCI") has successfully completed the Stanford property in Baguio and proudly launched the New Clark Garden Residences—an eight-building, low-rise condominium development poised to redefine modern living. This landmark project is on track for completion by December 2026, signaling our commitment to quality and progress.

In Palawan, we are advancing a bold vision in partnership with our mining arm, Premiere Georesources and Development Inc. ("PGDI"), and our real estate arm, West Palawan Premiere ("WPP"). Together, we are strategically aligning with government initiatives, including the transformative Palawan Mega Ecozone Project. This initiative unlocks unprecedented opportunities in renewable energy, townships, airport infrastructure, tourism services, and sustainable development, positioning us at the forefront of regional growth.

Looking ahead, Public-Private Partnership ventures in the pipeline will drive critical progress in airport and port operations and management privatization, as well as power generation within San Vicente's flagship tourism enterprise zone. These projects are not just investments, they are catalysts for sustainability, economic resilience, and a future where our companies can potentially lead in building vibrant communities and world-class destinations.

Our vision transcends sectors like real estate and mining. We are building a culture and legacy that positions PHA as a diversified enterprise with a strong entertainment and media arm. Our film library of nearly 400 perpetual rights represents a unique strategic asset, opening doors to partnerships across entertainment platforms. We are committed to unlocking the full potential of these holdings, driving renewed interest and creating long-term value for our stakeholders.

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At PHA, success is defined by more than numbers, it's about transforming strategic investments into resilient cash flows, sharpening our unit economics, and delivering ESG outcomes that matter. It's about alignment—management, the Board, and our shareholders—so we move forward with one purpose. To our employees: your dedication and integrity power our progress. To the communities we serve: your trust is the foundation of our growth. And to our shareholders: your confidence and patience inspire us to pursue disciplined growth and enduring value.

As we look ahead, challenges will arise, but with a strong leadership team, a clear roadmap, and your unwavering support, I am confident that PHA will not only weather the storms but thrive. We will remain pragmatic, accountable, and bold where it matters—transforming today's efforts into tomorrow's returns.

Thank you very much."

After thanking Mr. Tan for his message, Mr. Peña Sy acknowledged the presence of former Director Raul Ma. F. Anonas, who attended the meeting virtually, and thanked him for participating in the ASM.

IV. Presentation of the Annual Report and Ratification of the 2024 Audited Financial Statements

Mr. Peña Sy moved on to the next item on the agenda which was the Presentation of the Annual Report and Ratification of the 2024 Audited Financial Statements ("AFS").

Mr. Peña Sy explained that the submission of the annual report was repeatedly delayed because it was only in the SSM held last 31 July 2025 where the appointment of Valdes as PHA's external auditors for the period ending 31 December 2024 was ratified by the stockholders. Hence, the Corporation was only able to submit its Annual Report containing the AFS to the regulatory bodies after this period. As a result, on 18 August 2025, the PSE officially lifted the trading suspension it previously imposed on the Corporation for the non-submission of its annual report.

He then invited Mr. Ernest Yeung ("Mr. Yeung") to present the AFS of the Corporation.

Mr. Yeung began by stating that the 2024 AFS was posted on the PHA website on 18 August 2025, thus he will focus on the highlights of the financial performance of PHA and the subsidiaries – Goshen Land Capital Inc., Premiere Georesources and Development Inc., West Palawan Premiere Development Corporation (collectively, the "Group").

He reported the following:

The 2024 consolidated Group revenue slumped by 58%, principally due to the real property business. Gross profit likewise decreased by the same amount whereas the gross margin remained constant. Profit before tax and net income surged by 47%, by virtue of the huge revaluation gains of the Group's properties located in Palawan and Baguio.

The Group's cash position fell by 56%; whereby there was a large collection of subscription receivables in 2023 but not in in 2024. Total assets and shareholders' equity also soared due to the revaluation gains of the properties in Palawan and Baguio. Although total debt went up as a result of property development requirements, the gearing of the Group remained constant by virtue of the increase in equity and liabilities.

Goshen Land Capital Inc. ("GLCI")

This subsidiary is 55% held by PHA and is also the strongest revenue generator of the Group. GLCI's 2024 revenue fell by 63%, as the Company's new project development was on hold during COVID. There is a change of the Company's strategy to diversify outside of Baguio. The Company's gross profit went down by 61% because of the loss of revenue whereas the gross margin remained constant. Net income went up because GLCI also had revaluation gains on property in Baguio.

Premiere Georesources and Development Inc. (PGDI)

PGDI's hauling operation fell by 46% while total revenue dropped by 26%. This was caused by the falls of global steel and nickel prices. The nickel prices appeared to bottoming out in 2025 and PGDI's major client is also very optimistic with the medium-term outlook of the nickel prices. Apart from hauling, PGDI was also spending money on renewing the mineral production sharing agreement of its limestone mines in Palawan.

West Palawan Premiere Development Corporation ("WPPDC")

The performance of the Palawan entity declined in terms of total assets, equity, and net income. The 2024 financials of WPPDC were principally affected by the return of several properties back to the Group holding entity.

Moving forward, the Group should focus on business development to improve revenue and cash positions, as well as enhance asset utilization through the various business opportunities such as the film business and the new policies relating to Palawan outlined earlier by Mr. Tan.

After thanking Mr. Yeung for his report, Mr. Peña Sy again stated that there is a group of stockholders who objected to this particular agenda item as indicated in their Letter of Objection. He stressed that, as earlier stated, their votes would be considered in

determining whether such agenda item is approved or denied. Further, he mentioned that should anyone have any comments or questions, he or she may send the same in the chatbox or via email to CorpSec1@pha-corp.com, which will be responded to via email after the meeting.

He then opened the floor for a motion on the approval on the ratification of the 2024 AFS.

A motion was duly made and seconded.

There being 3,002,729,074 votes representing 52.60% of the issued and outstanding shares of the Corporation and 91.96% of the quorum in favor of the approval of the 2024 Audited Financial Statements, and 262,575,758 votes representing 4.60% of the issued and outstanding shares of the Corporation and 8.04% of the quorum objecting thereto, Atty. Mabalot stated that the requisite majority vote for the dispensation of the reading of the minutes of the SSM dated 31 July 2025 and the approval thereof had been obtained.

The following resolution was approved:

> "**WHEREAS,** the Corporation's external auditor, Valdes Abad and Company, CPAs ('Valdes'), has finalized the audit of the Corporation's financial statements for the period ended 31 December 2024;
>
> "**WHEREAS,** the Corporation's Audit and Risk Oversight Committee has validated and endorsed the audited financial statements for the period ended 31 December 2024 ('AFS'), and the Board of Directors has likewise approved the same on 13 August 2025, subject to the Stockholders' ratification;
>
> "**WHEREAS,** the Stockholders of the Corporation, during the Annual Stockholders Meeting held on 24 November 2025, have ratified and approved the AFS as audited by Valdes;
>
> "**NOW, THEREFORE, BE IT RESOLVED,** that the Corporation hereby confirms the ratification and approval by the Stockholders of the AFS for the period ended 31 December 2024, as audited by Valdes."

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V. Approval and Ratification of all Acts and Resolutions of the Board of Directors, the Committees, and the Management from the date of the last ASM to date as reflected in the records of the Company

Mr. Peña Sy proceeded to the next item on the agenda, which was the approval and ratification of all acts and resolutions of the Board, the Committees, and the Management from the date of the last ASM to date as reflected in the records of the Company.

The following Summary of Resolutions were presented on the screen:

August 20, 2024	1. Appointment of Mr. Eugenio Tan and Ms. Marian Peña as proxies for the Corporation in all the stockholders meetings of its subsidiaries 2. Authorizing the Corporation, through its subsidiaries, to allocate parcels of land for the development of solar and wind renewable energy projects 3. Authorizing the Corporation, through its subsidiaries, to participate in Green Energy Auction Program and other markets 4. Authorizing the Corporation to infuse funds and capital to its subsidiaries as may be necessary for the renewable energy projects
December 11, 2024	1. Cancellation of the property dividends (costing 268,000,000 shares of stock with par value 0.10 per share) 2. Grant of Authority to Ms. Marian Peña and Divina Law to file an answer and counterclaims in the civil case entitled Carlos C. Cruz and Belina T. Cruz vs. PGDI, PHA, Roberto B. Ortiz, et. al.
December 16, 2024	Appointment of Ms. Christina P. Leong as Investors Relations Officer
January 27, 2025	Appointment of Atty. Jarodelyn N. Mabalot and Atty. Nasha Jemimah R. Reyes-Ferrer as Secretary and Assistant Secretary, respectively, of the Corporation
February 6, 2025	1. Approval of the Management Report 2. Change of counsel for the additional share listings of the Corporation from Castillo Laman Tan Pantaleon & San Jose to Divina Law Offices 3. Designation of proxy for Joint Special Board and Stockholders' Meeting of West Palawan Premiere Development Corporation on 7 February 2025 4. Topographic Survey for Acquisition of land located in Brgy. Bacungan, Puerto Princesa, Palawan

	5. Approval of the creation of an internal audit team (for the audit of the additional share listings of the Corporation)
February 10, 2025	Approval of Audit and Risk Oversight Committee's (AROC) recommendation concerning the overpayments made by Ms. Marian Peña for her subscription of shares
February 25, 2025	1. Approval of Ms. Marian Peña's overpayment and the adjustment of entries to reflect the overpayment 2. Appointment of Ernest Yeung as additional Class A signatory 3. Directive for involved parties to submit explanations/ information/ documents, defer listing of shares including Private Placement 3 if partial listing is permitted, and to authorize a representative to break open, inspect, collect company information
March 27, 2025	1. Ratification of the Corporation's loans with Ms. Marian Peña 2. Approval of Final Deloitte Report dated 27 February 2025 3. Approval of Internal Audit Reports on Private Placements 2, 3, and 4 under Notice of Approval dated 2 December 2024 4. Approval of the withdrawal of the Listing of shares covered by Private Placements 2,3, and 4
April 14, 2025	1. Confirmation and adoption of correcting entries in the Corporation's accounting books 2. Appointment of the following officers: a. Compliance Officer – Atty. Geronimo B. Halili b. Chief Information Officer – Christina P. Leong c. Assistant Treasurer – Helenita D. Ong
May 15, 2025	1. Roll-over of loans with a total of 15M from the Bank of the Philippine Islands (BPI) 2. Approval and ratification of BPI loan, designation of new Class A and B signatories 3. Appointment of proxies for the Meetings of Goshen Land Capital Inc. and Premiere Georesources and Development Inc.

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Again, Mr. Peña Sy noted that a group of stockholders have objected to this agenda item as indicated in their Letter of Objection. As earlier stated, their votes will be considered in

June 5, 2025	1. Approval of the Corporation's Revised Manual of Corporate Governance 2. Update the Corporation's authorized representatives and signatories in its dealings with various government agencies namely BIR, SSS, PhilHealth, and HDMF
August 13, 2025	1. Ratification the appointment of Vicente Ferdinand A. Penaflor as the Corporation's internal auditor for the year 2025 2. Election of Mr. Esteban Peña Sy as the new Chairman of the board of directors 3. Election of Ms. Maria Clara A. Camacho as the new Chairperson of the Committees on Corporate Governance, Related Party Transactions, and AROC
August 22, 2025	1. Approval of the Corporation's Nominations Policy 2. Authorization of Mr. Eugenio T. Tan as the new authorized representative of the Corporation for all its transactions relative to the revocation and declaration of trust for all of the Corporation's subsidiaries and for all other the corporations where it holds shares
September 10, 2025	1. Approval of the Final List of Candidates for Election to the Board of Directors in the Annual Stockholders' Meeting on 24 November 2025 2. Approval of the Nominations of Officers

determining whether this agenda item is approved or denied. Mr. Peña Sy also stated that any stockholder may send comments or questions in the chatbox or via email to CorpSec1@pha-corp.com, which shall be responded to via email after the meeting.

Mr. Peña Sy entertained a motion to approve and ratify all acts and resolutions of the Board, the Committees, and the Management from the date of the last ASM to date as reflected in the records of the Company.

There being 3,002,729,074 votes representing 52.60% of the issued and outstanding shares of the Corporation and 91.96% of the quorum in favor of the ratification and approval of all acts and resolutions of the Board, and 262,575,758 votes representing 4.60% of the issued and outstanding shares of the Corporation and 8.04% of the quorum objecting thereto, Atty. Mabalot stated that the requisite majority vote for the dispensation of the

reading of the minutes of the SSM dated 31 July 2025 and the approval thereof had been obtained

The following resolution was approved:

> "**RESOLVED,** that all acts, decisions, and resolutions of the Corporation's Board of Directors, Committees, and Management from the date of the last Annual Stockholders' Meeting on 28 June 2024, up to the date of this meeting, as reflected in the records of the Corporation, be, as they are hereby, approved, ratified and confirmed."

VI. Election of Directors

Mr. Peña Sy moved on to the final item on the agenda which was the Election of Directors.

He explained that under the Sixth (6th) Article of the PHA's Amended Articles of Incorporation, there are nine (9) seats in the Board of Directors. In addition, the Corporation is required to have at least two (2) independent directors. He also pointed out that pursuant to the PHA's Nominations Policy, the Corporate Governance Committee is required to pre-screen and evaluate all nominations for the members of the Board of Directors of the Company in accordance with the qualifications, disqualifications, and restrictions set forth in the Revised Corporation Code, Securities Regulation Code, the Corporation's Articles of Incorporation, By-Laws, and its Manual of Corporate Governance. After the deliberations of the Committee, they shall approve and publish a Final List of Candidates and endorse the same for the approval of the Board of Directors.

Thus, on 10 September 2025, the Corporate Governance Committee convened and held a meeting for the preparation, endorsement, and approval of the Final List of Candidates containing the names of the qualified nominees for election as directors of PHA, whether regular or independent. Subsequently, on the same date, the Board approved said Final List of Candidates for election to the Board at this ASM.

Mr. Peña Sy explained that, consistent with the provisions of the Nominations Policy, the list is deemed conclusive and binding and serves as the sole basis for the election of the directors, regular or independent, during this ASM. Only those nominees whose names appear in the Final List of Candidates are eligible for election as director, and no further nominations will be allowed.

Mr. Peña Sy also stated that all nominations were accepted by each nominee, and the Final List of Candidates was published on the PHA website on 10 September 2025.

The names of the nominees, along with their professional profiles, were each flashed on the screen.

Mr. Peña Sy stated that the Corporation received six (6) nominations for Regular Directors, and three (3) nominations for Independent Directors. The nominees were:

1. Mr. Esteban G. Peña Sy
2. Mr. Eugenio T. Tan
3. Ms. Marian Peña
4. Mr. Brandon P. Leong
5. Atty. Geronimo B. Halili
6. Mr. Ernest Sze Lok Yeung
7. Mr. Steven Cesar G. Virata – Independent Director
8. Ms. Maria Clara A. Camacho – Independent Director
9. Mr. Orlando S. Mercado – Independent Director

Mr. Peña Sy stated that any stockholder may send comments or questions in the chatbox or via email to CorpSec1@pha-corp.com, which shall be responded to via email after the meeting. There being no further comments, he requested Atty. Mabalot to state the tabulation of the votes cast for the election of the members of the Board.

Based on the tabulation and validation by the Corporation's stock and transfer agent, STSI, 3,002,729,074 votes representing 52.60% of the issued and outstanding shares of the Corporation and 91.96% of the quorum in favor of the approval of the 2024 Audited Financial Statements, and 262,575,758 votes representing 4.60% of the issued and outstanding shares of the Corporation and 8.04% of the quorum objecting thereto, Atty. Mabalot stated that the requisite majority vote for the dispensation of the reading of the minutes of the SSM dated 31 July 2025 and the approval thereof had been obtained.

The following resolution was passed:

> "**RESOLVED,** that the following individuals have been duly nominated, qualified, and voted upon by the stockholders of the Corporation present and represented during the Annual Stockholders Meeting held on 24 November 2025; and having garnered the required number of votes, consisting of 3,002,729,074 votes representing 52.60% of the issued and outstanding shares of the Corporation and 91.96% of the quorum, the stockholders of the Corporation hereby declare that the following individuals have been duly elected as members of the Board of Directors of the

Corporation, to serve for the term 2025-2026 and until their successors have been duly elected and qualified:

1. Mr. Esteban G. Peña Sy
2. Mr. Eugenio T. Tan
3. Ms. Marian Peña
4. Mr. Brandon P. Leong
5. Atty. Geronimo B. Halili
6. Mr. Ernest Sze Lok Yeung
7. Mr. Steven Cesar G. Virata – Independent Director
8. Ms. Maria Clara A. Camacho – Independent Director
9. Mr. Orlando S. Mercado – Independent Director."

Mr. Peña Sy congratulated the newly elected board members of PHA and reminded them of their duty and responsibility to uphold good governance and transparency within the Corporation. He also stated that with the three newly elected independent directors, the shareholders can be assured of improved performance in the year ahead. He emphasized that the Board will do its best for the benefit of all shareholders. He also encouraged the shareholders to support the directors for the continued progress of PHA.

VII. Adjournment

There being no other matters on the agenda, Atty. Mabalot read the following resolutions:

"**RESOLVED,** that the Corporate Secretary is authorized to issue certifications to attest to the foregoing resolutions; and

"**RESOLVED, FINALLY,** that the foregoing resolutions shall continue and remain in full force and effect until revoked and/or amended by a subsequent resolution of the Board."

On motion duly made and seconded, Mr. Peña Sy adjourned the meeting. He advised the stockholders that the minutes of the meeting will be made available on the Corporation's website and thanked everyone present.

CERTIFIED TRUE AND CORRECT:



JARODELYN N. MABALOT
Corporate Secretary

ATTESTED BY:

ESTEBAN G. PEÑA SY
Director

BRANDON BENITO P. LEONG
Director

MARIAN PEÑA
Director

EUGENIO T. TAN
Director

GERONIMO B. HALILI
Director

ERNEST SZE LOK YEUNG
Director

ORLANDO S. MERCADO
Director

MARIA CLARA A. CAMACHO
Director

STEVEN CESAR G. VIRATA
Director

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ANNEX A
(Voting Results)

AGENDA ITEMS	ACTION		
Item 1. Call to Order	No action necessary.		
Item 2. Proof of notice and certification of quorum	No action necessary.		
	FOR	**AGAINST**	**ABSTAIN**
Item 3. Approval of Minutes of the Special Stockholders' Meeting held on 31 July 2025	91.96%	8.04%	0%
Item 4. Presentation of the Annual Report and Ratification of the 2024 Audited Financial Statements	91.96%	8.04%	0%
Item 5. Approval and Ratification of all Acts and Resolutions of the Board of Directors, the Committees, and the Management from the date of the last ASM to date as reflected in the records of the Company	91.96%	8.04%	0%
Item 6. Election of Directors			
For Regular Director:	91.96%	8.04%	0%
Marian Peña	91.96%	8.04%	0%
Esteban Peña Sy	91.96%	8.04%	0%
Eugenio T. Tan	91.96%	8.04%	0%
Brandon P. Leong	91.96%	8.04%	0%
Geronimo B. Halili	91.96%	8.04%	0%
Ernest Sze Lok Yeung			
For Independent Director:			
Maria Clara A. Camacho	91.96%	8.04%	0%
Steven Cesar G. Virata	91.96%	8.04%	0%
Orlando S. Mercado	91.96%	8.04%	0%
Item 6. **Other Matters** *According to Proxy's Discretion*	No action necessary.		
Item 7. Adjournment	No action necessary.		

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The percentage is based on total shares of PHA represented by proxy or in person during the meeting (3,265,304,832).

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COVER SHEET

1	4	7	5	8	4					

S.E.C. Registration Number

P	R	E	M	I	E	R	E		H	O	R	I	Z	O	N		A	L	L	I	A	N	C	E					
C	O	R	P	O	R	A	T	I	O	N																			

(Company's Full Name)

U	N	I	T		1	7	0	5	,		E	A	S	T	,														
T	O	W	E	R	,		T	E	K	T	I	T	E		T	O	W	E	R	S	,								
E	X	C	H	A	N	G	E		R	O	A	D	,		O	R	T	I	G	A	S		C	E	N	T	E	R	,
P	A	S	I	G		C	I	T	Y	,		M	E	T	R	O		M	A	N	I	L	A							

(Business Address : No. Street Company / Town / Province)

Atty. Jarodelyn N. Mabalot

Contact Person

(02) 8632-7715

Company Telephone Number

1	2

Month

3	1

Day

SEC Form 17-C

FORM TYPE

0	5

Month

Day

Annual Meeting

Secondary License Type, If Applicable

Dept. Requiring this Doc.

Amended Articles Number/Section

Total Amount of Borrowings

Total No. of Stockholders

Domestic

Foreign

To be accomplished by SEC Personnel concerned

File Number

LCU

Document I.D.

Cashier

STAMPS

Remarks = pls. use black ink for scanning purposes.

ANNEX J

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-C

CURRENT REPORT UNDER SECTION 17
OF THE SECURITIES REGULATION CODE
AND SRC RULE 17.2(c) THEREUNDER

1. Date of Report (Date of earliest event reported): **4 September 2026**

2. SEC Identification Number: **147584**

3. BIR Tax Identification Number: **002-727-376-000**

4. Exact name of issuer as specified in its charter: **PREMIERE HORIZON ALLIANCE CORPORATION**

5. **Philippines** 6. _____ (SEC Use Only).
Province, country or other jurisdiction of incorporation Industry Classification Code:

7. **Unit 1705, 17TH Floor, East Tower, Tektite Towers, Exchange Road, Ortigas Center, Pasig City, Metro Manila** **1605**
Address of principal office Postal Code

8. **(02) 8632-7715**
Issuer's telephone number, including area code

9.
Former name or former address, if changed since last report

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

Title of Each Class	Number of Shares of Common Stock Outstanding and Amount of Debt Outstanding
Common Stock P0.25 Par Value	**5,708,359,504**

11. Indicate the item numbers reported herein: **Item No. 9 Other Events**

The Board of Directors ("**Board**") of Premiere Horizon Alliance Corporation ("**Company"**) approved ad referendum on 4 September 2026, to postpone the Annual Stockholders' Meeting on 19 November 2026 to 9 December 2026 to be conducted via videoconference at 10:00 am.

The Board likewise fixed the record date on 10 November 2026 and the closing of the Company's stock and transfer book from 10 November 2026 to 9 December 2026.

The Annual Stockholders' Meeting will have the following agenda:

1. Call to order
2. Proof of notice and certification of quorum
3. Approval of the Minutes of the Annual Stockholders' Meeting held on 24 November 2025
4. Presentation of the Annual Report and Ratification of the 2025 Audited

Financial Statements
5. Approval and Ratification of all acts and resolutions of the Board of Directors, the Committees, and the Management from the date of the last stockholders' meeting to date as reflected in the books and records of the Corporation
6. Election of Directors for 2026-2027
7. Appointment of External Auditor for 2026-2027
8. Other Matters
9. Adjournment

PHA shall distribute the corresponding Notice of the Meeting, Information Statement, Proxy Forms, and other meeting materials in accordance with applicable law and the requirements of the Securities and Exchange Commission.

SIGNATURES

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

PREMIERE HORIZON ALLIANCE CORPORATION
Issuer

4 September 2026
Date

Atty. Jarodelyn N. Mabalot
Corporate Secretary