

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

(02) 8632 - 7715

8. Date, time and place of the meeting of security holders

24 November 2025 at 10:00 AM to be held via remote communication or in absentia at:
<https://us02web.zoom.us/j/8834791898?omn=85486616507>.

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

Oct 24, 2025

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 P0.25 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	Nov 24, 2025
Type (Annual or Special)	Annual
Time	10:00 AM
Venue	Via remote communication or in absentia at: https://us02web.zoom.us/j/8834791898?omn=85486616507
Record Date	Oct 20, 2025

Inclusive Dates of Closing of Stock Transfer Books

Start Date	Oct 21, 2025
End date	Nov 24, 2025

Other Relevant Information

Deadline of Submission of Proxies – 14 November 2025, 5:00 p.m.
Validation of Proxies – 19 November 2025, 3:00 p.m.

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)

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 City/Town/Province)

2 0 I S

(Form Type)
If Applicable

M S R D

Department requiring the report

Secondary License Type,

COMPANY INFORMATION

corpsec1@pha-corp.com

Company's email address

(02) 86327715

Company's Telephone Number

+63906454798

Mobile Number

145

No. of Stockholders

June 28

Annual Meeting (Month/Day)

2024

Fiscal Year

CONTACT PERSON INFORMATION

Jarodelyn N. Mabalot

Name of Contact Person
Mobile Number

corpsec1@pha-corp.com

Email Address

n/a

Telephone Number

+639064547985

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 24 November 2025, 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 in its special meeting on 22 August 2025 and in compliance with SEC Memorandum Circular No. 6, Series 2020, the meeting will be conducted virtually and may be accessed through the following link <https://us02web.zoom.us/j/8834791898?omn=85486616507>. The password to attend the meeting shall be provided by the Company to all stockholders of record as of **20 October 2025** 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 Special Stockholders' Meeting held on 31 July 2025
4. Presentation of the Annual Report and Ratification of the 2024 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 annual stockholders' meeting to date as reflected in the books and records of the Company
6. Election of Directors
7. Other Matters
8. Adjournment

Only stockholders of record as of **20 October 2025** 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 **14 November 2025, 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 **14 November 2025, 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 **19 November 2025, 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 **14 November 2025, 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 **19 November 2025, 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 Depository 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 **14 November 2025, 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 **14 November 2025, 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 as of 30 June 2025, Audited Financial Statements of the Company for the period ended 2024 and the second quarter ended 2025, 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
24 November 2025

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 **24 November 2025, 10:00 a.m.** with **Record Date** on **20 October 2025**.

PROXY FORM

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 **24 November 2025** 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 Special Stockholders' Meeting ("SSM") on 31 July 2025			
Item 4. Presentation of the Annual Report and Ratification of the 2024 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			
<u>For Regular Director:</u>			
Marian Peña			
Esteban Peña Sy			
Eugenio T. Tan			
Brandon P. Leong			
Geronimo B. Halili			
Ernest Sze Lok Yeung			
<u>For Independent Director:</u>			
Maria Clara A. Camacho			
Steven Cesar G. Virata			
Orlando S. Mercado			
Item 7. Other Matters <i>According to Proxy's Discretion</i>			
Item 8. 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 SSM held on 31 July 2025;

FOR the approval of Company's Audited Financial Statements for the year ended 2024;

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

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 **14 November 2025, 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 **19 November 2025, 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 24 November 2025 of the Company or a general authority.

REVOCAION 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 _____ 2025 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 14 November 2025, 5:00 p.m.**

PREMIERE HORIZON ALLIANCE CORPORATION
ANNUAL STOCKHOLDERS' MEETING
24 November 2025

VOTING FORM

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 **24 November 2025, 10:00 a.m.**, with **Record Date** on **20 October 2025**.

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 Special Stockholders Meeting ("SSM") on 31 July 2025			
Item 4. Presentation of the Annual Report and Ratification of the 2024 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			
<u>For Regular Director:</u>			
Marian Peña			
Esteban Peña Sy			
Eugenio T. Tan			
Brandon P. Leong			
Geronimo B. Halili			
Ernest Sze Lok Yeung			
<u>For Independent Director:</u>			
Maria Clara A. Camacho			
Steven Cesar G. Virata			
Orlando S. Mercado			
Item 7. Other Matters			
Item 8. 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 SSM held on 31 July 2025;

FOR the approval of Company’s Audited Financial Statements for the year ended 2024;

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

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 **14 November 2025, 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 **19 November 2025, 3:00 p.m.** at the principal office address of the Company.

Signed this _____ 2025 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 14 November 2025, 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

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**

Address of principal office

1605
Postal Code

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

8. **24 November 2025, 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=85486616507>

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 **24 October 2025**

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 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

5,708,350,504 Shares¹

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

¹ As of 31 August 2025

Yes 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 as of 23 June 2025. 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 with the PSE have yet to be filed as of 23 June 2025.

INFORMATION STATEMENT (SEC FORM 20-IS)

<u>PART I.</u> <u>INFORMATION REQUIRED IN INFORMATION STATEMENT</u>
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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 **24 November 2025, 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 per the Special Board Meeting held on **22 August 2025**, the meeting will be conducted virtually and may be accessed through the following link:
<https://uso2web.zoom.us/j/84727562768?pwd=AFWpXGJR7zvKXTpvNPMmQw7UJuC2GX.1>

The Company shall provide the password to attend the meeting to all stockholders of record as of **20 October 2025**, 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 **24 October 2025**.

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 **20 October 2025**.

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 **20 October 2025**. Please refer to Part II. Information Required in Proxy Form.

As of 31 August 2025, there are 5,708,359,504 common shares entitled to notice and to vote at the meeting, of which 4,154,416,330 shares are registered under Filipinos and 1,553,934,174 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 of

31 August 2025:

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	2,843,259,621	49.81%
Common	Ernest Sze Lok Yeung, Unit 39E The Viridian at Greenhills, San Juan city, <i>Director</i>	Ernest Sze Lok Yeung	British	1,389,802,353	24.35%
Common	Marian Peña, 32 Wilson Street, West Greenhills, San Juan City, <i>Director</i>	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 31 August 2025:

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)	British	24.35%

Common	Marian Peña, Director	894,214,976 (D)	Filipino	13.91%
Common	Raul Ma. F. Anonas, Director	37,272,729 (D)	Filipino	0.65%
Common	Brandon Benito P. Leong, Director	2,000 (D)	Filipino	0.00%
Common	Eugenio T. Tan, Director	20,100,000 (D)	Filipino	0.00%
Common	Geronimo B. Halili Director	10,000 (D)	Filipino	0.00%
Common	Esteban G. Peña Sy, Director	10,000 (D)	Filipino	0.00%
Common	Emmanuel G. Herbosa, Director	10,000 (I)	Filipino	0.00%
Common	Maria Clara A. Camacho Director	10,000 (I)	Filipino	0.00%
TOTAL				38.91%

(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
Finance Controller	Maria Lea Baligod

The nominees for the regular 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
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The aforementioned nominees are expected to attend the ASM.

Nomination and Election of Independent Directors

The incumbent Independent Directors are Mr. Emmanuel Herbosa and Ms. Maria Clara A. Camacho who have been independent directors since February 2023 and August 2024, respectively.

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 “C1” and “C2”** are their Certifications of Qualification of Independent Directors.

The following are the details of the nominees for the Independent Director position:

For Independent Director:	Maria Clara A. Camacho Steven Cesar G. Virata Orlando S. Mercado
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Please see **Annex “A”** for the biographical information on the foregoing nominees, including their respective business information in the last five years.

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: Maria Clara A. Camacho, as Chairperson, Marian Peña, and Esteban G. Peña-Sy 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 Corporation, 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") has transactions with related parties which consist mainly of extension or avilment 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.

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 7).

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 payable 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

For the years ended December 31, 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 occur in cash, unless otherwise stated.

See Note 16, Related Party Transaction disclosure, of the notes to the Financial Statements of Parent Company, PHA attached as **Annex "E-1"**.

18, Related Party Transaction disclosure, of the notes to the Consolidated Financial Statements attached as **Annex "E-2"**.

Involvement in Certain Legal Proceedings

PHA or the 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. *Premiere Horizon Alliance Corporation v. The Secretary of Justice, Augusto Antonio C. Serafica Jr. and Marvin Dela Cruz CA-G.R. No. 183768 (formerly NPS No. XV-14-INV-22L-01962)* Petition for Certiorari (Re: Estafa under Art. 315 (1)(b) of the Revised Penal Code)

This is a Petition for Certiorari pursuant to Rule 65 of the Rules of Court filed by the Company, seeking to nullify and set aside the resolutions dated 31 July 2023 (*First Assailed Resolution*) and 16 February 2024 (*Second Assailed Resolution*) issued by the Department of Justice (DOJ).

The Company filed a Complaint-Affidavit for the crimes of Estafa and other Deceits under Article 315(1)(b) and 318 of the Revised Penal Code against private respondents Augusto Antonio C. Serafica, Jr. and Marvin C. Dela Cruz (private respondents) due to their criminal act of defrauding PHA and causing the latter to release to private respondents the amount of ₱32 million, under the guise of investing said amount in the BGC Project.

On 28 December 2022, the OCP – Pasig issued a Resolution of even date (First OCP Resolution), finding probable cause of Estafa under Article 315(1)(b) of the Revised Penal Code against private respondents Serafica and Dela Cruz.

Private Respondent Serafica filed a *Motion for Reconsideration*, assailing the First OCP Resolution, before the OCP Pasig. On 27 February 2023, the OCP Pasig issued Resolution dated 27 February 2023 (Second OCP Resolution), which reversed the earlier finding of probable cause against accused Serafica and Dela Cruz due to purported insufficiency of evidence. Thereafter, a *Motion to Withdraw Information* dated 27 February 2023 was filed by the OCP Pasig before the RTC Pasig where the criminal case is pending. On 11 April 2023, PHA filed a *Motion for Reconsideration* assailing the Second OCP Resolution which was denied on 14 April 2023. This prompted PHA to file a *Petition for Review* before the DOJ praying for the reversal of OCP Pasig's Resolutions on the basis that they were issued in gross disregard of both procedural and substantive law. However, on 31 July 2023, the DOJ dismissed PHA's *Petition for Review*. PHA filed a *Motion for Reconsideration* which was likewise denied by DOJ through its Resolution dated 16 February 2024.

The Court of Appeals issued a Decision denying the Petition on the ground that the perceived error in the findings of the DOJ regarding the absence of probable cause do not amount to grave abuse of discretion.

The Company filed a *Motion for Reconsideration*, emphasizing that the DOJ should have restrained from reversing the earlier findings of the OCP Pasig as to the existence of executive probable cause. However, the Court of Appeals recently denied this *Motion for Reconsideration*.

The Company is in the process of evaluation if it will still elevate the issue to the Supreme Court via a *Petition for Review* or will just opt to re-file the case together with the additional and recent findings of

irregularities committed by the private respondents.

- c. *Augusto Antonio C. Serafica, Jr. (Plaintiff) v Hon. Presiding Judge Ma. Gracia Cadiz-Casaclan, Regional Trial Court Branch 144, Pasig City, Premier Horizon Alliance Corporation Represented by its Chief Operating Officer Raul Ma. F. Anonas and People of the Philippines C.A. G.R. No. 182115* Petition for Certiorari (Re: Estafa under Art. 315 (1)(b) of the Revised Penal Code)

Of the above case, this Petition for Certiorari was filed by the Plaintiff questioning the denial by RTC – Pasig of his *Motion to Quash*. Plaintiff invoked as basis of his *Motion to Quash*, the dismissal by the DOJ of the Petition for Review filed by the Company to compel the RTC – Pasig to overturn its previous findings as to existence of judicial probable cause and dismiss the case pending before it.

In response to the *Petition*, the Company has filed its respective *Comment/Opposition* where it argued that the *Petition* should be dismissed for being an improper remedy.

Last November 2024, the Court of Appeals issued a *Decision* granting the Petition filed by Plaintiff and held that the RTC Pasig Committed grave abuse of discretion in denying *Motion to Quash*. The Company filed a *Motion for Reconsideration*, reiterating that the Honorable Court committed a reversible error in concluding that the *Petition* is a proper remedy to assail the RTC Order, as well as in ruling that the Deputy City Prosecutor, who issued the First OCP Resolution, has no authority to do so.

In a Resolution dated 18 February 2025, the Honorable Court referred the Motion for Reconsideration for comment of Plaintiff within ten (10) days from notice. After which, the Motion for Reconsideration will be submitted for resolution.

- d. *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* Petition for Certiorari (Re: Estafa under Art. 315 (1)(b) of the Revised Penal Code)

Of the above case, this is a *Petition for Certiorari* filed by the Company, assailing the *Orders* issued by the RTC Pasig, Branch 67, ordering the dismissal of the Estafa case against the private respondents, 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.

In its Resolution dated 26 December 2024, the Honorable Court ordered the Company to submit the written conformity of the OSG to the *Petition*. In compliance thereto, the Company submitted the written conformity that it obtained from the OSG, which concurred with the points raised by the Company in its *Petition*. In response, Plaintiff filed an *Opposition* to the said conformity of the OSG.

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.

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.

SUBSEQUENT EVENTS

Non-adjusting events

Subsequent to the reporting period, December 31, 2024, the Company has discovered anomalies in the withdrawal of funds and subsequent reinvestment of these to the Company's account as capital amounting to ₱78.3 million. Last August 5, 2025, the Company filed a criminal complaint for Estafa under Articles 315 (1) (b) and (2) (a) and/or Qualified Theft under Article 310 of the Revised Penal Code, as well as for Violation of Section 168 of the Revised Corporation Code, against PHA's former officers, Messrs. Augusto Antonio C. Serafica, Jr., Raul Ma. F. Anonas, and Andres A. Del Rosario before the Pasig City Prosecutor's Office.

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 Company to allow it to continue its business pursuits and operations while dealing with liquidity issues in the amount of ₱56,232,153.41. In response, the Company defense that it does not owe any money allegedly advanced and those same funds came from the Company itself. The Company is preparing to file its Answer in due course and allege PHA's counterclaims against Serafica.

These events do not require adjustment in the financial statements but is disclosed to ensure users are informed of material developments after year-end.

Adjusting events

The accompanying financial statements of Goshen Land Capital Inc for the year ended December 31, 2024, were originally approved and issued on April 28, 2025. Subsequent to the issuance, the management effected reclassification of balances from expense to receivables.

As a result, the financial statements have been amended and reissued on August 12, 2025 to reflect the reclassification amounting to ₱85 million which still constitutes receivables pending settlement, and upon proper substantiation and completion of the required documentation, are intended to be capitalized and eventually expensed as part of the overall project development cost once the related activities, procurement, and other qualifying expenditures are finalized and duly recognized in accordance with the Company's accounting policies and applicable financial reporting standards.

Balances have been restated where necessary to conform with the amended presentation.

Management has evaluated subsequent events up to August 13, 2025, the date the financial statements were approved and authorized for issue by the Board of Directors. 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 a 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 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 27,777.78 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 2025 (estimate) are as follows:

Name	Position	Year	Salary (in million)	Bonus (in million)	Other Annual Compensation (in million)
Augusto M. Cosio Jr. (Resigned August 3, 2023)	Chairman	2023	0.88	-	-
Emmanuel G. Herbosa (Relinquished from the position on August 13, 2025)	Chairman	2025 (estimated)	0.38	-	-
		2024	1.50	0.12	-
		2023	0.72	-	0.04
Esteban Peña Sy (Appointed to the position on August 13, 2025)	Chairman				
Roberto B. Ortiz (Resigned Aug. 3, 2023)	President & CEO	2023	2.03	-	-
Eugenio T. Tan (Appointed August 3, 2023)	President & CEO	2025 (estimated)	2.40	-	-
		2024	3.60	0.30	-
		2023	-	-	0.40
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
		2023	1.80	0.15	-
Brandon Benito P. Leong	Treasurer	2025 (estimated)	1.00	-	-
		2024	1.50	0.12	0.21
		2023	1.50	0.12	
Ernest Sze Lok Yeung (Appointed August 18, 2023)	Chief Financial Adviser	2025 (estimated)	2.40	-	-
		2024	3.60	0.30	0.08
		2023	0.30	-	-
Adrian Geovanni F. Luzuriaga (Resigned August 18, 2023)	Chief Financial Adviser	2023	-	-	-
Andres A. Del Rosario (Replaced April 14, 2025)	SVP/ Assistant Treasurer	2025	0.30	-	-
		2024	1.20	0.10	0.73
		2023	1.60	0.10	-
Mariflor M. Sandoval (Appointed August 20, 2024)	SVP/CFO GLCI	2025 (estimated)	2.00	-	-
		2024	1.20	0.20	0.24
Christina P. Leong	Chief Investment	2025 (estimated)	1.00	-	-

(Appointed 20 May 2022, January 21, 2025, and April 14, 2025, respectively)	Officer/Investor Relations Officer/Chief Information Officer	2024	1.50	0.12	0.26
		2023	1.50	0.12	

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 Php27,777.78 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 2025, 2024, and 2023, 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	2025	222,222.22
		2024	155,555.56
		2023	200,000.00
Eugenio T. Tan	Director	2025	-
		2024	-
		2023	-
Geronimo B. Halili	Director	2025	222,222.22
		2024	177,777.78
		2023	177,777.78
Emmanuel G. Herbosa	Independent Director	2025	88,888.89
		2024	111,111.11
		2023	155,555.56
Maria Clara A. Camacho	Independent Director	2025	222,222.22
		2024	44,444.44
Arvin Eduard Cruz (Resigned 20 August 2024)	Director	2024	44,444.44
		2023	22,222.22
Gloria Victoria Y. Taruc (Resigned 11 August 2023)	Director	2023	133,333.33
George Y. Sycip (Resigned 12 January 2023)	Director	2023	N/A
Augusto Antonio Serafica, Jr. (Resigned 16 January 2023)	Director	2023	N/A

Elizabeth Timbol <i>(Resigned 16 January 2023)</i>	Director	2023	N/A
Felipe Judan <i>(Resigned 31 December 2023)</i>	Director	2023	N/A

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, 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.

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 2024.

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: Maria Clara Camacho (Independent Director)
Members : Atty. Geronimo B. Halili
Ernest Sze Lok Yeung

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 2024, 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

The Management's objectives for 2025 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.

West Palawan Premiere Development Corp. ("WPPDC")

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

Premiere Georesources and Development Inc. ("PGDI") (formerly Redstone Construction and Development Corporation).

During 2024, PGDI disengaged from the Cagdianao Mining Corporation ("CMC") in relation to the remaining two (2) year contract due to decreased tonnage and continued lower rates, which was not ~~commercially viable~~ profitable to pursue. PGDI negotiated a 3-year limonite hauling contract with Taganito Mining Corporation, another subsidiary of Nickel Asia Corp. in Claver, Surigao del Norte. Despite the delay in operation and poor weather conditions at the beginning of 2024, PGDI handled 600K metric tonnages of ore during the 2024 mining season. PGDI also replaced 2/3 of its dump trucks in 2024 and plan to renew the rest of the fleet in 2025. For the first year, the contract was to haul a minimum 1,000,000 WMT of limonite ore.

PGDI kick started the process to renew the mineral production sharing agreements licenses for the limestone mines in Palawan in 2024. Presently, the Company is actively pursuing additional third-party ore-hauling opportunities.

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.

Goshen Land Capital Inc. (“GLCI”)

For the year 2024, GLCI was expected to complete Stanford Residences, the company’s 19th residential condominium development. GLCI has also expanded its real estate projects outside of Metro Baguio with residential horizontal developments in Pangasinan and Tarlac. One of which is near New Clark City located in Aranguren, Capas, Tarlac named New Clark Garden Residences project consisting of 8 buildings with a total of 280 residential units. GLCI is looking to expand further both its horizontal and vertical developments in Northern and Central Luzon.

With the completion of Standford residential condominium project in the 2nd quarter of 2025, GLCI shall turn-over 218 units to the buyers within the year.

For the New Clark Garden Residences (“NCGR”) project, construction of Phase 1 will start in June 2025 and pre-selling of 208 residential units.

GLCI's thrust is to expand its real estate projects outside of Metro Baguio and aside from the NCGR project located in Aranguren, Capas, Tarlac, the Company is looking to expand further both its horizontal and vertical developments in the provinces of Pangasinan and Tarlac.

Item 12. Mergers, Consolidations, Acquisitions and Similar Matters

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. Acquisition or Disposition of Property

The Company did not purchase or sell any plant or significant equipment. It also does not expect to purchase or sell any plant or significant equipment in the next twelve (12) months.

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 Special Stockholders' Meeting held on 31 July 2025;
2. Presentation of the Annual Report and Ratification of the 2024 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. Cancellation of the property dividend declaration of PHA
 - b. 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.
 - c. Change of counsel for the additional share listings of PHA from CLTPSJ to DivinaLaw
 - d. Ratification the appointment of Vicente Ferdinand A. Penaflor as the Corporation's internal auditor for the year 2025
 - e. Appointment of Proxies for the Meetings of GLCI and PGDI
 - f. Designation of Proxy for Joint Special Board and Stockholders' Meeting of WPP on 7 February 2025
 - g. Authorization of Mr. Eugenio T. Tan relative to the revocation and declaration of trust for all of PHA's subsidiaries and for all the corporations where PHA holds shares
 - h. Update the Corporations authorized representatives and signatories in its dealings with various government agencies namely BIR, SSS, PhilHealth and HDMF
 - i. Topographic Survey for Acquisition of land located in Brgy. Bacungan, Puerto Princesa, Palawan
 - j. Approval of AROC's recommendation concerning the overpayments made by Ms. Marian Peña for her subscription of shares
 - k. Ratification of the Corporation's loans with Ms. Marian Peña
 - l. Roll-over of loans with a total of P15M from BPI
 - m. Approval of Final Deloitte Report dated 27 February 2025
 - n. Approval of Internal Audit Reports on Private Placement 2, 3, and 4 under Notice of Approval dated 2 December 2024
 - o. Approval of the withdrawal of the Listing of shares covered by Private Placements 2,3, and 4
 - p. Confirmation and adoption of correcting entries in PHA's accounting books
 - q. Approval of the Corporation's Revised Manual of Corporate Governance
 - r. Approval of Nominations Policy
 - s. Election of new Chairman of Corporation
 - t. Election of new Chairperson of AROC, CGC, and RPT Committee

Copies of the Company's Management Report, Audited Financial Statements for the first ended 31 December 2024, and Quarterly Reports filed as of 8 September 2025 are available on the website of the Company and attached as **Annexes "D"**, and **"E"** respectively.

Approval of the minutes of the SSM held on 31 July 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 SSM held on 31 July 2025 is available on the Company's website and attached herein as **Annex "F."**

On 22 August 2025, the Board held a special meeting thereby setting the ASM to 24 November 2025 and the Record Date on 20 October 2025. Please refer to the disclosure attached herein as **Annex "G"**.

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 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 14 November 2025, 5:00 p.m. by (i) email to CorpSec1@pha-copr.com 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 19 November 2025, 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 SSM held on 31 July 2025;

FOR the approval of Company's Audited Financial Statements for the year ended 2024;

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

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 at 14 November 2025, 5:00 p.m. by (i) email to CorpSec@pha-corp.com and gbhalili.pgdi@pha-corp.com, 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. In case a proxy form is emailed to the Company, the original signed copies of the proxy form should also be received by the Company by delivery or mail not later than the meeting date. Proxy forms shall be validated on 19 November 2025, 3:00 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. No director has informed the Company in writing or otherwise of his intention to oppose any action intended to be taken-up at the meeting.
- (b) Solicitation of proxies will be done mainly by mail and email. Employees of the Company will also solicit proxies in person or by telephone.
- (c) The estimated amount to be spent by the Company to solicit proxies for the Board of Directors is Php30,000.00.
- (d) The cost of solicitation will be borne by the Company.

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 on 12 September 2025.

PREMIERE HORIZON ALLIANCE CORPORATION

By:

A handwritten signature in black ink, appearing to read 'E. Tan', written over a horizontal line.

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	Raul Ma. F. Anonas	Incumbent Director
8	Maria Clara A. Camacho	Incumbent Independent Director and Nominee
9	Emmanuel G. Herbosa	Incumbent Independent Director
10	Steven Cesar G. Virata	Nominee for Independent Director
11	Orland S. Mercado	Nominee for Independent Director

PHA Incumbent Officers

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

1. Ms. Marian Pena

*Incumbent Director and Nominee
Executive Vice President*

Ms. Peña (74) is an incumbent regular director of the Corporation and its Executive Vice President. She is the Chairperson and Chief Executive Officer of Eastern Securities Development Corporation and Nuovo Gran CT Inc. She is an entrepreneur with more than twenty (20) years of business experience in China, Hongkong, 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 (77) is an incumbent regular director of the Corporation and the Chairman of the Board. He is currently a director and 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 served as 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 from 1972-79, before becoming its Executive Director from 1980-86.

Following this, he 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; as well 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 IRC Properties, Inc. (now renamed Philippine InfraDev Holdings, 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 (62) is an incumbent regular director of the Corporation and its President & Chief Executive Officer. He was a former Co-CEO of Oriental Patron Asia Limited, where he managed the corporate finance, capital markets, mergers and acquisitions, sales, and distribution businesses, and private investment business lines of the 28-year-old Greater China firm. He was previously the Co-CEO of Shanxi Securities International, where he

was responsible for building the Equity Capital Markets, Debt Capital Markets, Mergers and Acquisitions, and primary distribution for Shanxi Securities internationally.

Mr. Tan was 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 (2013 –2016), Managing Director, Greater China of Rothschild (Hong Kong) Limited (2010 – 2012), Managing Director of Argyle Street Management (2007- 2010), Managing Director and Head, Financial Institutions Group – Asia, exJapan of HSBC Investment Bank (2003 – 2007), Managing Director and Head, Financial Institutions Group – Asia, ex-Japan of HSBC Investment Bank (2003 – 2007), Director and Head, Financial Institutions Group – Asia, ex-Japan of Salomon Smith Barney (1999 – 2002), Director and Head, Equity Capital Markets of ING Barings (1995 – 1998), Associate/Vice President, Global Finance/Corporate Finance (New York) of Goldman, Sachs & Co. (1990 – 1994), Management Associate/Manager, Institutional Bank of Citibank, N.A. (1985 – 1988). 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 (2010 – 2013) and KGI Securities (Thailand) Pcl (2008 – 2010), and Independent Advisor of Power Sector Asset and Liabilities Management Corporation (2008- 2010).

Mr. Tan holds a Business Administration and Accountancy degree, *Summa Cum Laude*, from the University of the Philippines. Mr. Tan obtained his Master of Business Administration degree in Stanford Graduate School of Business, Palo Alto, CA (1988 – 1990) 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 (40) is an incumbent regular director of the Corporation and its Treasurer. He is also a Director and Operations Head for Eastern Securities Development Corporation (ESDC), a proud member of the Philippine Stock Exchange, 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 the Corporation in navigating its industry’s increasingly complex regulatory landscape while maintaining a high level of business efficiency. Mr. Leong brings to bear 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.

He also currently serves as the Unit Lead of Round One, Chairperson and Sales Director at A101 Innovations, Inc., and Chief Executive Officer of Mobi X Systems.

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 (56) is an incumbent regular director of the Corporation. He has been leading the 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 University – School of Law.

6. Mr. Ernest Sze Lok Yeung
Incumbent Director and Nominee
Group Chief Financial Adviser

Mr. Yeung (56) is an incumbent regular director of the Corporation. He is a veteran in corporate strategy, project finance, private equity, and asset management where 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 holds 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 (CAIA), and a Chartered Fellow of the Chartered Institute of Securities and Investment of UK.

7. Raul Ma. F. Anonas
Incumbent Independent Director and Nominee

Mr. Anonas (62) was elected as Regular Director of Premiere Horizon in September 2012. Mr. Anonas was the Chairman of Rosabaya Distributors Inc. and Humabon Distributors. He was also the Vice Chairman of First Ardent Property Development Corporation and used to be President & CEO of Rajawali Resources and Holdings Inc. Mr. Anonas is a corporate finance veteran with expertise in investment banking, mergers & acquisitions and project financing. He also has extensive experience as an entrepreneur and has successfully managed start-up companies. Mr. Anonas holds a B.S. Management Degree from the Ateneo de Manila University and an MBA in Finance from Fordham University.

8. Ms. Maria Clara A. Camacho

Incumbent Independent Director and Nominee

Ms. Camacho (69) is an incumbent independent director of the Corporation. 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 Seagram Latin America in New York 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 the Construction Development Corporation of the Philippines, and was the Officer-in-Charge and Chief Executive Officer of Marina Properties Corporation. She later founded and managed an award-winning fashion accessories manufacturing and exporting business. Kim also worked on real estate development with Carmelray and Rockwell Land. She opened the Sotheby's office in the Philippines, and was the country manager and representative. She was also a member of the Advisory Board of RCBC for ten years.

Today, 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.

9. Mr. Steven Cesar G. Virata

Nominee for Independent Director

Mr. Virata (67) has held several leadership and consultancy roles across diverse industries. In 2022, he became President and Principal Consultant of SG Virata Consult OPC, focusing on business development, while also serving as Trustee and President of the Windsor Tower Condominium Association. In 2023, he assumed the role of Director and President of ATAR IV Property Holdings Co. Inc., a family holding company. In 2024, he was appointed Executive Director of FEATI Schools Inc.'s aviation division, an IATA Authorized Training Center, and Executive Director of the Philippine Association of Aviation Colleges & Institutions, an NGO dedicated to human capital development. That same year, he also became Trustee and President of the Equestrian Association of the Philippines, the national sports association for equestrian, and provided consultancy services to Cavitex Holdings Inc., developer of the Sangley International Airport, and to C. Miller Aero Services Corp. for the sale of an AOC. In addition, he was engaged as a Channel Partner with Berde Renewables Inc., supporting renewable energy investments.

He graduated from the University of the Philippines with a bachelor's degree in architecture.

10. Mr. Emmanuel G. Herbosa

Incumbent Independent Director

Mr. Herbosa (71) was elected as an Independent Director of PHA in February 2023 and Chairman of PHA in August 03, 2023. Prior to his commitment to PHA, he served as the President and CEO of the Development Bank of the Philippines from 2019 to 2023. During

his tenure there, he was awarded Best CEO for 2021 by the prestigious Association of Developmental Financial Institutions in Asia Pacific. Emmanuel has held leadership roles in corporate, consumer, branch, and overseas banking in reputable financial institutions, including the Bank of the Philippine Islands and the Bank of Commerce, where he served as Senior Vice President and Executive Vice President, respectively. He was also the Chief Operating Officer of Ayala Insurance, a bancassurance subsidiary of the Ayala Group. Additionally, he was the President and CEO of the Philippine Guarantee Corporation (PGC), the country's principal agency for state guarantee finance. PGC provides guarantees to facilitate the entry of foreign loans into the country for development purposes.

Mr. Herbosa graduated from De La Salle University with a degree in Industrial Management Engineering. He then obtained his Master in Business Administration from the Wharton School of the University of Pennsylvania, USA.

11. Mr. Orlando S. Mercado

Nominee for Independent Director

Mr. Mercado (79) 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 from 2010 to 2021. 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 Chairman of the Multi-Sectoral Advisory Board of the Education, Training, and Doctrine Command of the Armed Forces of the Philippines, 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.

12. Mariflor Sandoval

Senior Vice President

Ms. Sandoval (62) 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.

13. 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.

14. Jarodelyn N. Mabalot

Corporate Secretary

Atty. Mabalot (33) 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).

15. Nasha Jemimah R. Reyes-Ferrer

Assistant Corporate Secretary

Atty. Reyes-Ferrer (33) 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).

16. Helenita D. Ong

Ms. Ong (62) 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.

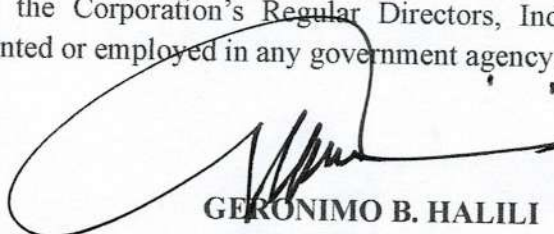
A Certified Public Accountant, Ms. Ong earned her Bachelor of Science in Business Administration, major in Accounting, graduating with distinction from Philippine School of Business Administration. Her professional journey reflects not only her competence and dedication but also her steadfast pursuit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

CERTIFICATION

Annex "B"

I, GERONIMO B. HALILI, Filipino, of legal age, with office address at 1705 East Tower, Tektite Towers, Exchange Road, Ortigas Center, Pasig City, 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 E-1705, 17th Floor, East Tower, Tektite Towers, Exchange Road, Ortigas Center, Pasig City.
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
SEC Compliance Officer

SUBSCRIBED AND SWORN to before me this _____ at _____, affiant exhibiting to me his competent evidence of identification: UMID CRN 0111-7811737-4.

Doc. No. _____
Page No. _____
Book No. _____
Series of 2025

CERTIFICATION OF INDEPENDENT DIRECTOR

I, **Emmanuel G. Herbosa**, Filipino, of legal age, and with address at 101 Banaue St., Ayala Alabang Village, Muntinlupa City, after having been duly sworn to in accordance with law do hereby declare that:

1. I am an independent director of PREMIERE HORIZON ALLIANCE CORPORATION.
2. I am affiliated with the following companies and/or organizations:

COMPANY/ORGANIZATION	POSITION/RELATIONSHIP	PERIOD OF SERVICE
Metro Pacific Tollways Corporation	Independent Director	April 2024-Present
Citicore Energy REIT Corp. (CREIT)	Independent Director	April 2023-Present
Puregold S&R	Independent Director	April 2023-Present
Ovialand, Inc.	Independent Director	May 2023-Present
Trinity Insurance & Reinsurance Brokers, Inc.	Director	August 2017 to Present
P & Gers Fund, Inc.	Director	2004 - Present
De La Salle School Boards, De La Salle Brothers Fund, Inc.	Trustee	1989-Present

3. I possess all the qualifications and none of the disqualifications to serve as an Independent Director of PREMIERE HORIZON ALLIANCE CORPORATION as provided for in Section 38 of the Securities Regulation Code, its Implementing Rules and Regulations, and other SEC issuances.
4. I have no relationship to any director/officer/substantial shareholder of PREMIERE HORIZON ALLIANCE CORPORATION and its subsidiaries and affiliates, other than and including the relationship provided under Rule 38.2.3 of the Securities Regulation Code.
5. To the best of my knowledge, I am not the subject of any pending criminal or administrative investigation or proceeding.
6. I shall faithfully and diligently comply with my duties and responsibilities as independent director under the Securities Regulation Code and its Implementing Rules and Regulations, Code of Corporate Governance, and other SEC issuances.

7. I shall inform the Corporate Secretary of PREMIERE HORIZON ALLIANCE CORPORATION of any changes in the abovementioned information within five days from its occurrence.

FEB 13 2025

Done, this _____ day of _____, at **PASIG CITY**.


Emmanuel G. Herbosa

FEB 13 2025

SUBSCRIBED AND SWORN to before me this _____ day of _____ at **PASIG CITY**. Affiant personally appeared before me and exhibited to me his TIN 135-552-553.

Doc No.: 434 ;

Page No.: 88 ;

Book No.: 39 ;

Series of 2025.

FERDINAND D. AYAHAO
Notary Public

For and in Pasig City and the Municipality of Pateros
Appointment No. 96 (2024-2025) valid until 12/31/2025
SEC. exemption No. VIII-BEP003234, until 04/14/28
L. No. 46577; IBF LRN 02459; OR 535886; 06/21/2001
TIN 123-011-795; PTR 8831461AA; 01/03/25; Pasig City
U-3, G/F West Tower PSE, Exchange Road
Ortigas Center, Pasig City Tel.+632-86314090

CERTIFICATION OF INDEPENDENT DIRECTOR

I, **Maria Clara A. Camacho**, Filipino, of legal age and a resident of 14 Urdaneta Avenue Urdaneta Village Makati, Metro Manila 122, after having been duly sworn to in accordance with the law do hereby declare that:

1. I am a nominee for independent director of PREMIERE HORIZON ALLIANCE CORPORATION (the "Company") and have been its independent director since August 20 2024

2. I am affiliated with the following companies or organizations (including.)

COMPANY/ORGANIZATION	POSITION/RELATIONSHIP	PERIOD OF SERVICE
Rizal Commercial & Banking Corp	Advisory Board Member	2005-2015
Sotheby's Manila, Philippines	Country Manager and Philippine Representative.	June 2001-April 2005
Rockwell Land Corporation Philippines	Director, Retail Center Development	June 1995-May 1996
Carmelray Development Corp	Property Development Consultant.	April 1995-July 1995
Detalles De Roberta Inc	President/Owner	Feb 1984 -Dec 1994
National Development Company, Philippines	Division Manager	Nov 1981-Feb 1984
Marina Properties Corp	Officer-in-Charge, CFO	Jun 1983-Feb 1984.
Seagram Latin America, New York	Associate	Jun 1980-Aug 1981

3. I possess all the qualifications and none of the disqualifications to serve as an Independent Director of the Company, as provided in Section 38 of the Securities Regulation Code, its implementing Rules and Regulations and other 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 GOCC 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 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 FEB 24 2025 day of PASIG CITY, at _____.


Maria Clara A. Camacho

FEB 24 2025

SUBSCRIBED AND SWORN to before me this day of _____ at PASIG CITY, affiant personally appeared before me and exhibited to me her TIN # 103-947-884 issued at Bureau of Internal Revenue.

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FERDINAND D. AYAHAO
Notary Public
For and in Pasig City and the Municipality of Pateros
Appointment No. 96 (2024-2025) valid until 12/31/2025
NICLEB Registration No. VII-DEP003234, until 04/14/28
BPL No. 56377; OR (R.N) 02459; OR 535886; 06/21/2001
TIN 123-011-754; P.R. 2451-01AA; 01/03/25; Pasig City
U-5, G/F West Tower PSE, Exchange Road
Origas Center, Pasig City Tel. +632-86314090

ANNEX D

Annex “A”

MANAGEMENT REPORT

See attached Audited Financial Statements for the year ended 31 December 2023 and the Unaudited Consolidated Financial Statements for the year ended 31 December 2024.

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

Premiere Horizon Alliance Corporation (“PHA” or the “Parent Company”), was registered in the Philippines 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 purpose is 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 to mining and real estate industries.

On April 7, 2016 and May 26, 2016, the Board of Directors (“BOD”) 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 the secondary purposes and the renumbering thereof. The amendments to the Articles of Incorporation were approved by the SEC on August 10, 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 its respective percentage ownership on 31 January 2025.

	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	
Concepts Unplugged Business Environment Solutions (CUBES), Inc.*	51	
Premiere Horizon Business Services, Inc. (PHBSI)*	100	
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”)

West Palawan Premiere Development Corp.

On August 9, 2016 the Parent Company established a 100% subsidiary WPPDC to subsidiarize the land holdings PHA owned. WPPDC has an authorized capital stock of Php 700.0 million, 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.

Premiere Georesources and Development, Inc.

On April 24, 2012, the Parent Company obtained the approval of the Board of Directors 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, e.g. hauling and excavation for mining companies.

Goshen Land Capital Inc.

In June 04, 2015, PHA bought 55% of GLCI for Php440.0 million, Php140 million secondary and Php300 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.

A. 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 2024.

PHA did not purchase or sell any plant or significant equipment. It also does not expect to purchase or sell any plant or significant equipment in the next twelve (12) months.

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.

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 May 11, 2023. 1,389,802,253 shares out of total unpaid shares of 1,457,756,139 were sold and fully collected on July 07, 2023.
- The Group reduced its loans (short-term, long-term, and callable loans) by Php337.94 million.
- The Group was able to collect from its subscription receivables the amount of Php537.14 million.
- Availment 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 Php1.01 per share. The share issuance was paid in cash for a total consideration of Php71.54 million.
- PHA also reduced its current liabilities by converting part of the convertible notes payable to equity effectively reducing the accrued interest liability and the notes payable.

- PHA raised additional funding through borrowings from its shareholder.
- In 2022, WPP also sold part of its land held in inventory.
- In 2022, 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 were:

- Negotiate principal payment extensions and deferrals with creditors; and
- Secure 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.

Status of Operations and Management Plans

In 2023 and 2022 respectively, the Group reported a liquidity gap on currently maturing liabilities amounting to Php238.7 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.

During 2023, Management undertook a combination of initiatives to address the abovementioned 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;
- divest a portion of the Group's assets and investments to generate cash;
- abstain financial support from shareholders and/or officers for gap funding of operations; and
- actively seek out partnerships and new investors as a way of generating funds.

The year 2024 was a continuation of the projects that Goshen Land Capital (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 (formerly Redstone Construction and Development Corporation).

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

For the year 2024, GLCI is expected to complete Stanford Residences, the company's 19th residential condominium development. GLCI has also expanded its real estate projects outside of Metro Baguio with residential horizontal developments in Pangasinan and Tarlac. GLCI is looking to expand further both its horizontal and vertical developments in Northern and Central Luzon.

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.

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
- 6)

Presented below is the comparative table of the Group's performance for the 2nd Quarter of 2025 and preceding years 2024 and 2023, 2022, respectively.

			As of June 30, 2025 (Unaudited)	As of December 31, 2024 (Audited)
1	Revenues	-	13,415,476	225,136,322
2	Net Income (Loss)	-	(122,483,206)	336,251,738
3	Debt - to - Equity Ratio	Total Liabilities/ Total Stockholders' Equity	0.84:1.00	0.76:1.00
4	Current Ratio	Current Assets/ Current Liabilities	1.43:1.00	2.16:1.00
5	Return on Assets	Net Income/ Total Assets	(0.01:1.00)	0.06:1.00

		Formula	For the year ended December 31	
			2023 (Audited)	2022 (Audited)
1	Revenues	-	534,347,017	445,536,982
2	Net Income (Loss)	-	6,928,472	48,834,284
3	Debt – to – Equity Ratio	Total Liabilities/ Total Stockholders' Equity	0.78:1.00	1.03:1.00
4	Current Ratio	Current Assets/ Current Liabilities	2.08:1.00	1.16:1.00
5	Return on Assets	Net Income/ Total Assets	0.001:1.00	0.012:1.00

Results of Operation (For the second quarter of 2025)

A comparative review of the PHA's financial operations for the quarter ended June 30, 2024 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 quarters pertain to the real estate sales and mining-related services which posted a decrease of Php84.14 million or 86%, as a result of lower percentage of completion accomplished for construction projects.
- ▶ **Cost of sales and services**- decreased by Php57.37 million or 76% due to lower operating cost resulting from production volume.
- ▶ **Gross Profit**- decreased by Php26.77 million or 119% due to lower revenues of the Group.
- ▶ **General and administrative expenses** - increased by Php12.51 million or 18.6% is attributed to increase of professional fee due to turnover of former corporate secretary.
- ▶ **Net other income (charges)** – increased by Php4.15 million or 12% is due to additional bank loans.

PREMIERE HORIZON ALLIANCE CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

For the six-months period ended June 30, 2025 and 2024 (All amounts in Philippine Peso)

	Note	Quarters Ended		Year to Date	
		2025	2024	2025	2024
		<u>Apr 1 – June 31</u>		<u>Jan 1 – June 31</u>	
REVENUES		(UNAUDITED)	(UNAUDITED)	(UNAUDITED)	(UNAUDITED)
Real estate sales		1,962,625	19,362,948	1,962,625	95,193,120
Mining-related services		8,896,980	2,358,024	11,452,850	2,358,024
Service income		-	-	-	-
		10,859,606	21,720,972	13,415,476	97,551,144
COSTS OF SALES AND SERVICES					
Cost of real estate sales		-	-	-	-
Cost of services		428,247	9,265,533	428,247	45,720,495
		10,619,974	15,825,597	17,273,295	29,350,057
		11,048,221	25,091,130	17,701,542	75,070,552
GROSS PROFIT		(188,651)	(3,370,158)	(4,286,066)	22,480,592
GENERAL AND ADMINISTRATIVE EXPENSES	7	39,850,936	33,887,903	79,612,659	67,102,205
OTHER INCOME (CHARGES)					
Interest expense		(26,182,810)	(21,482,94)	(46,473,884)	(47,480,671)
Interest income		769,394	232,161	779,018	777,604
Others – net		6,137,819	10,058,989	7,110,385	12,264,227
		(19,275,497)	(11,191,790)	(38,584,481)	(34,438,840)
INCOME (LOSS) BEFORE INCOME TAX PROVISION FOR (BENEFIT FROM) INCOME TAX		(59,315,148)	(48,449,855)	(122,483,206)	(79,060,453)
NET INCOME (LOSS) OTHER COMPREHENSIVE INCOME (LOSS)		(59,315,148)	(48,449,855)	(122,483,206)	(79,060,453)
<i>Not to be reclassified to profit or loss in subsequent years- Remeasurement gains (losses) on retirement liability - net of deferred tax</i>					
TOTAL COMPREHENSIVE INCOME (LOSS)		(59,315,148)	(48,449,855)	(122,483,206)	(79,060,453)

<i>Net income (loss)</i>				
<i>attributable to:</i>				
Equity holders of the Parent Company	(47,555,718)	(38,447,629)	(95,838,782)	(68,721,936)
Noncontrolling interests	(11,759,429)	(10,002,226)	(26,644,423)	(10,338,490)
	(59,315,147)	(48,449,855)	(122,483,206)	(79,060,453)
Total comprehensive income (loss)				
<i>attributable to:</i>				
Equity holders of the Parent Company	(47,555,718)	(30,274,334)	(95,838,782)	(68,721,936)
Noncontrolling interests	(11,759,429)	(336,264)	(26,644,423)	(10,338,490)

Results of Operations (For the last three years)

December 31, 2024 (UnAudited)

The Group sustained a comprehensive income during the year amounting to Php336.3 million which has increased by Php329.3 million as compared to the prior year.

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

For the year period ended December 31, 2024 and 2023 (All amounts
in Philippine Peso)

For the year Ended			Variance	
	2024	2023	In Amount	In Percentage
REVENUES	(AUDITED)	(AUDITED)		
Real estate sales	179,324,177	472,498,374	293,174,197	-62.05%
Mining-related services	45,812,145	61,848,643	16,036,497	-25.93%
Service income	-	-	-	0.00%
	225,136,322	534,347,017	(309,210,695)	-57.87%
COSTS OF SALES AND SERVICES				
Cost of real estate sales	84,012,636	226,704,988	(142,692,352)	-62.94%
Cost of services	54,747,535	100,983,786	(46,236,251)	-45.79%
	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%
Bank interest income	60,793	165,581	-104,788	-63.29%
Interest income	1,125,352	973,545	151,807	15.59%
Others – net	(37,486,005)	(14,436,731)	(23,049,274)	159.66%
	610,899,548	23,112,509	587,787,039	2,543.16%
INCOME (LOSS) BEFORE INCOME TAX	542,413,053	35,210,108	507,202,945	1,440.50%
PROVISION FOR (BENEFIT FROM) INCOME TAX	206,161,315	28,281,635	177,879,680	2,045.32%
NET INCOME (LOSS)	336,251,738	6,928,473	329,323,265	4,753.19%
OTHER COMPREHENSIVE INCOME (LOSS)				
<i>Not to be reclassified to profit or loss in subsequent years- Remeasurement gains (losses) on retirement liability - net of deferred tax</i>				
	-	30,685,364	30,685,364	-100%
TOTAL COMPREHENSIVE INCOME (LOSS)	336,251,738	37,613,837	329,323,265	4,753.19%

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

- **Revenues** - decreased by ₱309.2 million or 58%. This is primarily attributable to the decrease in sale of real estate for Goshen, as there was only one project (Stanford) sold during the year. For PGDI, the minor decrease in revenue was due to relocation to a new mining area resulting to two (2) months loss of income. Only PGDI and Goshen has active operating activity, WPP's sale of property depends on the availability of the market.
- **Cost of sales and services** – decreased by ₱188.9 million or 58% due to the following:
 1. Decrease in the cost of real estate sold for Goshen, as only one property (Stanford) was sold in the current year.
 2. 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 ₱120.28 million or 58.20%
- **General and administrative expenses** - have net decrease of ₱39.7 million or 20.40% due to the following:
 1. Commissions decreased by ₱2.1 million or 19.10%. This is relative to the completion of the **Goshen** real estate units and only one property was sold during the year.
 2. Entertainment and representation decreased by ₱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 ₱3.4 million or 24%, attributable to the following:
 - **Goshen's** taxes and licenses increased by ₱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.

- **West Palawan's** taxes and licenses decreased by ₱2.4 million due to lower assessment of business permit and related fees for the current year.
 - **Digiwave's (DSI)** taxes and licenses decreased by ₱4.5 million as DSI paid tax assessment for the year 2023.
 - **Premiere Georesources' (PGDI)** taxes and licenses decreased by ₱1.1 million due to lower assessment of business permit and related fees for the current year.
- 4 Commitment fees decreased by ₱12.5 million or 100%. This amount pertains to 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 ₱17.2 million or 100%. This amount pertains to cost incurred for the auction of shares (*PHA shares sold to Mr. Ernest Yeung*)
 6. Success fee increased by ₱8.4 million or 100%. This amount pertains to the success fee on the subscription of shares of Ms. Marian Pena, which was recognized only during the year (clean-up adjustment)
 - 7 Impairment loss decreased by ₱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 Digiwave and impairment of film rights of PHA – Parent.]
 - 8 Other expenses decreased by ₱4.1 million or 33.65% primarily attributable to the loss on settlement incurred by Digiwave in 2023.
- **Unrealized gain on fair valuation of investment properties**- increased by ₱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 ₱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 ₱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 WPP, PHA, Goshen).
 2. Increase in other charges by ₱23 million or 160% as a result of (net effect):
 - (a) loss on disposal of investment property (unaccounted property) of PHA – Parent amounting to ₱110.3 million.
 - (b) sale of heavy equipment and reversal of liabilities for PGDI resulting to income of ₱33.6 million.
 - (c) reversal of long outstanding payable, forfeited sales, and income from repairs and installation yield ₱31.8 million increase for Goshen's other income.
- **Net other income (charges)** - increased by ₱23.05 million. The amount is mainly attributable to prior year adjustments in 2024.

Results of Operations (For the last three years)

December 31, 2023

The Group reported a revenue of Php534.35 million and a net income of Php6.93 million for the year 2023.

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)

<i>All amounts in Philippine Peso</i>	December 31, December 31, 2022		Variance (In	Variance (In
	2023	(Audited)	amount)	percentage)
	(Audited)			
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				
Cost of real estate sales	226,704,988	147,183,575	79,521,413	54.03%
Cost of services	100,983,786	149,473,632	- 48,489,846	-32.44%
	327,688,774	296,657,207	31,031,567	10.46%
GROSS PROFIT	206,658,243	148,879,775	57,778,468	38.81%
			- 28,170,699	-12.85%
GENERAL AND ADMINISTRATIVE EXPENSES				
	191,112,441	219,283,140		
OTHER INCOME (CHARGES)				
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%
Impairment losses	- 3,448,203	- 29,587,319	26,139,116	-88.35%
Interest income	1,139,126	1,711,089	- 571,963	-33.43%
Others – net	- 14,436,731	26,871,322	- 41,308,053	-153.73%
	19,664,306	208,421,325	- 188,757,019	-90.57%
INCOME (LOSS) BEFORE INCOME TAX	35,210,108	138,017,960	- 102,807,852	-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	48,834,284	- 41,905,811	-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	46,795,221	- 9,181,384	-19.62%

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

- **Real estate sales** posted an increase of Php139.55 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 Php50.30 million or 44.85%**, primarily due to lower tonnage hauled in 2023.
- **Cost of real estate sales** posted an increase of Php79.52 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 Php51.94 million due to lower operating costs resulting from production volume.
- **General and administrative expenses** decreased by Php20.93 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 Php184.58 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 Php420.00, while the price per square meter in 2022 and 2021 was Php393.00 and Php330.00, respectively.
- **Impairment losses** pertain to the provision for impairment of intangible assets.
- **Interest expense** decreased by Php11.57 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.

December 31, 2022

The Group reported a revenue of Php445.54 million and a net income of Php48.83 million for the year 2022.

PREMIERE HORIZON ALLIANCE CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
As of December 31, 2022 and December 31, 2021 (All amounts in Philippine Peso)

<i>All amounts in Philippine Peso</i>	December 31, 2022 (Audited)	December 31, 2021 (Audited)	Variance (In amount)	Variance (In %)
REVENUES				
Real estate sales	332,947,784	173,933,534	159,014,250	91.42%
Mining-related services	112,144,168	174,681,141	- 62,536,973	-35.80%
Service income	445,030	502,880	-57,850	-11.50%
	445,536,982	349,117,555	96,419,427	27.62%
COSTS OF SALES AND SERVICES	147,183,575	74,080,684	73,102,891	98.68%
Cost of real estate sales				
Cost of services	149,473,632	193,095,545	- 43,621,913	-22.59%
	296,657,207	267,176,229	29,480,978	11.03%
GROSS PROFIT	148,879,775	81,941,326	66,938,449	81.69%
GENERAL AND ADMINISTRATIVE EXPENSES	219,283,140	179,336,260	39,946,880	22.27%

OTHER INCOME (CHARGES)				
<i>Unrealized gain on fair valuation of investment</i>				
<i>Properties</i>	323,022,000	25,637,000	297,385,000	1159.98%
Interest expense	- 113,595,767	- 114,156,340	560,573	-0.49%
Impairment losses	- 29,587,319	405,501	29,181,818	7196.48%
Interest income	1,711,089	- 2,680,377	969,288	-36.16%
Others - net	26,871,322	72,359,093	- 45,487,771	-62.86%
	208,421,325	- 13,885,371	222,306,696	-1601.01%
INCOME (LOSS) BEFORE INCOME TAX	138,017,960	- 111,280,30	249,298,265	-224.03%
PROVISION FOR (BENEFIT FROM) INCOME TAX	89,183,676	- 69,093,173	158,276,849	-229.08%
NET INCOME (LOSS)	48,834,284	- 42,187,132	91,021,416	-215.76%
OTHER COMPREHENSIVE INCOME (LOSS)				
<i>Not to be reclassified to profit or loss in subsequent years - Remeasurement gains (losses) on retirement liability - net of deferred Tax</i>				
	- 2,039,063	11,694,300	- 13,733,363	-117.44%
TOTAL COMPREHENSIVE INCOME (LOSS)	46,795,221	- 30,492,832	77,288,053	-253.46%

Material Changes - Increase/ Decrease of 5% or more (2022 versus 2021)

- **Real Estate sales** posted an increase of Php159.02 million or 91.42% brought by the higher percentages of completion met for construction projects in 2022 relative to 2021.
- **Revenue from mining related services** decreased by Php62.02 million or 35.61% primarily due to lower tonnage hauled in 2022 as the mine facility and equipment were materially destroyed by Typhoon Odet during the last month of 2021.
- **Cost of real estate sales** posted an increase of Php73.10 million or 98.68% brought by the higher percentages of completion met for construction projects in 2022 relative to 2021.
- **Cost of services** decreased by Php43.62 million due to lower operating costs resulting from production volume.
- **General and administrative expenses** increased by Php39.85 million or 22.17% mainly because of the commitment fees incurred in 2022 and higher taxes and licenses paid in the same year.
- **Unrealized gain on fair valuation of investment properties** increased by Php297.39 million primarily due to the yearly changes in the fair valuation of the Group's investment properties in Palawan. Price per square meter in 2022 was Php393, while the price per square meter in 2021 was Php330.
- **Impairment losses** pertain to the provision for impairment of receivables and film rights.
- **Others under other income and expenses** for the year 2022 mainly pertain to the reversal of impairment on receivables amounting to Php20.73 million.

Financial Condition (For the Interim Report June 30, 2025)

The Parent Company employed total assets of P 5,425,886,529 financed by total liabilities of P 2,478,596,741 and total stockholders' equity of P 2,946,918,788. Noncurrent assets amounted to P 3,268,478,432 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 P 2,157,408,100.

PREMIERE HORIZON ALLIANCE CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
As of June 30, 2025 and December 31, 2024 (All amounts in Philippine Peso)

ASSETS	Note	June 30, 2025 (Unaudited)	December 31, 2024 (Audited)
CURRENT ASSETS			
Cash	2	36,610,433	60,351,442
Receivables - net	3	652,316,951	663,744,950
Contract assets - current		349,343,092	438,890,718
Real estate for sale	4	931,219,622	785,482,296
Other current assets - net	5	187,918,002	183,576,161
Total Current Assets		2,157,408,100	2,132,045,566
NON-CURRENT ASSETS			
Contract assets - net of current portion		-	-
Deferred exploration costs		434,038,549	433,502,973
Investment properties		2,678,719,700	2,678,719,700
Property and equipment - net		58,686,021	65,509,860
Goodwill and intangible assets - net		1,824,758	2,027,508
Right-of-use assets - net		1,911,951	1,911,951
Deferred tax assets		61,886,227	61,886,227
Other noncurrent assets - net		31,411,226	31,411,226
Total Non-Current Assets		3,268,478,432	3,274,738,079
TOTAL ASSETS		5,425,886,529	5,406,783,645
LIABILITIES AND EQUITY			
CURRENT LIABILITIES			
Trade and other payables	6	691,282,220	561,310,860
Short-term loans		185,318,862	191,818,862
Lease liability - current portion		2,788,383	2,788,383
Loans payable - current portion		630,151,097	123,085,010
Convertible loans - current portion		-	100,000,000
Contract liabilities		-	6,251,941
Dividend payable		-	-
Capital gains tax payable		-	-
Total Current Liabilities		1,509,540,562	985,255,056
NON CURRENT LIABILITIES			
Loans payable - net of current portion		74,515,405	457,214,810
Pension liabilities		10,421,135	10,421,135
Deferred tax liabilities		784,490,639	784,490,639
Advances from third parties		100,000,000	100,000,000
Total Non-Current Liabilities		969,427,179	1,352,126,584
EQUITY			
Share capital		1,414,348,522	1,414,348,522
Additional paid-in capital		629,410,181	629,410,181
Retained earnings		476,028,078	499,941,670
Remeasurement gain on retirement plan		31,265,998	31,265,998
Total equity attributable to Parent Company's shareholders		2,551,052,779	2,574,966,371
Equity attributable to non-controlling interest		395,866,009	494,435,634
Total Equity		2,946,918,788	3,069,402,005
TOTAL LIABILITIES AND EQUITY		5,425,886,529	5,406,783,645
<i>See Notes to Consolidated Financial Statements</i>			

Material Changes - Increase/ Decrease of 5% or more (June 30, 2025 vs. December 31, 2024)

- ▶ **Cash** - As of June 30, 2025 and December 31, 2024, this account amounted to Php36.61 million and Php60.35 million, respectively, which shows an decrease of Php23.74 million or 39.34% due to payment of loans. Cash used in operation activities amounted to Php146 million; cash used in investing activities amounted to Php4.7 million; while cash provided by financing activities amounted to Php117.9 million. The said cash flows represent the net increase/decrease during this financial reporting period.
- ▶ **Contract assets**- As of June 30, 2025 and December 31, 2024, this account amounted to Php349.34 million and Php438.90 million, which shows decrease of Php89.55 million or 20.40%. The decrease primarily came from collection of receivables
- ▶ **Real Estate for Sale** - As of June 30, 2025 and December 31, 2024, this account amounted to Php931.22 and Php785.48 million, which shows an increase of Php145.74 million or 18.55% due to booking of new projects NCGR and Basista
- ▶ **Property and equipment, net**- As of June 30, 2025 and December 31, 2024, this account amounted to Php58.9 million and Php65.5 million, respectively, which shows a decrease of Php6.6 million or 10.06%. The net decrease is due to depreciation expense.
- ▶ **Trade and other payables**- As of June 30, 2025 and December 31, 2024, , this account amounted to Php691.28 million and Php526.33 million, which shows an increase of Php129.97 or 23.15% The increase is mainly due to the setup of corresponding payables of new projects.
- ▶ **Loans payable** - As of June 30, 2025 and December 31, 2024, this account amounted to Php704.67 million and Php580.03 million respectively, which shows an increase of Php124.64 million or 21.43% due to availment of loans.
- ▶ **Retained Earnings**- As of June 30, 2025 and December 31, 2024, it was decreased by Php23.91 million or 4.78% due to net loss incurred during the period.

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

The Parent Company employed total assets of P5,406,783,645 financed by total liabilities of P2,337,381,640 and total stockholders' equity of P3,005,029,282. Noncurrent assets amounted to P3,274,738,079 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 P2,132,045,566.

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 portion	100,000,000	100,000,000	-	0.00%
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	499,941,670	132,711,701	367,229,969	276.71%
Cumulative gains on 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 ₱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 Php172.95 million while cash flow used in investing activities amounted to Php48.42 million. Cash flows generated by financing activities amounted to Php145.30 million. Lower cashflow due to revenue slump!.
- **Receivable** (including contract assets) have a net increase of ₱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 Php54.53 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 ₱46.46 million or 6.29% as compared to prior year. This increase is primarily attributable to the valuation gain on inventory remeasurement for Goshen. Goshen is in the development of existing land holdings and has yet to construct new buildings for sale. Other current assets as of December 31, 2024 and December 31, 2023, this account amounted to Php183.58 million and Php193.63 million, respectively, which shows a decrease of Php10.06 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 Php10.06 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 ₱36.9 million or 130%. This is attributable to the purchase of heavy equipment by PGDI amounting to ₱42.7 million and land improvements of WPP amounting to ₱13.3 million, net of depreciation recognized during the period.
- **Investment properties** increased by ₱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 ₱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 ₱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 Php4.47 million. The net decrease was brought mainly by

the decrease in real estate buyers' deposits from January to December of 2024.

- **Loans payable (current)** increased by ₱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 367.23 million because of the net income incurred for the period ended December 31, 2024.
- **Dividends payable** was decreased by ₱39.8 million and ₱26.9 million, respectively, or 100% from prior years. This is due to the reversal of the dividend declaration of the Parent, and reversal of the contract to sell real property between PHA and WPP, from which the CGT payable arose.

Financial Condition (For the last three years)

December 31, 2023

The financial position of PHA as of December 31, 2023, showed total assets of Php4,678,546,931. Noncurrent assets were Php2,702,555,380. The noncurrent 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.

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

As of December 31, 2023 and December 31, 2022
(All amounts in Philippine Peso)

<i>All amounts in Philippine Peso</i>	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.

December 31, 2022

The financial position of the Parent Company as of December 31, 2022, shows total assets of Php4,175,921,375. Noncurrent assets were Php2,637,496,132. The noncurrent 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, 2022 stood at Php1,538,425,243.

The total liabilities of the Parent Company as of December 31, 2022 were Php2,120,332,616 while current liabilities stood at P1,328,897,556. Non-current liabilities were Php791,435,060 which included the Php518,195,465 deferred tax liability and Php127,986,999 noncurrent portion of long-term loans. Total stockholders' equity as of December 31, 2022 was Php2,055,588,759.

PREMIERE HORIZON ALLIANCE CORPORATION AND SUBSIDIARIES
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As of December 31, 2022 and December 31, 2021 (All amounts in Philippine Peso)

	December 31, 2022 (Audited)	December 31, 2021 (Audited)	Variance (In amount)	Variance (In Percentage)
ASSETS				
Current Assets				
Cash	69,729,594	89,845,913	-20,116,319	-22.39%
Receivables	442,327,680	76,618,617	365,709,063	477.31%
Current portion of contract assets	34,842,065	207,165,921	-172,323,856	-83.18%
Real estate for sale	811,694,228	765,386,058	46,308,170	6.05%
Creditable withholding taxes	117,005,107	103,262,851	13,742,256	13.31%
Other current assets	62,826,569	123,228,437	-60,401,868	-49.02%
Total Current Assets	1,538,425,243	1,365,507,797	172,917,446	12.66%
Noncurrent Assets				
Contract assets - net of current Portion	69,581,924	108,212,116	-38,630,192	-35.70%
Investment properties	2,023,560,400	1,692,025,000	331,535,400	19.59%
Property and equipment	71,903,816	135,109,701	-63,205,885	-46.78%
Deferred exploration costs	418,042,647	413,812,603	4,230,044	1.02%
Deferred tax assets	27,580,919	25,924,291	1,656,628	6.39%
Other noncurrent assets	26,826,426	29,658,469	-2,832,043	-9.55%
Total Noncurrent Assets	2,637,496,132	2,404,742,180	232,753,952	9.68%
	4,175,921,375	3,770,249,977	405,671,398	10.76%

LIABILITIES AND EQUITY				
Current Liabilities	428,754,632	376,554,632	52,200,000	13.86%
Short-term loans				
Current portion of long-term loans	251,892,401	231,249,398	20,643,003	8.93%
Trade and other payables	583,342,905	609,227,821	-25,884,916	-4.25%
Contract liabilities	25,107,618	36,876,706	-11,769,088	-31.91%
Dividend payable	39,800,000	39,800,000	0	0.00%
Total Current Liabilities	1,328,897,556	1,293,708,557	35,188,999	2.72%
Noncurrent Liabilities				
Noncurrent portion of: Long-Term	127,986,999	64,042,349	63,944,650	99.85%
Loans				
Lease liabilities	192,720	-	-	100%
Advances from third parties	100,000,000	-	100,000,000	100%
Retirement liability	45,059,876	28,695,553	16,364,323	57.03%
Deposit for future stock subscription	-	465,231,457	-465,231,457	-
Deferred tax liabilities	518,195,465	429,617,606	88,577,859	20.62%
Total Noncurrent Liabilities	791,435,060	987,586,965	-196,151,905	-19.86%
Total Liabilities	2,120,332,616	2,281,295,522	-160,962,906	-7.06%
Equity Attributable to Equity Holders of the Parent Company				
Capital stock	1,007,496,826	800,650,526	206,846,300	25.83%
Additional paid-in capital	499,217,638	186,224,855	312,992,783	168.07%
Retained earnings	165,473,971	135,971,303	29,502,668	21.70%
Cumulative remeasurement gains on retirement liability	9,792,086	10,913,571	-1,121,485	-10.28%
Noncontrolling Interests	373,608,238	355,194,200	18,414,038	5.18%
Total Equity	2,055,588,759	1,488,954,455	566,634,304	38.06%
	4,175,921,375	3,770,249,977	405,671,398	10.76%

Material Changes - Increase/ Decrease of 5% or more (2022 versus 2021)

- **Cash** decreased by Php20.12 million from Php89.85 million of 2021. Net cash used in operating activities amounted to Php308.22 million while cash flow used in investing activities amounted to Php16.92 million. Cash flows generated by financing activities amounted to Php305.02 million.
- **Receivables** increased by Php365.71 million as a result of increase in real estate sold in 2022 relative to 2021.
- **Contract assets (current portion)** posted a decrease of Php172.32 million or 83.18% due to the completion of the development projects.
- **Real estate for sale** increased by Php46.31 million primarily due to completed real estate development projects.
- **Creditable withholding taxes** increased by Php13.74 million or 13.31% from Php103.26 million of 2021. 81.40% of the total withholding taxes pertain to the real estate projects of the Group.
- **Other current assets** decreased by 49.02% mainly because of the downward movement in advances to suppliers and contractors from Php77.84 million in 2021 to Php16.73 million in 2022. Advances to suppliers and contractors represent downpayments for development and

construction contracts. The initial down payments will eventually be recouped or deducted from the amount payable of the Group either on a pro-rated basis or in full once billed by the suppliers and contractors.

- **Noncurrent assets** increased by Php232.75 million or 9.68% primarily due to the material upward movement in investment properties from Php1.69 billion in 2021 to Php2.02 billion in 2022. This was the result of the yearly changes in the fair valuation of the Group's investment properties in Palawan.
- **Short-term loans (current portion)** increased by 13.86% from Php376.55 million of prior year as a result of the additional loan availment made in 2022.
- **Long-term loans (current portion)** increased by Php20.64 million or 8.93% mainly brought by additional loans made to finance the real estate development projects of the Group in 2022.
- **Contract liabilities** declined by Php11.77 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** decreased by Php196.15 million mainly because of the conversion of deposit for future stock subscription to equity.
- **Capital stock** increased by Php206.85 million or 25.83% as a result of the subscriptions to common shares in 2022 and collection of subscription receivable.
- **Additional paid-in capital** increased by Php312.99 million brought by the subscriptions to common shares in 2022 and collection of subscription receivable.
- **Retained earnings** increased by 21.70% as a result of the net income earned by the Group in 2022.

B. Information on Independent Auditor and Other Related Matters

(1) External Auditor's Fees and Services

a) Audit Fees

PHA engaged Reyes Tacandong & Co. (RT) for the years 2023, 2022 and 2021 as its group external auditors, conducting the financial audit of the group which includes the Parent Company and its operating and non-operating subsidiaries. The annual billings for the service of the auditors were Php2.24 million, Php2.11 million, and Php2.96 million, VAT exclusive, for the years 2023, 2022, and 2021, respectively.

Note that RT was disengaged effective 31 January 2025. Ms. Grace M. Albulian was the handling partner of the previous Accountant of the Company, RT.

As a background, RT was appointed as the Corporation's external auditor in the Annual Stockholder's Meeting ("ASM") last 28 June 2024. PHA's AROC found that RT subsequently became the external auditor of Marcventures Holdings Inc., and Bright Kindle Resources & Investments Inc., companies where Mr. Augusto Antonio C. Serafica, Jr. ("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 AROC, resolved to replace RT with an equally competent and independent external auditor.

The change is being 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 Exchange.

As of May 25, 2025 the Company is awaiting the shareholder's approval of Valdes Abad & Company, CPA's as PHA external auditor for year 2024 and 2025.

b) Tax Fees

PHA did not engage any service provider to render tax- related services.

c) All Other Fees

RT was engaged for the special audit of the Company in relation to the validation of payments for subscription of shares, and of WPP in relation to payment in its capital investments and sale of land. PHA and WPP were billed in the aggregate amounts of Php400,000 and Php300,000, 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

C. 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 second quarter of 2025:

Quarter	2025		2024		2023		2022	
	High	Low	High	Low	High	Low	High	Low
First	0.1830	0.1700	0.234	0.161	0.420	0.280	0.910	0.480
Second	0.2480	0.1720	0.222	0.168	0.305	0.236	0.580	0.390
Third	-	-	0.205	0.165	0.242	0.186	0.445	0.350
Fourth	-	-	0.209	0.17	0.208	0.160	0.355	0.255

Stock Prices as of the following trading date:

- December 29, 2023 - Common share Php 0.162
- December 27, 2024 - Common share Php 0.174
- August 29, 2025 - Common share Php 0.2100
- 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 2025, the Parent Company has 135 stockholders.

The top 20 stockholders as of 31 August 2025 are as follows:

Rank	Name	Nationality	Shareholdings	Percentage
1	PCD Nominee Corporation - (Filipino)	Filipino	2,843,259,621	49.81%
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	93,195,821	1.63%
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%

Dividends

The Parent Company did not declare dividends in the years 2022, 2023, and 2024.

PHA declared a 22.1% property dividend of Redstone Construction and Development Corp. (PGDI) to stockholders of record as of May 15, 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 December 31, 2017. The property dividend ratio will be at 1,346 shares of PGDI for every 10,000 PHA shares.

On December 11 2024, the BOD 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.

https://edge.pse.com.ph/openDiscViewer.do?edge_no=18cd96do6f3c7d51abcaofaoc5b4e4do

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 BOD 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.

There were no recent sales of unregistered or exempt securities, nor recent issuance of securities constituting an exempt transaction.

D. CORPORATE GOVERNANCE

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

The BOD and the Management of PHA also recognize good corporate governance as essential in 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 July 1, 2002. Pursuant to SEC Memorandum No. 6, PHA revised its Manual of Corporate Governance on May 30, 2017. In a special meeting of the BOD held on 5 June 2025, the BOD approved another revision of the Corporation's Manual of Corporate Governance.

The Parent Company accomplished and submitted its Corporate Governance Scorecard Survey for Publicly Listed Companies. In compliance, the BOD 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 July 25, 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 November 25, 2011. Additionally, the Company submitted its Corporate Governance Guidelines Disclosure Survey on March 28, 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 30 May 2025 for the year 2024.

On December 16, 2024, 4 Directors and 8 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 BOD and top-level management with its Revised Manual of Corporate Governance ("Manual") 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 of Directors is submitted annually to the SEC and the PSE. Moreover, the attendance and participation of the members of the BOD 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 BOD 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 BOD, adopted and approved its Charters of the Audit Committee, Nominations Committee and Compensation Committee. During the special meeting of the BOD on February 6, 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

Chairman

Esteban G. Peña Sy

Members

Emmanuel Herbosa Marian Peña
Ernest Sze Lok Yeung
Eugenio T. Tan (in ex-officio capacity)

*Audit and Risk Oversight Committee***Chairman**

Maria Clara A. Camacho

Members

Marian Peña Geronimo B. Halili
Ernest Sze Lok Yeung (in ex-officio capacity)

*Corporate Governance Committee and Related Party**Transactions Committee***Chairman**

Maria Clara A. Camacho

Members

Marian Peña Esteban G. Peña Sy

Code of Business Conduct and Ethics

The Parent Company has 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 BOD, 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.



STATEMENT OF MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL STATEMENTS

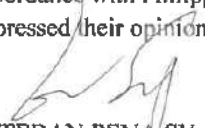
The management of **Premiere Horizon Alliance Corporation (the Parent)** is responsible for the preparation and fair presentation of the financial statements, including the schedules attached therein, for the years ended December 31, 2024 and 2023 in accordance with the prescribed financial reporting framework indicated therein, and for such internal control as management determines is necessary to enable the preparation of 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 to do so.

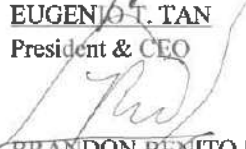
The Board of Directors is responsible for overseeing the Company's financial reporting process.

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

Vakdes Abad & Company, CPA's and Reyes Tacandong & Co., the independent auditors 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

SUBSCRIBED AND SWORN to before me this 4 AUG 2025 at PASIG CITY.
Affiant exhibits to me her 226 ID.
with No. 0113-0306664-7 as proof of her/his identity.

Signed this 13th 502 day of August 2025

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SERIES ON 2025


FERDINAND D. AYAHAO
Notary Public
For and in Pasig City and the Municipality of Patagos
Appointment No. 96 (2017-2025) valid until 12/31/2025
MCLE Exemption No. VOT-BEP08734, until 04/14/28
Roll No. 46374; ISPLBN (1640); OR 805886; C6/21/2001
TR 125-011-783; PFR 2016-0102, 01-03/25; Pasig City
U-5, G/F West Tower, 121, Exchange Road
Ortigas Center, Pasig City, tel. 752-0157

Valdes Abad & Company

(Formerly: Valdes Abad & Associates)

certified public accountants

CIV 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



member

an association of
legally independent
accounting firms

partnering for success

INDEPENDENT AUDITOR'S REPORT

The Stockholders and the Board of Directors

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 separate financial statements of **PREMIERE HORIZON ALLIANCE CORPORATION** (the "Company") which comprise the separate statements of financial position as of December 31, 2024 and 2023, and the related separate statements of comprehensive income, separate statements of changes in equity, and separate statements of cash flows for the years then ended, and notes to the separate financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying separate financial statements present fairly, in all material respects, the separate financial position of the Company as of December 31, 2024, and 2023 and of its separate financial performances and its cash flows for the years then ended in accordance with the Philippine Financial Reporting Standards (PFRS).

Basis for Opinion

We conducted our audit 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 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 Separate Financial Statements

Management is responsible for the preparation and fair presentation of these separate 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 separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the separate 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 Separate Financial Statements

Our objectives are to obtain reasonable assurance about whether the separate 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 separate financial statements.

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

- (i) Identify and assess the risks of material misstatement of the separate 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.
- (ii) 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 separate 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.
- (iii) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- (iv) 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 separate 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.
- (v) Evaluate the overall presentation, structure and content of the separate financial statements, including the disclosures, and whether the separate 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.

Report on Bureau of Internal Revenue Requirement

Our audit was conducted for the purpose of forming an opinion on the basic separate financial statements taken as a whole. The supplementary information on Note 21 to the separate financial statements are presented for purposes of filing with the Bureau of Internal Revenue and are not a required part of the basic separate 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 separate financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic separate financial statements taken as a whole.

Other Matters

The separate financial statements of **PREMIERE HORIZON ALLIANCE CORPORATION** for the year ended December 31, 2023 were audited by another independent auditor whose report dated April 12, 2024 expressed unqualified opinion on those separate financial statements.

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. 10479078, Issued Date: January 10, 2025, Makati City

BOA/PRC Reg. No. 0314

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
August 14, 2025

PREMIERE HORIZON ALLIANCE CORPORATION
SEPARATE STATEMENTS OF FINANCIAL POSITION
(In Philippine Peso)
(With Comparative Figures as of December 31, 2023)

ASSETS	Note	December 31	
		2024	2023
CURRENT ASSETS			
Cash	6	1,940,389	45,351,218
Receivables - net	7	167,420,720	495,045,739
Due from related parties - net	16	92,236,349	88,553,502
Prepayments and other current assets	8	16,021,436	15,895,350
Total Current Assets		277,618,894	644,845,809
NON-CURRENT ASSETS			
Investment in property	10	2,499,707,700	-
Investment in subsidiaries - net	11	1,451,743,810	1,451,743,810
Property and equipment - net	9	1,192,013	3,260,794
Other noncurrent assets	12	17,736,930	2,433,009
Total Non-Current Assets		3,970,380,453	1,457,437,613
TOTAL ASSETS		4,247,999,347	2,102,283,422
LIABILITIES AND EQUITY			
CURRENT LIABILITIES			
Short-term loans	13	180,318,862	133,968,862
Accounts and other payables	14	310,126,766	246,221,319
Due to related parties	16	446,839,309	321,704,345
Dividends payable	18	-	39,800,000
Total Current Liabilities		937,284,937	741,694,526
NON-CURRENT LIABILITIES			
Retirement liability	15	1,207,985	1,207,985
Deferred tax liability	17	525,448,546	259,796
Total Non-Current Liabilities		526,656,531	1,467,781
EQUITY			
Capital stock	18	1,414,348,522	1,414,348,522
Additional paid-in capital	18	582,882,377	582,882,377
Retained earning (Deficit)		786,047,596	(638,889,168)
Cumulative remeasurement gains on retirement liability	15	779,384	779,384
Total Equity		2,784,057,879	1,359,121,115
TOTAL LIABILITIES AND EQUITY		4,247,999,347	2,102,283,422

See Separate Notes to Financial Statements

PREMIERE HORIZON ALLIANCE CORPORATION

SEPARATE STATEMENTS OF COMPREHENSIVE INCOME

(In Philippine Peso)

(With Comparative Figures for the Year Ended December 31, 2023)

For the Years Ended December 31,	Note	2024	2023
EXPENSES			
Professional and legal fees		25,433,998	46,141,986
Success and commitment fees		8,409,294	12,500,000
Personnel costs		3,578,046	3,402,625
Representation expense		3,050,000	2,180,000
Transportation and travel		2,726,307	2,878,120
Depreciation	9	1,832,584	2,427,637
Taxes and licenses	21	1,171,481	1,655,192
Utilities		987,698	947,628
Communication		600,265	584,351
Rent		586,397	801,606
Impairment loss on film rights	11	405,501	405,501
Office supplies		227,301	201,545
Insurance		128,731	160,395
Trainings and seminar		127,536	176,296
Repairs and maintenance		17,154	156,687
Miscellaneous		136,507	115,816
		<u>49,418,800</u>	<u>74,735,385</u>
OTHER INCOME (LOSS) - NET			
Gain on change in fair value of investment property	10	2,100,755,000	-
Interest income on related party	16	10,570,245	6,754,434
Bank interest income	6	14,969	111,887
Interest expense on loans and share lending agreement	13	(35,791,022)	(51,018,448)
Loss on sale of property	10, 12	(110,354,878)	-
		<u>1,965,194,314</u>	<u>(44,152,127)</u>
INCOME (LOSS) BEFORE INCOME TAX		1,915,775,514	(118,887,512)
PROVISION FOR INCOME TAX	17	<u>525,188,750</u>	<u>101,317</u>
NET INCOME (LOSS)		1,390,586,764	(118,988,829)
OTHER COMPREHENSIVE INCOME			
Remeasurement gain on defined benefit obligation, net of tax	15	-	704,200
TOTAL COMPREHENSIVE INCOME (LOSS)		<u>1,390,586,764</u>	<u>(119,693,029)</u>
BASIC EARNINGS (LOSS) PER SHARE	18	<u>0.244</u>	<u>(0.021)</u>

See Separate Notes to Financial Statements

PREMIERE HORIZON ALLIANCE CORPORATION

SEPARATE STATEMENTS OF CHANGES IN EQUITY

(In Philippine Peso)

(With Comparative Figures as of December 31, 2023)

For the Years Ended December 31,	Note	2024	2023
CAPITAL STOCK - P0.25 par value			
	18		
Balance at beginning of the year		1,414,348,522	1,007,496,826
Collection of subscription receivable		-	406,851,696
		<u>1,414,348,522</u>	<u>1,414,348,522</u>
Balance at end of the year			
ADDITIONAL PAID-IN CAPITAL			
	18		
Balance at beginning of the year		582,882,377	452,689,834
Collection of subscription receivable		-	130,192,543
		<u>582,882,377</u>	<u>582,882,377</u>
Balance at end of the year			
DEFICIT			
Balance at beginning of the year		(638,889,168)	(519,900,339)
Prior period adjustment	16	(5,450,000)	-
Reversal of dividend declaration	18	39,800,000	-
Net income (loss) during the year		<u>1,390,586,764</u>	<u>(118,988,829)</u>
		<u>786,047,596</u>	<u>(638,889,168)</u>
Balance at end of the year			
CUMULATIVE REMEASUREMENT GAINS ON RETIREMENT LIABILITY			
	15		
Balance at beginning of the year		779,384	75,184
Net remeasurement gain		-	704,200
		<u>779,384</u>	<u>779,384</u>
Balance at end of the year			
EQUITY		<u>2,784,057,879</u>	<u>1,359,121,115</u>

See Separate Notes to Financial Statements

PREMIERE HORIZON ALLIANCE CORPORATION

SEPARATE STATEMENTS OF CASH FLOWS

(In Philippine Peso)

(With Comparative Figures as of December 31, 2023)

For the Years Ended December 31,	Note	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES			
Income (loss) before income tax		1,915,775,514	(118,887,512)
Adjustments for:			
Interest expense	13	35,791,022	51,018,448
Interest income	6	(10,585,214)	(6,866,321)
Depreciation	9	1,832,584	2,427,637
Impairment loss	11	405,501	405,501
Retirement benefits cost		-	260,873
Unrealized gain on property valuation	10	(2,100,755,000)	-
Operating loss before working capital changes		(157,535,593)	(71,641,374)
Decrease (Increase) in :			
Receivables	7	(92,487,103)	63,009
Prepayments and other current assets	8	(126,086)	(3,197,447)
Decrease in accounts and other payables	14	28,114,425	(71,639,210)
Increase in other current payable		-	-
Net cash generated from (used for) operations		(222,034,357)	(146,415,022)
Interest received	6	10,585,214	6,866,321
Net cash provided by (used in) operating activities		(211,449,143)	(139,548,701)
CASH FLOWS FROM INVESTING ACTIVITY			
Additional advances to related parties	16	(3,682,847)	(61,001,862)
Acquisitions of property and equipment	9	236,197	(645,121)
Net Cash from Investing Activities		(3,446,650)	(61,646,983)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from:			
Collection of subscription receivable	18	-	537,044,239
Availment of short-term loans	13	46,350,000	15,000,000
Due to related parties	16	125,134,964	-
Payments of:			
Short-term loans	13	-	(181,285,770)
Due to related parties	16	-	(74,652,362)
Interest		-	(51,018,448)
Obligations under finance lease		-	(188,123)
Net Cash from Financing Activities		171,484,964	244,899,536
NET INCREASE (DECREASE) IN CASH		(43,410,829)	43,703,852
CASH AT BEGINNING OF YEAR	6	45,351,218	1,647,366
CASH AT END OF YEAR	6	1,940,389	45,351,218

See Separate Notes to Financial Statements

PREMIERE HORIZON ALLIANCE CORPORATION

NOTES TO SEPARATE FINANCIAL STATEMENTS

December 31, 2024 and 2023

(With Comparative Figures as of December 31, 2023)

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, 2024 and 2023, the subsidiaries of the 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 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 19). 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 19).

Approval of the Separate Financial Statements

The separate financial statements as at and for the years ended December 31, 2024 with comparative figures for year 2023 were approved and authorized for issuance by the Board of Directors (BOD) on August 13, 2025.

NOTE 2 – SUMMARY OF MATERIAL ACCOUNTING 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 17, 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 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, 2024

Adopted the following provisions of Philippine Interpretations Committee (PIC) Q&A 2018-12, PFRS 15 Implementation Issues Affecting the Real Estate Industry.

On December 15, 2020, the Philippine SEC issued SEC Memorandum Circular (MC) No. 34-2020 which further extended the deferral of the following provisions of PIC Q&A 2018-12 until December 31, 2023:

- a. Exclusion of land in the determination of percentage of completion (POC) discussed in PIC Q&A No. 2018-12-E
- b. Accounting for significant financing components discussed in PIC Q&A No. 2018-12-D
- c. Implementation of International Financial Reporting Standards (IFRS) Interpretations Committee (IFRIC) Agenda Decision on Over Time Transfer of Constructed Goods under Philippine Accounting Standards (PAS) 23, Borrowing Cost, for Real Estate industry.

The adoption of the above provision did not have material impact on the separate financial statements.

Amendment to PFRS 16 – Leases on sale and leaseback. These amendments include requirements for sale and leaseback transactions in IFRS 16 to explain how an entity accounts for a sale and leaseback after the date of the transaction. Sale and leaseback transactions where some or all the lease payments are variable lease payments that do not depend on an index or rate are most likely to be impacted.

Amendment to PAS 1 – Non-current liabilities with covenants. These amendments clarify how conditions with which an entity must comply within twelve months after the reporting period affect the classification of a liability. The amendments also aim to improve information an entity provides related to liabilities subject to these conditions.

Amendment to PAS 7 and PFRS 7 - Supplier finance. These amendments require disclosures to enhance the transparency of supplier finance arrangements and their effects on an entity's liabilities, cash flows and exposure to liquidity risk. The disclosure requirements are the IASB's response to investors' concerns that some companies' supplier finance arrangements are not sufficiently visible, hindering investors' analysis.

The amendments do not have material impact on the separate financial statements.

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 separate financial statements. The Company intends to adopt the following pronouncements when they become effective.

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.

Effective beginning on or after January 1, 2026

- 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"*

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

The Company is currently assessing the impact of adopting this standard on its separate financial statements.

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 is 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 or 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 separate 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 2024 and 2023.

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

As at December 31, 2024 and 2023, 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, 2024 and 2023, 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:

<u>Asset</u>	<u>Number of Years</u>
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 asset's 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, 2024 and 2023, 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 19).

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 ₱247,239 and nil as of December 31, 2024 and 2023, 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 7 and 16.

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 2024 and 2023. 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 2024 and 2023. The carrying amounts of other assets (excluding security deposits), property and equipment, investments in subsidiaries, film rights, and are disclosed in Notes 8, 9, 11, and 12.

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 nil and ₱1.2 million as at December 31, 2024, and 2023, respectively (see Note 15).

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, 2024, and 2023, no deferred tax assets were recognized for NOLCO, excess MCIT over RCIT, and other deductible temporary differences (see Note 17). Management believes that it is not probable that sufficient taxable income will be available to allow all these deferred tax assets to be utilized.

NOTE 5 – 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, 2024, and 2023, 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.

Particulars	2024			
	120 days	121-360 days	>360 days	Total
Financial liabilities				
Trade and other payables*	₱ 286,678,022	₱ -	₱ -	₱ 286,678,022
Short-term loans	180,318,862	-	-	180,318,862
Due to related parties	447,081,259	-	-	447,081,259
Total	₱ 914,078,143	₱ -	₱ -	₱ 914,078,143

*Excluding statutory and other nonfinancial liabilities

Particulars	2023			
	120 days	121-360 days	>360 days	Total
Financial liabilities				
Trade and other payables*	₱ 192,279,629	₱ -	₱ -	₱ 192,279,629
Short-term loans	133,968,862	-	-	133,968,862
Due to related parties	321,704,345	-	-	321,704,345
Total	₱ 647,952,836	₱ -	₱ -	₱ 647,952,836

*Excluding statutory and other nonfinancial 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:

Particulars	2024					
	Neither Past Due nor Impaired			Past due but not impaired	Impaired	Total
	High Grade	Medium Grade	Total			
Cash in banks	₱ 1,809,708	₱ -	₱ 1,809,708	₱ -	₱ -	₱ 1,809,708
Receivables:						
Trade	-	-	-	-	625,788	625,788
Others	-	9,840,153	9,840,153	-	-	9,840,153
Security deposit	-	320,629	320,629	-	-	320,629
Total	₱ 1,809,708	₱ 10,160,782	₱ 11,970,490	₱ -	₱ 625,788	₱ 12,596,278

Particulars	2023					
	Neither Past Due nor Impaired			Past due but not impaired	Impaired	Total
	High Grade	Medium Grade	Total			
Cash in banks	₱ 45,220,538	₱ -	₱ 45,220,538	₱ -	₱ -	₱ 45,220,538
Receivables:						
Trade	-	449,000,000	449,000,000	-	625,788	449,625,788
Others	-	40,595,740	40,595,740	-	-	40,595,740
Security deposit	-	852,022	852,022	-	-	852,022
Total	₱ 45,220,538	₱ 490,447,762	₱ 535,668,300	₱ -	₱ 625,788	₱ 536,294,088

The Company has determined that the credit quality of all neither past due nor impaired financial assets as of December 31, 2024, and 2023 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.

Particulars	2023					
	Neither past due nor impaired	Past due but not impaired			Impaired	Total
		120 days	121-360 days	>360 days		
Cash in banks	₱ 1,809,708	₱ -	₱ -	₱ -	₱ -	₱ 1,809,708
Receivables:						
Trade	-	-	-	-	625,788	625,788
Others	9,840,153	-	-	-	-	9,840,153
Security deposit	320,629	-	-	-	-	320,629
Total	₱ 11,970,490	₱ -	₱ -	₱ -	₱ 625,788	₱ 12,596,278

Particulars	2023					
	Neither past due nor impaired	Past due but not impaired			Impaired	Total
		120 days	121-360 days	>360 days		
Cash in banks	₱ 45,220,538	₱ -	₱ -	₱ -	₱ -	₱ 45,220,538
Receivables:						
Trade	-	-	-	449,000,000	625,788	449,625,788
Others	40,595,740	-	-	-	-	40,595,740
Security deposit	852,022	-	-	-	-	852,022
Total	₱ 86,668,300	₱ -	₱ -	₱ 449,000,000	₱ 625,788	₱ 536,294,088

NOTE 6 – CASH

This account consists of:

Particulars	2024	2023
Cash on hand	₱ 130,680	₱ 130,680
Cash in banks	1,809,708	45,220,538
Total	₱ 1,940,388	₱ 45,351,218

Cash in banks earn interest at the prevailing bank deposit rates.

Interest income arises from the following:

Particulars	2024	2023
Due from related parties (Note 17)	₱ 10,570,245	₱ 6,754,434
Cash in banks	<u>14,969</u>	<u>111,887</u>
Total	<u>₱ 10,585,214</u>	<u>₱ 6,866,321</u>

NOTE 7 – RECEIVABLES - NET

This account consists of:

Particulars	2024	2023
Receivables from related parties (Note 13)	₱ 8,556,463	₱ 490,023,720
Advance to officers and employees	159,490,046	197,807
Dividend receivable	-	5,450,000
	<u>168,046,509</u>	<u>495,671,527</u>
Less: Allowance for ECL	<u>(625,788)</u>	<u>(625,788)</u>
Net	<u>₱ 167,420,721</u>	<u>₱ 495,045,739</u>

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 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.

During the year, 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, management has provided adjustments to record the amount as advances to officers and employees.

Management is undergoing further review and revisiting 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.

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.

Movements in the allowance for ECL are as follows:

Particulars	2024	2023
Balance at beginning of year	₱ 625,788	₱ 625,788
Provision	-	-
Write-off	-	-
Total	<u>₱ 625,788</u>	<u>₱ 625,788</u>

NOTE 8 – PREPAYMENTS AND OTHER CURRENT ASSETS
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These accounts consist of:

Particulars	2024	2023
Input VAT	₱ 11,918,372	₱ 11,081,183
Creditable withholding tax	3,571,029	3,782,434
Security deposits	320,629	852,022
Deferred MCIT (Note 18)	211,405	-
Prepayments	-	179,709
Total	₱ 16,021,435	₱ 15,895,348

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 insurance and rent, which will be amortized within three to 12 months at the end of the financial reporting date.

NOTE 9 – PROPERTY AND EQUIPMENT - NET
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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

As of December 31, 2023, 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	23,236,533	548,251	-	23,784,784
Office equipment	2,195,302	29,370	-	2,224,672
Software	<u>704,620</u>	<u>67,500</u>		<u>772,120</u>
Total	₱ <u>48,087,254</u>	₱ <u>645,120</u>	₱ <u>-</u>	₱ <u>48,732,375</u>
Accumulated depreciation				
Office space	₱ 11,102,218	₱ 1,391,573	₱ -	₱ 12,493,791
Office space improvements	6,719,078	-	-	6,719,078
Furniture and fixtures	1,349,731	-	-	1,349,731
Transportation equipment	21,420,282	903,464	-	22,323,746
Office equipment	1,748,015	129,225	-	1,877,240
Software	<u>704,620</u>	<u>3,375</u>		<u>707,995</u>
Total	₱ <u>43,043,944</u>	₱ <u>2,427,637</u>	₱ <u>-</u>	₱ <u>45,471,581</u>
Net Book Value	₱ <u>5,043,310</u>			₱ <u>3,260,794</u>

The Company has not recognized an impairment loss for the property and equipment for the years 2024 and 2023. 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, 2024 and 2023, amounted to ₱2,499,707,700 and nil, respectively. Movement is shown below:

Particulars	2024	2023
Cost	₱ 398,952,700	₱ -
Unrealized gain on valuation	<u>2,100,755,000</u>	-
Total	₱ <u>2,499,707,700</u>	-

The fair values of the investment properties were determined based on valuations performed by independent qualified appraiser using the Market Approach. In this approach, the value of the land was based on sales and listings of comparable property registered within 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.

NOTE 11 – INVESTMENTS IN SUBSIDIARIES - NET
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As at December 31, 2024 and 2023, details of investments in subsidiaries accounted for under the cost method are as follow:

Particulars	Amount
WPP	₱ 440,000,000
GLCI	427,000,000
PGDI	403,707,804
DSI	179,786,001
CUBES	79,879,414
PHMDC	3,062,500
PBBEI	1,250,005
PeTI	62,500
PHBSI	62,500
PHAC	<u>62,500</u>
Total	1,534,873,224
Less: Allowance for impairment losses	<u>83,129,414</u>
Net	<u>₱ 1,451,743,810</u>

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, 2024, 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, PeTI, PHBSI, and PHAC are engaged in business activities relating to entertainment, gaming, and human resources management consulting. As of December 31, 2024, these subsidiaries have not started commercial operations.

Details of the allowance for impairment are as follows:

Particulars	CUBES	PHBSI	PeTI	PHMDC	PHAC	Total
Balance at beginning and end of year	<u>₱79,879,414</u>	<u>₱62,500</u>	<u>₱62,500</u>	<u>₱3,062,500</u>	<u>₱62,500</u>	<u>₱83,129,414</u>

NOTE 12 – OTHER NONCURRENT ASSETS

These accounts consist of:

Particulars	2024	2023
Film rights	₱ 2,027,509	₱ 2,433,010
Idle property	<u>15,709,422</u>	-
Total	₱ <u>17,736,931</u>	₱ 2,433,010

The movements of the film rights are as follows:

Particulars	2024	2023
Cost		
Balance at beginning and end of year	₱ <u>59,641,480</u>	₱ 59,641,480
Accumulated Impairment Losses		
Balance at beginning of year	57,208,470	56,802,969
Impairment	<u>405,501</u>	<u>405,501</u>
Balance at end of year	<u>57,613,971</u>	<u>57,208,470</u>
Carrying Amount	₱ <u>2,027,509</u>	₱ 2,433,010

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, 2024 the balance of the account amounted to ₱15,709,422.

NOTE 13 – SHORT-TERM LOANS

This account consists of:

Particulars	2024	2023
Third parties	P 26,486,006	P 96,568,862
Shareholders and officers	138,832,856	37,400,000
Banks	15,000,000	-
Total	P 180,318,862	P 133,968,862

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	2024	2023
Share lending agreement	P 24,075,180	P 29,970,180
Short-term loans	11,715,842	21,048,268
Total	P 35,791,022	P 51,018,448

NOTE 14 – ACCOUNTS AND OTHER PAYABLES

This account consists of:

Particulars	2024	2023
Accrued expenses	P 189,460,353	P 151,580,025
Account payable	80,498,069	40,699,604
Advances from officers and shareholders	16,719,600	16,719,600
Statutory liabilities	10,448,744	10,282,088
Capital gains tax payable	-	26,940,000
Others	13,000,000	-
Total	P 310,126,766	P 246,221,317

Accrued expenses pertains 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 (see Note 17).

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 15 – 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	2024	2023
Interest expense on defined benefit obligation	₱ -	₱ 134,664
Service cost	-	126,209
Total	₱ -	₱ 260,873

Remeasurement gains on defined benefit obligation recognized in 2024 and 2023 under OCI in the separate statements of comprehensive income:

Particulars	2024	2023
Actuarial gains (losses) due to:		
Experience adjustments	₱ -	₱ 1,124,043
Changes in financial assumptions	-	(185,109)
Remeasurement gains on defined benefit obligation	-	938,934
Income tax effect	-	(234,734)
Remeasurement gains	₱ -	₱ 704,200

Cumulative remeasurement gains recognized in other comprehensive income follows:

Particulars	2024		
	Cumulative Remeasurement gains	Deferred Tax	Net
Balance at beginning of year	₱ 1,040,180	₱ (259,796)	₱ 779,384
Remeasurement gains	-	-	-
Balance at end of year	₱ 1,040,180	₱ (259,796)	₱ 779,384

Particulars	2023		
	Cumulative Remeasurement gains	Deferred Tax	Net
Balance at beginning of year	₱ 100,246	₱ (25,062)	₱ 75,184
Remeasurement gains	939,934	(234,734)	704,200
Balance at end of year	₱ 1,040,180	₱ (259,796)	₱ 779,384

Changes in the present value of the defined benefit obligation are as follows:

Particulars	2024	2023
Balance at beginning of year	₱ 1,207,985	₱ 1,886,046
Actuarial losses (gains) due to:		
Experience adjustments	-	(1,124,043)
Changes in financial assumptions	-	185,109
Interest expense on defined benefit obligation	-	134,664
Service cost	-	126,209
Benefits paid	-	-
Balance at end of year	₱ 1,207,985	₱ 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	2024	2023
Discount rate	6.06%	6.06%
Salary increase rate	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:

Particulars	Increase (Decrease)	Effect on the retirement benefit obligation	
		2024	2023
Discount rate	+100bps	₱ (172,547)	₱ (172,547)
	-100bps	378,442	378,442
Salary increase	+100bps	286,443	286,443
	-100bps	₱ (243,508)	₱ (243,508)

The Company does not have a formal retirement plan where its retirement obligation could have been funded.

As at December 31, 2024, the Company has no expected benefit payments in the next 12 months.

NOTE 16 – 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		Outstanding Balance		Terms and Conditions
		2024	2023	2024	2023	
Receivables						
Subsidiary	Sale of land	₱ (449,000,000)	₱ -	₱ -	₱ 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	32,467,258	46,930	7,930,675	40,397,933	Unsecured, due and demandable, noninterest bearing
Less: Allowance for ECL		-	-	(625,788)	(625,788)	
Net		<u>(416,532,742)</u>	<u>46,930</u>	<u>7,930,675</u>	<u>489,397,933</u>	
Dividend receivable						
Subsidiaries	Cash dividends	₱ (5,450,000)	₱ -	₱ -	₱ 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		<u>₱ -</u>	<u>₱ -</u>	<u>₱ -</u>	<u>₱ -</u>	
Due from Related Parties						
Subsidiaries	Advances	₱ 3,930,087	₱ 61,001,862	₱ 106,812,320	₱ 102,882,233	Unsecured, due and demandable, noninterest bearing
Less: Allowance for ECL		(247,239)	-	(14,575,971)	(14,328,732)	
Net		<u>₱ 3,682,848</u>	<u>₱ 61,001,862</u>	<u>₱ 92,236,349</u>	<u>₱ 88,553,501</u>	
Short-term loans						
Officers and shareholders		₱ 101,432,856	₱ 3,375,000	₱ 138,832,856	₱ 37,400,000	Unsecured and subject to 6% interest per annum, 180-360 days
Trade and other payables						
Officers and shareholders	Advances	₱ -	₱ 99,830,400	₱ 16,719,600	₱ 16,719,600	Unsecured and subject to 6% interest per annum, 180-360 days
Due to Related Parties						
Subsidiaries	Advances	₱ 125,134,964	₱ 74,652,362	₱ 446,839,309	₱ 321,704,345	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 7).

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 payable 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 6).

Summary of allowance for impairment losses income on related party balance as at December 31, 2024 and 2023 is as follows:

Particulars	Amount
Allowance for impairment losses on:	
Note receivable	₱ 35,558,000
Due from related parties	14,575,971
Receivables	<u>625,787</u>
Total	₱ <u>50,759,758</u>

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 ₱19.2 million and ₱17.6 million in 2024 and 2023, respectively. There are no post-employment benefits in 2024 and 2023. There are no agreements between the Company and any of its directors and key officers providing fir benefits upon termination of employment, except for such benefits to which they may be entitled under the Company's retirement plan.

NOTE 17 – 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.

The reconciliation of benefit from income tax computed at the statutory income tax rate to the provision for income tax follows:

Particulars	2024	2023
Tax expense (benefit) from income tax at statutory tax rate	₱ 478,943,879	₱ (29,721,878)
Change in unrecognized deferred tax assets	45,410,228	28,893,908
Tax effects of:		
Nondeductible expense	838,385	957,259
Income subjected to final tax	(3,742)	(27,972)
Total	₱ 525,188,750	₱ 101,317

As at December 31, 2024 and 2023, the Company’s deferred tax liability arises from actuarial gains on retirement liability amounting to nil and ₱259,796, respectively.

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	2024	2023
NOLCO	₱ 672,261,013	₱ 490,620,100
Allowance for impairment losses on:		
Investments in subsidiaries	83,129,414	83,129,414
Film rights	56,802,969	56,802,969
Note receivable	35,559,000	35,559,000
Due from related parties	14,575,971	14,328,732
Receivables	625,788	625,788
Input VAT	39,637	39,637
Other noncurrent assets	662,061	662,061
Retirement liability	1,782,160	1,782,160
Excess MCIT over RCIT	227,282	227,282
Total	₱ 865,665,295	₱ 683,777,143

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
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		₱ 490,620,100	₱ 181,640,913	₱ -	₱ 672,261,013

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:

<u>Year incurred</u>	<u>Valid Until</u>	<u>Beginning Balance</u>	<u>Incurred</u>	<u>Expired</u>	<u>Ending Balance</u>
2023	2026	₱ -	₱ 101,317	₱ -	₱ 101,317
2022	2025	2,028	-	-	2,028
2021	2024	123,937	-	-	123,937
		₱ 125,965	₱ -	₱ -	₱ 227,282

The 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 18 – EQUITY

Capital Stock

The details and movements of the Company's number of common shares follow:

	<u>2024</u>		<u>2023</u>	
	<u>Number of Shares</u>	<u>Amount</u>	<u>Number of Shares</u>	<u>Amount</u>
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	-	-	-	-
	<u>6,000,000,000</u>	<u>₱ 1,500,000,000</u>	<u>6,000,000,000</u>	<u>₱ 1,500,000,000</u>
Issued and Fully Paid				
Balance at beginning of year	3,456,388,489	₱ 864,097,122	3,456,388,489	₱ 864,097,122
Shares fully paid during the year	2,184,017,129	546,004,282	2,184,017,129	546,004,282
Additional subscription	-	-	-	-
Balance at end of year	<u>5,640,405,618</u>	<u>₱ 1,410,101,404</u>	<u>5,640,405,618</u>	<u>₱ 1,410,101,404</u>
Subscribed but Not Yet Fully Paid				
Balance at beginning of year	2,251,971,015	₱ 562,992,754	2,251,971,015	₱ 562,992,754
Shares fully paid during the year	(2,184,017,129)	(546,004,282)	(2,184,017,129)	(546,004,282)
Balance at end of year	<u>67,953,886</u>	<u>₱ 16,988,472</u>	<u>67,953,886</u>	<u>₱ 16,988,472</u>
Less subscriptions receivable				
Balance at beginning of year		₱ 419,593,050		₱ 419,593,050
Collection		(406,851,696)		(406,851,696)
Balance at end of year		<u>₱ 12,741,354</u>		<u>₱ 12,741,354</u>
Issued and subscribed	<u>5,708,359,504</u>	<u>₱ 1,414,348,522</u>	<u>5,708,359,504</u>	<u>₱ 1,414,348,522</u>

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, 2024 and 2023, 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, 2024 and 2023, respectively, and the equity component of the issued convertible loans amounting to ₱18.7 million at December 31, 2024 and 2023.

Subscription Receivable

Movements in subscription receivable, which is treated as a deduction against capital stock and APIC, are as follows:

	2024			2023		
	Capital Stock	APIC	Total	Capital Stock	APIC	Total
Balance at beginning of year	₱ 419,593,050	₱ 134,269,776	₱ 553,862,826	₱ 419,593,050	₱ 134,269,776	₱ 553,862,826
Collection	<u>(406,851,696)</u>	<u>(130,292,543)</u>	<u>(537,144,239)</u>	<u>(406,851,696)</u>	<u>(130,292,543)</u>	<u>(537,144,239)</u>
Balance at end of year	₱ <u>12,741,354</u>	₱ <u>3,977,233</u>	₱ <u>16,718,587</u>	₱ <u>12,741,354</u>	₱ <u>3,977,233</u>	₱ <u>16,718,587</u>

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 2024 and 2023, the Company recognized commitment fees to LDA amounting to nil and ₱12.5 million, respectively.

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, 2024 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, 2024.

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 2024 and 2023.

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	2024	2023
Net income (loss)	₱ 1,390,586,764	₱ (118,988,829)
Weighted average number of outstanding common shares*	5,708,359,594	5,162,222,637
Basic and Diluted Earnings (Loss) Per Share	₱ 0.244	₱ (0.023)

*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	2024	2023
Number of shares at beginning of year	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	5,162,222,637

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 2024 and 2023. Thus, the basic and diluted EPS are the same in 2024 and 2023.

NOTE 19 – 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, 2024, 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. *Premiere Horizon Alliance Corporation v. The Secretary of Justice, Augusto Antonio C. Serafica Jr. and Marvin Dela Cruz CA-G.R. No. 183768 (formerly NPS No. XV-14-INV-22L-01962) Petition for Certiorari (Re: Estafa under Art. 315 (1)(b) of the Revised Penal Code)*

This is a Petition for Certiorari pursuant to Rule 65 of the Rules of Court filed by the Corporation, seeking to nullify and set aside the resolutions dated 31 July 2023 (*First Assailed Resolution*) and 16 February 2024 (*Second Assailed Resolution*) issued by the Department of Justice (DOJ).

The Corporation filed a Complaint-Affidavit for the crimes of Estafa and other Deceits under Article 315(1)(b) and 318 of the Revised Penal Code against private respondents Augusto Antonio C. Serafica, Jr. and Marvin C. Dela Cruz (private respondents) due to their criminal act of defrauding PHA and causing the latter to release to private respondents the amount of ₱32 million, under the guise of investing said amount in the BGC Project.

On 28 December 2022, the OCP – Pasig issued a Resolution of even date (First OCP Resolution), finding probable cause of Estafa under Article 315(1)(b) of the Revised Penal Code against private respondents Serafica and Dela Cruz.

Private Respondent Serafica filed a *Motion for Reconsideration*, assailing the First OCP Resolution, before the OCP Pasig. On 27 February 2023, the OCP Pasig issued Resolution dated 27 February 2023 (Second OCP Resolution), which reversed the earlier finding of probable cause against accused Serafica and Dela Cruz due to purported insufficiency of evidence. Thereafter, a *Motion to Withdraw Information* dated 27 February 2023 was filed by the OCP Pasig before the RTC Pasig where the criminal case is pending. On 11 April 2023, PHA filed a *Motion for Reconsideration* assailing the Second OCP Resolution which was denied on 14 April 2023. This prompted PHA to file a *Petition for Review* before the Department of Justice praying for the reversal of OCP Pasig's Resolutions on the basis that they were issued in gross disregard of both procedural and substantive law. However, on 31 July 2023, the DOJ dismissed PHA's *Petition for Review*. PHA filed a *Motion for Reconsideration* which was likewise denied by DOJ through its Resolution dated 16 February 2024.

The Court of Appeals issued a Decision denying the Petition on the ground that the perceived error in the findings of the DOJ regarding the absence of probable cause do not amount to grave abuse of discretion.

The Corporation filed a *Motion of Reconsideration*, emphasizing that the DOJ should have restrained from reversing the earlier findings of the OCP Pasig as to the existence of executive probable cause. However, the Court of Appeals recently denied this *Motion for Reconsideration*.

The Corporation is in the process of evaluation if it will still elevate the issue to the Supreme Court via a *Petition for Review* or will just opt to re-file the case together with the additional and recent findings of irregularities committed by the private respondents.

- c. *Augusto Antonio C. Serafica, Jr. (Plaintiff) v Hon. Presiding Judge Ma. Gracia Cadiz-Casaclan, Regional Trial Court Branch 144, Pasig City, Premier Horizon Alliance Corporation Represented by its Chief Operating Officer Raul Ma. F. Anona and People of the Philippines C.A. G.R. No. 182115* Petition for Certiorari (Re: Estafa under Art. 315 (1)(b) of the Revised Penal Code)

Of the above case, this Petition for Certiorari was filed by the Plaintiff questioning the denial by RTC – Pasig of his *Motion to Quash*. Plaintiff invoked as basis of his *Motion to Quash*, the dismissal by the DOJ of the Petition for Review filed by the Corporation to compel the RTC – Pasig to overturn its previous findings as to existence of judicial probable cause and dismiss the case pending before it.

In response to the *Petition*, the Corporation has filed its respective *Comment/Opposition* where it argued that the *Petition* should be dismissed for being an improper remedy.

Las November 2024, the Court of Appeals issued a *Decision* granting the Petition filed by Plaintiff and held that the RTC Pasig Committed grave abuse of discretion in denying *Motion to Quash*. The Corporation filed a *Motion for Reconsideration*, reiterating that the Honorable Court committed a reversible error in concluding that the *Petition* is a proper remedy to assail the RTC Order, as well as in ruling that the Deputy City Prosecutor, who issued the First OCP Resolution, has no authority to do so.

In a Resolution dated 18 February 2025, the Honorable Court referred the Motion for Reconsideration for comment of Plaintiff within ten (10) days from notice. After which, the Motion for Reconsideration will be submitted for resolution.

- d. *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* Petition for Certiorari (Re: Estafa under Art. 315 (1)(b) of the Revised Penal Code)

Of the above case, this is a *Petition for Certiorari* filed by the Corporation, assailing the *Orders* issued by the RTC Pasig, Branch 67, ordering the dismissal of the Estafa case against the private respondents, 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.

In its Resolution dated 26 December 2024, the Honorable Court ordered the Corporation to submit the written conformity of the OSG to the *Petition*. In compliance thereto, the Corporation submitted the written conformity that it obtained from the OSG, which concurred with the points raised by the Corporation in its *Petition*. In response, Plaintiff filed an *Opposition* to the said conformity of the OSG.

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 20 – SUBSEQUENT EVENTS

Non-adjusting events

Subsequent to the reporting period, December 31, 2024, the Company has discovered anomalies in the withdrawal of funds and subsequent reinvestment of these to the Company's account as capital amounting to ₱78.3 million. Last August 5, 2025, the Company filed a criminal complaint for Estafa under Articles 315 (1) (b) and (2) (a) and/or Qualified Theft under Article 310 of the Revised Penal Code, as well as for Violation of Section 168 of the Revised Corporation Code, against PHA's former officers, Messrs. Augusto Antonio C. Serafica, Jr., Raul Ma. F. Anonas, and Andres A. Del Rosario before the Pasig City Prosecutor's Office.

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 ₱56,232,153.41. 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.

These events do not require adjustment in the financial statements but is disclosed to ensure users are informed of material developments after year-end.

Management has evaluated subsequent events up to August 08, 2025, the date the financial statements were approved and authorized for issue by the Board of Directors. Other than the matters disclosed above, no events occurred after the reporting date that would require adjustment to or disclosure in the financial statements.

NOTE 21 - 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, 2024, the did not have any transaction subject to output VAT.
2. The details for Input VAT are as follows.

Particulars	Amount
Beginning Balance	₱ 11,081,183
Input from purchase of goods other than for resale/manufacture	876,260
Claimed for tax credit/refund and other adjustments	-
Ending Balance	₱ 11,957,422

b. Withholding taxes

The details of total withholding taxes for the year ended December 31, 2024 are shown below:

<u>Particulars</u>	<u>Amount</u>
Withholding taxes on compensation and benefits	P 38,402
Expanded withholding taxes	<u>10,232,952</u>
Total	P <u>10,271,354</u>

c. Taxes and licenses

The details of Taxes and Licenses paid in 2024 are as follows:

Particulars	Amount
Real property tax	P 147,654
Business permit	94,993
Documentary stamp tax	<u>84,612</u>
Total	P <u>327,259</u>

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, 2024 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.

STATEMENT OF REPRESENTATION

TO THE SECURITIES AND EXCHANGE COMMISSION:

In connection with my examination of the financial statements of **PREMIERE HORIZON ALLIANCE CORPORATION** which are to be submitted to the Commission, I hereby represent the following:

1. That I am in the active practice of the accounting profession and duly registered with the Board of Accountancy (BOA);
2. That said financial statements are presented in conformity with Philippine Financial Reporting Standards, in all cases where I shall express an unqualified opinion; except that in case of any departure from such principles, I shall indicate the nature of the departure, the effects thereof, and the reasons why compliance with the principles would result in a misleading statement, if such is a fact;
3. That I shall fully meet the requirements of independence as provided under the Code of Professional Ethics for CPAs;
4. That in the conduct of the audit, I shall comply with the Philippine Standards on Auditing promulgated by the Board of Accountancy; in case of any departure from such standards or any limitation in the scope of my examination, I shall indicate the nature of the departure and the extent of the limitation, the reasons therefore and the effects thereof on the expression of my opinion or which may necessitate the negation of the expression of an opinion;
5. That I shall comply with the applicable rules and regulations of the Securities and Exchange Commission in the preparation and submission of financial statements; and
6. That relative to the expression of my opinion on the said financial statements, I shall not commit any acts discreditable to the profession as provided under the Code of Professional Ethics for CPAs.

As a CPA engaged in public practice, I make these representations in my individual capacity and as a partner in the accounting firm of **VALDES ABAD & COMPANY, CPAs**.

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. 10479078, Issued Date: January 10, 2025, Makati City

BOA/PRC Reg. No. 0314

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
August 14, 2025

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



member

an association of
legally independent
accounting firms

partnering for success

REPORT OF INDEPENDENT PUBLIC AUDITORS TO ACCOMPANY SEC SCHEDULES FILED SEPARATELY FROM THE BASIC FINANCIAL STATEMENTS

The Stockholders and the Board of Directors

PREMIERE HORIZON ALLIANCE CORPORATION

Unit E-1705, 17F, East Tower

Philippine Stock Exchange Center, Exchange Road

Ortigas Center, Pasig City

We have audited in accordance with the Philippine Standards on Auditing, the separate financial statements of **PREMIERE HORIZON ALLIANCE CORPORATION** (the Company) as at and for the years ended December 31, 2024 and 2023, and have issued our report thereon dated August 14, 2025. Our audits were made for the purpose of forming an opinion on the separate financial statements taken as a whole. The accompanying supplementary schedule of retained earnings available for dividend declaration for the year ended December 31, 2024 is the responsibility of the Company's management. This schedule is presented for purpose of complying with the Revised Securities Regulation Code Rule 68 and is not part of the separate financial statements. This schedule has been subjected to the auditing procedures applied in the audit of the separate financial statements and, in our opinion, fairly states, in all material respects, the financial data required to be set forth therein in relation to the separate 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. 10479078, Issued Date: January 10, 2025, Makati City

BOA/PRC Reg. No. 0314

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

August 14, 2025

**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



**INDEPENDENT AUDITOR'S REPORT TO ACCOMPANYING FINANCIAL STATEMENTS
FOR FILING WITH THE SECURITIES AND EXCHANGE COMMISSION**

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

We have examined the separate financial statements of **PREMIERE HORIZON ALLIANCE CORPORATION** for the year ended December 31, 2024, on which we have rendered the attached report dated August 14, 2025.

In compliance with Revised SRC Rule 68, we are stating that the Company has one hundred thirty-nine (139) stockholders owning one hundred (100) or more shares each as of December 31, 2024.

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:

A handwritten signature in black ink, appearing to read 'ALFONSO L. CAY-AN', is written over a faint circular watermark of the Philippine Accountancy Commission (PAC).

ALFONSO L. CAY-AN
Partner
CPA Registration No. 99805, Valid until December 14, 2026
TIN No. 213-410-741-000
PTR No. 10479078, Issued Date: January 10, 2025, Makati City
BOA/PRC Reg. No. 0314
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
August 14, 2025



**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, 2024 and 2023 and 2022**, 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 auditor 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


Brandon Benito P. Leong
Treasurer


Eugenio T. Tan
President & CEO

14 AUG 2025 PASIG CITY

SUBSCRIBED AND SWORN to before me this _____, at _____ City, affiants exhibited to me their respective competent evidence of identification, as follows:

<u>Name</u>	<u>Valid Identification</u>
ESTEBAN PENA SY	PASSPORT NO. P8276657A
EUGENIO T. TAN	SCA ID NO. 110845
BRANDON BENITO P. LEONG	CRN 0113-0306684-7

WITNESS MY HAND AND SEAL on the date and at the place first above written.

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Book No. 157
Series of 2025

FERDINAND D. AYAHAO
Notary Public
For and in Pasig City and the Municipality of Patute
AJ Appointment No. 96 (2014-2025) valid until 12/31/2025
MCLB Exemption No. 411-BF1002204, until 04/14/26
Roll No. 46377; DP LAR 6276; OR 535086; 06/21/2001
TIN 123-011-988; PSN 12301401AA; 01/01/25; Pasig City
U-5, G/F West Tower B02, Exchange Road
Ortigas Center, Pasig City Tel. 632-86314090

Signed this 13th day of August 2025

INDEPENDENT AUDITOR'S REPORT

The Stockholders and the Board of Directors
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, 2024 and 2023, 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, 2024, 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, 2024 and 2023 and of its consolidated financial performances and its consolidated cash flows for each of the three years in the period ended December 31, 2024 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, 2024, 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, 2024 of ₱2,679 million which represents 49.5 % of the total consolidated assets and the resulting unrealized gain on fair valuation of investment properties of ₱742 million in 2024 is significant to the Group's net income. In addition, there were transfers of investment properties by and between related parties as a result of the rescission of executed agreements, affecting the timing of recognition of unrealized gain in the statements of comprehensive 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. We have reviewed the entries taken-up to record and eliminate the unrealized gain arising from the rescission of contracts.

(b) Recoverability of Deferred Exploration Costs

As of December 31, 2024, 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 ₱433.5 million represents 8% of the consolidated total assets and is material to the consolidated financial statements as at December 31, 2024. 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, 2024 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, 2024, the Group recognized revenue of ₱174.9 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, 2024, 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:

- (i) 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.
- (ii) 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.
- (iii) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- (iv) 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.
- (v) 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.
- (vi) 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.

Other Matters

The consolidated financial statements of **PREMIERE HORIZON ALLIANCE CORPORATION AND SUBSIDIARIES**, for the year ended December 31, 2023 were audited by another independent auditor whose report dated April 12, 2024 expressed unqualified opinion on those consolidated financial statements.

VALDES ABAD & COMPANY, CPAs

BOA/PRC Reg. No. 0314

Issued on July 15, 2024, Valid until July 14, 2027

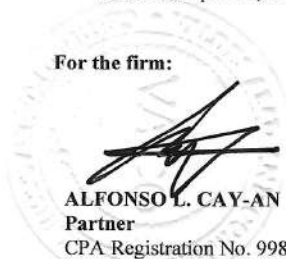
SEC Accreditation No. 0314 - SEC, Group A

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. 10479078, Issued Date: January 10, 2025, Makati City

BOA/PRC Reg. No. 0314

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
August 14, 2025

PREMIERE HORIZON ALLIANCE CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

(In Philippine Peso)

(With Comparative Figures as of December 31, 2023)

ASSETS	Note	December 31,	
		2024	2023
CURRENT ASSETS			
Cash	7	60,351,442	136,418,577
Receivables - net	8	663,744,950	523,833,045
Contract assets - current	8	438,890,717	384,356,917
Real estate for sale	9	785,482,296	739,020,978
Other current assets - net	10	183,576,161	193,634,303
Total Current Assets		2,132,045,566	1,977,263,820
NON-CURRENT ASSETS			
Contract assets - net of current portion	8	-	3,615,315
Deferred exploration costs	11	433,502,973	426,268,084
Investment properties	12	2,678,719,700	2,161,998,400
Property and equipment - net	13	65,278,494	28,341,348
Goodwill and intangible assets - net	14	2,027,508	2,433,010
Right-of-use assets - net	14	1,911,951	186,614
Deferred tax assets	24	61,886,227	71,818,005
Other noncurrent assets - net	14	31,411,226	16,879,943
Total Non-Current Assets		3,274,738,079	2,711,540,719
TOTAL ASSETS		5,406,783,645	4,688,804,539
LIABILITIES AND EQUITY			
CURRENT LIABILITIES			
Trade and other payables	16	561,310,860	545,785,913
Short-term loans	15	191,818,862	140,468,862
Lease liability - current portion	28	2,788,383	239,478
Loans payable - current portion	15	123,085,010	95,862,137
Convertible loans - current portion	15	100,000,000	100,000,000
Contract liabilities	8	6,251,941	10,722,842
Dividend payable	20	-	39,800,000
Capital gains tax payable		-	26,940,000
Total Current Liabilities		985,255,056	959,819,232
NON CURRENT LIABILITIES			
Loans payable - net of current portion	15	457,214,810	389,033,460
Pension liabilities	19	10,421,135	10,421,135
Deferred tax liabilities	24	784,490,639	599,283,878
Advances from third parties	17	100,000,000	100,000,000
Total Non-Current Liabilities		1,352,126,584	1,098,738,473
TOTAL LIABILITIES		2,337,381,640	2,058,557,705

PREMIERE HORIZON ALLIANCE CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION - CONTINUATION
(In Philippine Peso)
(With Comparative Figures as of December 31, 2023)

EQUITY	Note	December 31,	
		2024	2023
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	499,941,670	132,711,701
Remeasurement gain on retirement plan	19	31,265,998	31,265,998
Total equity attributable to Parent Company's shareholders		2,574,966,371	2,207,736,402
Equity attributable to non-controlling interest	20	494,435,634	422,510,432
Total Equity		3,069,402,005	2,630,246,834
TOTAL LIABILITIES AND EQUITY		5,406,783,645	4,688,804,539

See Notes to Consolidated Financial Statements

PREMIERE HORIZON ALLIANCE CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

(In Philippine Peso)

(With Comparative Figures for the Year Ended December 31, 2023 and 2022)

For the Years Ended December 31,	Note	2024	2023	2022
REVENUES	5	225,136,322	534,347,017	445,536,982
COST OF SALES AND SERVICES	21	138,760,171	327,688,774	296,657,207
GROSS PROFIT		86,376,151	206,658,243	148,879,775
GENERAL AND ADMINISTRATIVE EXPENSES	22	154,862,646	194,560,644	248,774,916
OTHER INCOME - NET				
Gain on change in fair value of investment property		742,078,385	138,438,000	323,022,000
Interest income on installment contract receivables		1,125,352	973,545	1,658,462
Bank interest income	7	60,793	165,581	52,627
Interest expense on loans and share lending agreement	25	(94,878,977)	(102,027,886)	(113,595,767)
Others	23	(37,486,005)	(14,436,731)	26,775,780
Total other income (charges) - net		610,899,548	23,112,509	237,913,102
INCOME BEFORE TAX		542,413,053	35,210,108	138,017,961
PROVISION FOR (BENEFIT FROM) INCOME TAX				
Current	24	26,020,759	1,658,764	1,582,757
Deferred	24	180,140,556	26,622,871	87,600,919
NET INCOME		336,251,738	6,928,473	48,834,285
OTHER COMPREHENSIVE INCOME (LOSS)				
Remeasurement gain (loss) on retirement plan, net of tax	19	-	30,685,364	(2,039,063)
TOTAL COMPREHENSIVE INCOME		336,251,738	37,613,837	46,795,222
Net income (loss) attributable to:				
Equity holders of the Parent Company		264,326,536	(32,762,270)	29,502,669
Non-controlling interest	20	71,925,202	39,690,743	19,331,616
		336,251,738	6,928,473	48,834,285
Other comprehensive income (loss) attributable to:				
Equity holders of the Parent Company		-	11,288,358	28,381,183
Non-controlling interest	20	-	(48,902,195)	18,414,038
		-	(37,613,837)	46,795,221
Basic income (loss) per share				
Income for the year attributable to equity holders of the Parent Company	27	0.0463	(0.0063)	0.0063

See Notes to Consolidated Financial Statements

Approved by: _____

Date: _____

PREMIERE HORIZON ALLIANCE CORPORATION AND SUBSIDIARIES**CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY***(In Philippine Peso)**(With Comparative Figures as of December 31, 2023 and 2022)*

For the Years Ended December 31,	Note	2024	2023	2022
CAPITAL STOCK				
	20			
Balance at beginning of year		1,414,348,522	1,007,496,826	800,650,526
Collection of subscription receivable		-	406,851,696	53,891,798
Additional subscription		-	-	152,954,502
Balance at end of year		1,414,348,522	1,414,348,522	1,007,496,826
ADDITIONAL PAID-IN CAPITAL				
	20			
Balance at beginning of year		629,410,181	499,217,638	186,224,855
Collection of subscription receivable		-	130,192,543	17,245,376
Additions		-	-	297,099,865
Stock issuance costs		-	-	(1,352,458)
Balance at end of year		629,410,181	629,410,181	499,217,638
RETAINED EARNINGS				
	20			
Balance at beginning of year		132,711,701	165,473,971	135,971,302
Prior period adjustment	29	102,903,433	-	-
Net income (loss)		264,326,536	(32,762,270)	29,502,669
Balance at end of year		499,941,670	132,711,701	165,473,971
CUMULATIVE REMEASUREMENT GAINS ON RETIREMENT LIABILITY				
	19			
Balance at beginning of year		31,265,998	9,792,086	10,913,571
Net remeasurement gain (losses)		-	21,473,912	(1,121,485)
Balance at end of year		31,265,998	31,265,998	9,792,086
NON-CONTROLLING INTEREST				
	20			
Balance at beginning of year		422,510,432	373,608,237	355,194,200
Net income (loss)		71,925,202	39,690,743	19,331,616
Other comprehensive income (loss)		-	9,211,452	(917,579)
Balance at end of year		494,435,634	422,510,432	373,608,237
TOTAL EQUITY		3,069,402,005	2,630,246,834	2,055,588,758

See Notes to Consolidated Financial Statements

PREMIERE HORIZON ALLIANCE CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS

(In Philippine Peso)

(With Comparative Figures as of December 31, 2023 and 2022)

For the Years Ended December 31,	Note	2024	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES				
Income before tax		542,413,053	35,210,108	138,017,961
Adjustments for:				
Prior period adjustment	29	(21,059,241)	-	-
Gain on change in fair value of investment property		(742,078,385)	(138,438,000)	(323,022,000)
Provision for impairment loss	14, 22	405,501	3,448,203	29,587,319
Reversal of allowance for impairment loss		-	-	(20,734,364)
Depreciation and amortization	13, 21, 22	24,334,000	51,582,738	71,326,436
Gain on disposal of equipment	13	(21,027,543)	-	-
Retirement benefit expense	19	-	6,275,079	13,925,272
Interest expense	25	94,878,977	102,027,886	113,595,767
Interest income		(1,186,145)	(1,139,126)	(1,711,089)
Operating income before working capital changes		(123,319,783)	58,966,888	20,985,302
Changes in assets and liabilities:				
Receivables and contract assets		(180,260,145)	(365,053,608)	(163,202,470)
Real estate inventories		129,789,629	72,673,250	(46,308,170)
Other current assets		(6,535,820)	(13,949,312)	46,659,611
Trade and other payables		65,790,003	(57,426,194)	(104,103,945)
Contract liabilities		(4,470,901)	(14,384,776)	(11,769,088)
Cash used in operations		(119,007,017)	(319,173,752)	(257,738,760)
Interest paid		(55,127,511)	(54,231,231)	(50,509,868)
Interest received		1,186,145	1,139,126	1,711,089
Income tax paid		-	(1,658,764)	(1,582,757)
Benefits paid	19	-	-	(279,700)
Net Cash Flows from Operating Activities		(172,948,383)	(373,924,621)	(308,399,996)
CASH FLOWS FROM INVESTING ACTIVITIES				
Proceeds from:				
Disposal of property and equipment	13	21,027,543	-	-
Acquisition of:				
Property and equipment	13	(60,726,786)	(7,256,114)	(7,539,442)
Deferred exploration cost	11	(7,234,889)	(8,225,437)	(4,230,044)
Investment properties	12	(1,481,415)	-	(8,513,400)
(Increase) decrease in other non-current assets		(14,531,283)	3,114,500	3,366,666
Net Cash Flows from Investing Activities		(48,415,547)	(12,367,051)	(16,916,220)

PREMIERE HORIZON ALLIANCE CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS - CONTINUATION

(In Philippine Peso)

(With Comparative Figures as of December 31, 2023 and 2022)

For the Years Ended December 31,	Note	2024	2023	2022
CASH FLOWS FROM FINANCING ACTIVITIES				
Proceeds from:				
Collection of subscription receivable		-	537,044,239	71,137,174
Availments of long-terms loans	15	421,122,058	253,312,684	160,322,826
Availments of short-terms loans	15	51,350,000	15,000,000	120,700,000
Advances from third parties		-	-	100,000,000
Stock issuance costs		-	-	(1,352,458)
Payments of:				
Lease liability	28	(1,457,429)	(794,010)	(1,372,472)
Callable loans		-	(22,000,000)	-
Short-term loans		-	(181,285,770)	(68,500,000)
Long-term loans	15	(325,717,835)	(148,296,487)	(75,735,173)
Net Cash Flows from Financing Activities		145,296,794	452,980,656	305,199,897
NET INCREASE (DECREASE) IN CASH		(76,067,136)	66,688,984	(20,116,319)
CASH AT BEGINNING OF YEAR	7	136,418,578	69,729,594	89,845,913
CASH AT END OF YEAR	7	60,351,442	136,418,578	69,729,594

See Notes to Consolidated Financial Statements

PREMIERE HORIZON ALLIANCE CORPORATION AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2024, 2023 and 2022

(In Philippine Peso)

(With Comparative Figures as of December 31, 2024)

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, 2024, 2023 and 2022, 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 1,457,756,130 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 18).

Approval of the Consolidated Financial Statements

The consolidated financial statements as at December 31, 2024 and 2023 and for the years ended December 31, 2024, 2023 and 2022 were approved and authorized for issuance by the Board of Directors (BOD) on August 13, 2025, as recommended for approval by the Audit Committee on the same date.

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 6, *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 Group'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 consolidated financial statements unless otherwise stated.

Effective beginning on or after January 1, 2024

Adopted the following provisions of Philippine Interpretations Committee (PIC) Q&A 2018-12, PFRS 15 Implementation Issues Affecting the Real Estate Industry.

On December 15, 2020, the Philippine SEC issued SEC Memorandum Circular (MC) No. 34-2020 which further extended the deferral of the following provisions of PIC Q&A 2018-12 until December 31, 2023:

- a. Exclusion of land in the determination of percentage of completion (POC) discussed in PIC Q&A No. 2018-12-E
- b. Accounting for significant financing components discussed in PIC Q&A No. 2018-12-D
- c. Implementation of International Financial Reporting Standards (IFRS) Interpretations Committee (IFRIC) Agenda Decision on Over Time Transfer of Constructed Goods under Philippine Accounting Standards (PAS) 23, Borrowing Cost, for Real Estate industry.

The adoption of the above provision did not have material impact on the consolidated financial statements.

Amendment to PFRS 16 – Leases on sale and leaseback. These amendments include requirements for sale and leaseback transactions in IFRS 16 to explain how an entity accounts for a sale and leaseback after the date of the transaction. Sale and leaseback transactions where some or all the lease payments are variable lease payments that do not depend on an index or rate are most likely to be impacted.

Amendment to PAS 1 – Non-current liabilities with covenants. These amendments clarify how conditions with which an entity must comply within twelve months after the reporting period affect the classification of a liability. The amendments also aim to improve information an entity provides related to liabilities subject to these conditions.

Amendment to PAS 7 and PFRS 7 - Supplier finance. These amendments require disclosures to enhance the transparency of supplier finance arrangements and their effects on an entity's liabilities, cash flows and exposure to liquidity risk. The disclosure requirements are the IASB's response to investors' concerns that some companies' supplier finance arrangements are not sufficiently visible, hindering investors' analysis.

The amendments do not have material impact on the consolidated financial statements.

Standards and Interpretations Issued but not yet Effective

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

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.

Effective beginning on or after January 1, 2026

- 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"*

The Group is currently assessing the impact of adopting these standards on its consolidated 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.

The Group is currently assessing the impact of adopting this standard on its consolidated financial statements.

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 is 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 or 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 consolidated financial statements in the year of adoption, if applicable.

NOTE 3 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
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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 Company'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 2024 and 2023.

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

As at December 31, 2024 and 2023, 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 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
Furniture and fixtures	2- 5 years
Transportation equipment	5 years
Office and other equipment	3 -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 asset's 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 asset 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, 2024 and 2023, 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 Notes 9 and 12.

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 30).

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 ₱174.8 million, ₱472.5 million, and ₱332.9 million in 2024, 2023, and 2022, 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, 2024 and 2023, allowance for ECL amounted to ₱18 million and ₱7.6 million, respectively. The carrying amounts of receivables and contract assets are disclosed in Note 8.

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 2024, 2023, and 2022. The carrying amounts of inventories and supplies inventory carried at lower of cost and NRV are disclosed in Notes 9 and 10.

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 2024, 2023, and 2022. The carrying amount of deferred exploration costs amounted to ₱433.5 million and ₱426.3 million as at December 31, 2024 and 2023, 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 2024, 2023 and 2022. The carrying amount of goodwill amounted to ₱15.7 million as at December 31, 2024 and 2023 (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 2024, 2023, and 2022. 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 2024, 2023 and 2022. 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 ₱10.4 million as at December 31, 2024 and 2023, 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 assets of the Group amounted to ₱61.9 million and ₱71.8 million as at December 31, 2024 and 2023, respectively. As at December 31, 2024 and 2023, 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 beach operations of TCNBI and 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, 2024 and 2023 are as follows:

Particulars	2024					Total
	Mining	Real Estate	Others	Elimination		
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
	₱ <u>673,892,660</u>	₱ <u>1,621,523,872</u>	₱ <u>3,667,694,095</u>	₱ <u>(556,326,982)</u>	₱	<u>5,406,783,645</u>
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
	₱ <u>160,250,842.00</u>	₱ <u>831,971,307</u>	₱ <u>1,910,117,586</u>	₱ <u>(564,958,095)</u>	₱	<u>2,337,381,640</u>

2023

Particulars	2023						Total
	Mining	Real Estate	Service	Others	Elimination		
Assets							
Cash	P 30,175,595	P 42,479,458	P -	P 63,763,524	P -	P -	P 136,418,577
Contract assets	-	387,972,232	-	-	-	-	387,972,232
Receivables	90,729,846	402,479,786	5,496	976,202,563	(945,614,646)	-	523,803,045
Real estate held for sale	-	378,544,523	-	353,542,363	6,934,092	-	739,020,978
Investment properties	-	8,513,400	-	2,153,485,000	-	-	2,161,998,400
Deferred exploration costs	426,268,084	-	-	-	-	-	426,268,084
Intangible assets	-	-	-	2,433,010	(101,374)	-	2,331,636
Property and equipment	19,761,293	5,064,300	-	3,515,755	-	-	28,341,348
Deferred tax assets	28,569,894	-	-	-	43,248,111	-	71,818,005
Other assets	57,657,227	115,902,340	-	21,439,489	15,803,178	-	210,802,234
	<u>P 653,161,939</u>	<u>P 1,340,956,039</u>	<u>P 5,496</u>	<u>P 3,574,381,704</u>	<u>P (879,730,639)</u>	<u>P -</u>	<u>P 4,688,774,539</u>
Liabilities							
Loans payable	P -	P 484,895,597	P -	P 240,468,862	P -	P -	P 725,364,459
Trade and other payables	119,455,306	195,493,968	5,454,437	1,200,249,107	(947,687,428)	-	572,965,390
Contract liabilities	-	10,722,842	-	-	-	-	10,722,842
Dividend payable	-	-	-	45,250,000	(5,450,000)	-	39,800,000
Retirement liability	1,841,000	7,372,150	-	1,207,985	-	-	10,421,135
Advances from third parties	-	-	-	100,000,000	-	-	100,000,000
Deferred tax liabilities	-	94,694,935	-	418,122,080	86,466,863	-	599,283,878
	<u>P 121,296,306</u>	<u>P 793,179,492</u>	<u>P 5,454,437</u>	<u>P 2,005,298,034</u>	<u>P (866,670,565)</u>	<u>P -</u>	<u>P 2,058,557,704</u>

The revenue and profit information of the business segments for the years ended December 31, 2024, 2023 and 2022 are as follows:

Particulars	2024				
	Mining	Real Estate	Others	Total	
Revenues	P 45,812,145	P 174,859,891	P 4,464,286	P 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	<u>P 3,375,375</u>	<u>P 157,613,343</u>	<u>P 175,668,520</u>	<u>P 336,657,238</u>	

Particulars	2023				
	Mining	Real Estate	Service	Others	Total
Revenues	P 61,848,643	P 472,498,374	P -	P -	P 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	<u>P (25,471,307)</u>	<u>P 105,833,944</u>	<u>P (145,822)</u>	<u>P (73,288,342)</u>	<u>P 6,928,473</u>

Particulars	2022				
	Mining	Real Estate	Service	Others	Total
Revenues	₱ 112,144,168	₱ 332,947,784	₱ 445,030	₱ -	₱ 445,536,982
Costs and expenses	148,703,200	232,725,244	129,995	134,381,908	515,940,347
Operating income (loss)	(36,559,032)	100,222,540	315,035	(134,381,908)	(70,403,365)
Interest expense	-	(54,758,761)	-	(58,837,006)	(113,595,767)
Impairment losses - net	-	-	-	(29,587,319)	(29,587,319)
Interest income	14,709	23,317	-	1,673,063	1,711,089
Other income (charges) - net	-	619,775,643	(140,098)	(269,756,932)	349,878,613
Provision for income tax (benefit)	-	(94,528,677)	-	5,345,001	(89,183,676)
Total	₱ (36,544,323)	₱ 570,734,062	₱ 174,937	₱ (485,545,101)	₱ 48,819,575

Disaggregated Revenue Information

The Group's disaggregation of each source of revenue from contracts with customers in 2024, 2023 and 2022 are presented below:

Particulars	2024	2023	2022
Real estate			
Residential dwellings	₱ 174,859,891	₱ 349,066,820	₱ 207,137,308
Lots	4,464,286	123,431,554	125,810,476
Mining			
Service contracts	45,812,145	61,848,643	112,144,168
Service income	-	-	445,030
Total	₱ 225,136,322	₱ 534,347,017	₱ 445,536,982

NOTE 6 – 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, 2024 and 2023 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.

Particulars	2024			
	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	₱ 839,744,193	₱ 94,405,045	₱ 457,214,810	₱ 1,391,364,048

*excluding government liabilities

Particulars	2023			
	120 days	121-360 days	>360 days	Total
Financial liabilities				
Trade and other payables*	₱ 385,496,044	₱ -	₱ -	₱ 385,496,044
Loans payable:				
Long-term loans	39,942,557	55,919,580	389,033,460	484,895,597
Short-term loans	140,468,862	-	-	140,468,862
Convertible loan	100,000,000	-	-	100,000,000
Lease liabilities	239,478	-	-	239,478
Total	₱ 666,146,941	₱ 55,919,580	₱ 389,033,460	₱ 1,111,099,981

*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	2024			Past due but not impaired	Impaired	Total
	Neither Past Due nor Impaired					
	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

Particulars	2023					
	Neither Past Due nor Impaired			Past due but not impaired	Impaired	Total
	High Grade	Medium Grade	Total			
Cash in banks	₱ 119,677,544	₱ -	₱ 119,677,544	₱ -	₱ -	₱ 119,677,544
Receivables:						
Contract receivables	400,062,678	-	400,062,678	-	-	400,062,678
Trade	-	8,843,811	8,843,811	-	4,010,783	12,854,594
Others	-	-	-	-	3,573,022	3,573,022
Security deposit	-	1,380,592	1,380,592	-	-	1,380,592
Total	₱ 519,740,222	₱ 10,224,403	₱ 529,964,625	₱ -	₱ 7,583,805	₱ 537,548,430

The Group has determined that the credit quality of all neither past nor impaired financial assets as at December 31, 2024 and 2023 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	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

Particulars	2023					
	Neither past due nor impaired	Past due but not impaired			Impaired	Total
		120 days	121-360 days	>360 days		
Cash in banks	₱ 119,677,544	₱ -	₱ -	₱ -	₱ -	₱ 119,677,544
Receivables:						
Contract receivables	400,062,678	-	-	-	-	400,062,678
Trade	8,843,811	-	-	-	4,010,783	12,854,594
Others	-	-	-	-	3,573,022	3,573,022
Security deposit	1,380,592	-	-	-	-	1,380,592
Total	₱ 529,964,625	₱ -	₱ -	₱ -	₱ 7,583,805	₱ 537,548,430

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 ₱445.2 million and ₱296.3 million as at December 31, 2024 and 2023, respectively.

NOTE 7 – CASH

This account consists of:

Particulars	2024	2023
Cash on hand	P 3,994,985	P 16,741,033
Cash in banks	<u>56,356,457</u>	<u>119,677,544</u>
Total	<u>P 60,351,442</u>	<u>P 136,418,577</u>

Cash in banks earn interest at the prevailing bank deposit rates. Interest income earned from cash in banks amounted to P0.06 million, P0.1 million, P0.05 million in 2024, 2023, and 2022, respectively.

NOTE 8 – RECEIVABLES - NET

This account consists of:

Particulars	2024	2023
Contract receivables	P 356,086,870	P 403,009,914
Advances to officers and employees	213,707,687	114,926,556
Trade receivables	13,168,599	8,843,811
Others	<u>98,732,106</u>	<u>4,636,569</u>
Total	<u>681,695,262</u>	<u>531,416,850</u>
Less: Allowance for ECL	<u>17,950,312</u>	<u>7,583,805</u>
Net	<u>P 663,744,950</u>	<u>P 523,833,045</u>

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 P1.1 million, P0.9 million, P1.7 million in 2024, 2023, and 2022, 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 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, 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 Company related to the project development cost of the Stanford Project.

Contract Balances

The following table presents the breakdown of contract assets by maturity dates:

<u>Particulars</u>	<u>2024</u>	<u>2023</u>
Due within one year	₱ 438,890,718	₱ 384,356,917
Due after one year	<u>-</u>	<u>3,615,315</u>
Total	₱ <u>438,890,718</u>	₱ <u>387,972,232</u>

Contract liabilities amounted to ₱6.2 million and ₱10.7 million as at December 31, 2024 and 2023, respectively.

Contract receivables and contract assets with a total amount of ₱397 million and ₱216.0 million as at December 31, 2024 and 2023, 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 15).

Movements in the allowance for ECL are as follows:

<u>Particulars</u>	<u>2024</u>	<u>2023</u>
Beginning balance	₱ 7,583,805	₱ 7,583,805
Addition	-	-
Reversal	-	-
Adjustment	<u>10,366,507</u>	-
Ending balance	₱ <u>17,950,312</u>	₱ <u>7,583,805</u>

NOTE 9 – REAL ESTATE HELD FOR SALE

This account consists of:

<u>Particulars</u>	<u>2024</u>	<u>2023</u>
Real estate under development and subdivided lots held for sales	₱ 778,200,793	₱ 652,429,791
Land and land development	<u>7,281,503</u>	<u>86,591,187</u>
Total	₱ <u>785,482,296</u>	₱ <u>739,020,978</u>

Summary of movements in real estate under development and subdivided lots held for sale is set out below:

<u>Particulars</u>	<u>2024</u>	<u>2023</u>
Balance at beginning of year	₱ 652,429,791	₱ 730,094,443
Cost of real estate sales	(84,012,637)	(226,704,988)
Construction development costs incurred	56,699,755	149,040,336
Adjustment	(23,707,316)	-
Valuation gain	176,791,200	-
Balance at end of year	₱ <u>778,200,793</u>	₱ <u>652,429,791</u>

Real estate under development and subdivided lots held for sale include on-going residential projects. The estimated cost to complete the projects amounted to ₱3.03 million and ₱132.0 million as at December 31, 2024 and 2023, respectively.

In 2024, the Company measured its land and land development cost at fair value. Toppers Performer Appraisal Inc., a duly SEC-accredited independent property appraiser, conducted the appraisal. The appraised property covers land, located in Barangay Irisan, Baguio City Province of Benguet and Barangay Puguis, Municipality of La Trinidad, Province of Benguet. The method of valuation used was market approach resulting to a fair value gain on property of ₱176,791,200.

Certain lots and units with carrying amount of ₱52.7 million as at December 31, 2024 and 2023 are held as collateral for the Group's bank loans (see Note 15).

NOTE 10 – OTHER CURRENT ASSETS - NET

This account consists of:

Particulars	2024	2023
Prepaid income tax	₱ 105,478,698	₱ 122,072,660
Input VAT	73,793,533	56,638,743
Advances to suppliers and contractors	4,923,542	15,998,477
Supplies	1,014,278	1,014,277
Deferred MCIT	559,651	-
Security deposits	433,142	1,380,592
Prepayments	15,290	215,080
Others	1,860,057	816,504
Total	<u>188,078,191</u>	<u>198,136,333</u>
Less: Allowance for impairment losses	4,502,030	4,502,030
Net	<u>₱ 183,576,161</u>	<u>₱ 193,634,303</u>

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 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, 2024.

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. As at December 31, 2024, the Group is in the process of renewing the exploration period subject to the evaluation and approval of Mines and Geosciences Bureau.

Deferred exploration costs attributable to the Group's Panitian Limestone Project amounted to ₱433.5 million and ₱426.3 million as at December 31, 2024 and 2023, respectively. Additions to deferred exploration costs amounted to ₱7.2 million, ₱8.2 million, and ₱4.2 million in 2024, 2023, and 2022, respectively.

No impairment loss was recognized in 2024, 2023, and 2022.

NOTE 12 – INVESTMENT PROPERTIES
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Below are the investment properties of the Group per location as at December 31:

Particulars	2024	2023
Puerto Princesa City, Palawan		
Site I	₱ 2,499,707,700	₱ 2,099,754,000
Site II	127,932,000	53,731,000
Cabanatuan City, Nueva Ecija	<u>51,080,000</u>	<u>85,313,400</u>
Total	₱ <u>2,678,719,700</u>	₱ <u>2,238,798,400</u>

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 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:

Particulars	2024		
	Site I	Site II	Nueva Ecija
Land area (in sqm)	4,999,414	127,932	42,567
Price per sqm	₱ 500	₱ 1,000	₱ 1,200
Fair value	₱ <u>2,499,707,000</u>	₱ <u>127,932,000</u>	₱ <u>51,080,400</u>
Particulars	2023		
	Site I	Site II	
Land area (in sqm)	4,999,414	127,932	
Price per sqm	₱ 420	₱ 420	
Fair value	₱ <u>2,099,753,880</u>	₱ <u>53,731,440</u>	

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.

Unrealized gain on fair valuation of investment properties amounted to ₱601 million, ₱138.4 million, and ₱323.0 million for periods ending 2024, 2023, and 2022, respectively.

As at December 31, 2024 and 2023, investment properties amounting to ₱68.1 million were used as collateral for convertible loans and callable loans (see Note 15).

NOTE 13 – PROPERTY AND EQUIPMENT - NET

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	4,834,784	-	71,489,252
Total	₱ 612,842,772	₱ 60,958,152	₱ 44,825,000	₱ 628,975,924
Accumulated depreciation				
Office space building and office space improvements	₱ 15,697,972	₱ 1,071,316	₱ 548,250	₱ 17,317,538
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	2,762,796	-	59,954,631
Total	₱ 545,022,133	₱ 23,247,756	₱ 44,600,000	₱ 524,218,139
Accumulated impairment	₱ 39,479,291	₱ -	₱ -	₱ 39,479,291
Net Book Value	₱ 28,341,348			₱ 65,278,494

The movements of this account as of December 31, 2023 are as follows:

Particulars	Beginning	Addition	Deduction	Ending
Cost				
Office space building and office space improvements	₱ 20,491,323	₱ 222,009	₱ -	₱ 20,713,332
Heavy improvement	437,036,842	2,681,616	-	439,718,458
Leasehold improvements	9,173,965	163,735	-	9,337,700
Furniture and fixtures	3,249,579	651,597	-	3,901,176
Transportation equipment	69,822,638	2,695,000	-	72,517,638
Office and other equipment	65,812,311	842,157	-	66,654,468
Total	₱ 605,586,658	₱ 7,256,114	₱ -	₱ 612,842,772
Accumulated depreciation				
Office space building and office space improvements	₱ 12,908,567	₱ 2,789,405	₱ -	₱ 15,697,972
Heavy improvement	356,664,311	39,279,531	-	395,943,842
Leasehold improvements	9,173,965	119,335	-	9,293,300
Furniture and fixtures	3,189,671	554,636	-	3,744,307
Transportation equipment	56,918,560	6,232,317	-	63,150,877
Office and other equipment	55,348,477	1,843,358	-	57,191,835
Total	₱ 494,203,551	₱ 50,818,582	₱ -	₱ 545,022,133
Accumulated impairment	₱ 39,479,291	₱ -	₱ -	₱ 39,479,291
Net Book Value	₱ 71,903,816			28,341,348

As at December 31, 2024 and 2023, transportation equipment with a carrying amount of ₱2.3 million and ₱3.3 million were used as collateral for mortgage loans (see Note 15).

During the year, the Group disposed fully depreciated heavy equipment with cost of ₱44.6 million. Gain on disposal amounted to ₱21 million.

Depreciation and amortization are recognized in the consolidated statements of comprehensive income as follows:

Particulars	2024	2023	2022
Cost of services	P 18,935,576	P 45,298,511	P 64,031,465
General and administrative expenses			
Property and equipment	4,312,180	5,520,071	6,713,862
Right-of-use asset	1,086,244	764,156	581,109
Total	P 24,334,000	P 51,582,738	P 71,326,436

NOTE 14 – OTHER NONCURRENT ASSETS - NET
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This account consists of:

Particulars	2024	2023
Intangible assets	P 210,135,521	P 210,135,521
Goodwill	15,701,804	15,701,804
Deferred input VAT	3,715,241	4,893,381
Right-of-use asset	1,911,951	186,614
Idle property	15,709,422	-
Others	662,061	662,061
Total	247,836,000	231,579,381
Less: Allowance for impairment losses on:		
Intangible assets	208,108,012	207,702,511
Deferred input VAT	4,377,303	4,377,303
Total	212,485,315	212,079,814
Net	P 35,350,688	P 19,499,567

Intangible Assets

Intangible assets include CUBES's exclusive right to distribute specific types of thermo chillers in the Philippines with a cost of P150.5 million.

As at December 31, 2024 and 2023, 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 P59.6 million and a related allowance for impairment losses of P57.6 million and P57.2 million as at December 31, 2024 and 2023, respectively. Provision for impairment loss recognized in 2024, 2023, and 2022 amounted to P405,501 (see Note 22).

Goodwill

The Group's goodwill pertains to: (a) the acquisition of PGDI in April 2012 amounting to P9.5 million, (b) the acquisition of additional interest in CUBES in February 2015 amounting to P2.6 million and (c) the acquisition of GLCI in June 2015 amounting to P6.2 million.

As at December 31, 2024 and 2023, goodwill pertaining to CUBES is fully provided with allowance for impairment.

As at December 31, 2024 and 2023, 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 P3.0 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 P3.0 million, which was also written off in the same year when Blue Sky Philko lost the legal case in 2023.

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 P87.3 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 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 P87.3 million.

NOTE 15 – LOANS PAYABLE

Short-term Loans

Short-term loans of the Group consist of:

Particulars	2024	2023
Unsecured	P 191,818,862	P 140,468,862
Convertible	<u>100,000,000</u>	<u>100,000,000</u>
Total	<u>P 291,818,862</u>	<u>P 240,468,862</u>

Unsecured

Unsecured short-term loans consist of:

Particulars	2024			
	Banks	Officers and shareholders	Third parties	Total
Balance at beginning of year	P -	P 37,400,000	P 103,068,862	P 140,468,862
Availments (payments)	<u>5,000,000</u>	<u>31,350,000</u>	<u>15,000,000</u>	<u>51,350,000</u>
Balance at end of year	<u>P 5,000,000</u>	<u>P 68,750,000</u>	<u>P 118,068,862</u>	<u>P 191,818,862</u>
Particulars	2023			
	Banks	Officers and shareholders	Third parties	Total
Balance at beginning of year	P 9,500,000	P 34,025,000	P 263,229,632	P 306,754,632
Availments (payments)	<u>(9,500,000)</u>	<u>3,375,000</u>	<u>(160,160,770)</u>	<u>(166,285,770)</u>
Balance at end of year	<u>P -</u>	<u>P 37,400,000</u>	<u>P 103,068,862</u>	<u>P 140,468,862</u>

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:

<u>Creditor</u>	<u>Interest rate</u>
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 ₱24.9 million, ₱21.0 million, and ₱27.8 million and in 2024, 2023, and 2022, 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 9).

Interest expense on convertible loans recognized in profit or loss amounted to ₱7.5 million, ₱9.2 million, and ₱12.0 million in 2024, 2023 and 2022, 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 2024, 2023 and 2022.

Long-term Loans

Long-term loans consist of:

<u>Particulars</u>	<u>2024</u>	<u>2023</u>
Secured by:		
Contract receivables and contract assets	₱ 4,661,260	₱ 215,973,554
Real estate mortgage	506,171,760	142,623,320
Unsecured	67,090,000	122,989,200
Mortgaged car loans	<u>2,376,800</u>	<u>3,309,523</u>
	<u>580,299,820</u>	<u>484,895,597</u>
Less: noncurrent portion	<u>457,214,810</u>	<u>389,033,460</u>
Current portion	<u>₱ 123,085,010</u>	<u>₱ 95,862,137</u>

Details of long-term loans as at December 31, 2024 and 2023 are as follows:

Party	Terms	2024		2023	
		Principal	Outstanding Balance	Principal	Outstanding Balance
Secured by Contract Assets and receivables					
Bank of the Philippines Islands (BPI)	5 years; 3.08% per annum	₱ 558,331,264	₱ 392,341,263	₱ 165,990,000	₱ 121,790,759
BPI Family Savings Bank	10 years; 10.02% per annum			86,178,684	86,178,684
Security Bank	10 years; 9.02% per annum	200,000,000	4,661,260	200,000,000	8,004,111
		<u>758,331,264</u>	<u>397,002,523</u>	<u>452,168,684</u>	<u>215,973,554</u>
Secured by Real Estate Mortgage					
Philippine Veterans Bank (PVB)	5 years, 9.65% to 10.99% per annum	314,000,000	48,194,599	314,000,000	80,285,537
Rang-ay Bank	3 years; 8.87% per annum	47,500,000	39,437,052	47,500,000	45,000,000
Sterling Bank of Asia, Inc.	3 years; 8.00% per annum	10,000,000	-	10,000,000	10,000,000
Tanay Rural Bank	2 years 18.00% per annum	20,000,000	4,052,979	20,000,000	7,337,783
		<u>391,500,000</u>	<u>91,684,630</u>	<u>391,500,000</u>	<u>142,623,320</u>
Unsecured					
Individuals	2-3 years; 11.60% to 20.60% per annum	191,022,058	67,090,000	178,022,058	99,000,000
Zambales Bank	5-10 years; 8.00% per annum	32,000,000	22,145,867	32,000,000	23,989,200
		<u>223,022,058</u>	<u>89,235,867</u>	<u>210,022,058</u>	<u>122,989,200</u>
Mortgaged - Car Loans					
Security Bank	5 years, 9.93% per annum	6,076,000	2,376,800	6,076,000	3,309,523
Total		<u>₱ 1,378,929,322</u>	<u>₱ 580,299,820</u>	<u>₱ 1,059,766,742</u>	<u>₱ 484,895,597</u>

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 8).

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 Note 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, 2024 and 2023, the Group was able to meet the required debt covenants.

The schedule of maturities of long-term loans of the Group as at December 31 follows:

Particulars	2024	2023
Less than one year	₱ 123,085,010	₱ 95,862,137
Over one year	<u>457,214,810</u>	<u>389,033,460</u>
Total	<u>₱ 580,299,820</u>	<u>₱ 484,895,597</u>

Interest expense on long-term loans recognized in the consolidated statements of comprehensive income amounted to ₱48.6 million, ₱41.8 million, and ₱42.7 million in 2024, 2023, and 2022, respectively (see Note 25).

NOTE 16 – TRADE AND OTHER PAYABLES

This account consists of:

Particulars	2024	2023
Trade payables	₱ 152,607,965	₱ 95,769,560
Accrued expenses	247,331,539	235,003,960
Customers' deposits and advances	103,244,554	81,000,000
Lease liability – current	2,788,383	239,478
Voucher's payable	784,603	6,126,456
Customers' refunds	-	48,596,068
Deferred output VAT	-	41,305,572
Capital gains tax payable	-	26,940,000
Output VAT payable	-	463,648
Others	57,342,199	37,520,648
Total	₱ 564,099,243	₱ 572,965,390

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.

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.

Deferred output VAT pertains to the VAT charged to the buyers on installment upon contracting of real estate sale but were not yet collected as of reporting date.

Output VAT payable pertains to the VAT charged to the buyers recognized upon collection of the installment

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 17 – ADVANCES FROM THIRD PARTIES

As at December 31, 2024 and 2023, the Group has noninterest-bearing advances from third parties aggregating ₱100.0 million for future equity interest to the Group.

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, 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 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
		2024	2023	2024	2023	
Receivables						
Advances	Officers	₱ 29,926,620	₱ 10,702,385	₱ 85,172,458	₱ 115,099,078	Unsecured, due and demandable, noninterest bearing
Loans from officers and shareholders						
Short-term loans	Officers and shareholders	₱ 31,350,000	₱ 3,375,000	₱ 68,750,000	₱ 37,400,000	Unsecured, 180 to 360 days, 6.00% interest per annum
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	₱ 6,765,500	₱ -	₱ -	Unsecured; Due and demandable; noninterest bearing
Advances	Shareholders	-	22,053,982	-	-	Unsecured; Due and demandable; noninterest bearing
Total		₱ 8,567,236	₱ 28,819,482	₱ -	₱ -	

Compensation of Group's Key Management Personnel

Compensation of the Group's key management personnel consists of short-term employee benefits amounting to ₱52.0 million, ₱51.6 million, and ₱38.8 million in 2024, 2023, and 2022, respectively. There are no post-employment benefits in 2024, 2023, and 2022. 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	2024	2023	2022
Interest expense on defined benefit obligation	₱ -	₱ 3,175,522	₱ 1,486,500
Service cost	-	3,099,557	12,438,772
Total	₱ -	₱ 6,275,079	₱ 13,925,272

Remeasurement gains (losses) on retirement liability recognized under OCI in the consolidated statements of comprehensive income:

Particulars	2024	2023	2022
Actuarial gains (losses) due to:			
Experience adjustments	₱ -	₱ 41,301,665	₱ (3,589,199)
Changes in:			
Financial assumptions	-	(387,845)	870,448
Demographic assumptions	-	-	-
Remeasurement gains (losses) on defined benefit obligation	-	40,913,820	(2,718,751)
Income tax effect	-	(10,228,456)	679,688
Remeasurement gains (losses)	₱ -	₱ 30,685,364	₱ (2,039,063)

Cumulative remeasurement effect recognized in OCI under equity attributable to equity holders of the Parent and equity attributable to noncontrolling interests:

Particulars	2024	2023
Equity attributable to equity holders of the Parent		
Balance at beginning of year	₱ 31,265,998	₱ 9,792,086
Actuarial gain (loss)	-	28,631,883
Total	31,265,998	38,423,969
Income tax effect	-	(7,157,971)
Balance at end of year	₱ 31,265,998	₱ 31,265,998
Equity attributable to noncontrolling interest		
Balance at beginning of year	₱ 8,843,206	₱ (368,246)
Actuarial gain (loss)	-	12,281,937
Total	8,843,206	11,913,691
Income tax effect	-	(3,070,485)
Balance at end of year	₱ 8,843,206	₱ 8,843,206
Total	₱ 40,109,204	₱ 40,109,204

Changes in the present value of the retirement liability are as follows:

Particulars	2024	2023	2022
Balance at beginning of year	₱ 10,421,135	₱ 45,059,876	₱ 28,695,553
Actuarial losses (gains) due to:			
Experience adjustments	-	(41,301,665)	3,589,199
Changes in financial assumptions	-	387,845	(870,448)
Interest expense of defined benefit obligation	-	3,175,522	1,486,500
Service cost	-	3,099,557	12,438,772
Benefits paid	-	-	(279,700)
Total	₱ 10,421,135	₱ 10,421,135	₱ 45,059,876

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:

Entity	Discount rate		Salary Increase	
	2024	2023	2024	2023
PHA	6.06%	6.06%	5.00%	5.00%
PGDI	6.11%	6.11%	10.00%	10.00%
GLC	6.03%	6.03%	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:

Increase (Decrease)	2023			
	Effect on the retirement benefit obligation			
	PHA	PGDI	GLC	
Discount rate	+100bps	₱ 172,547	₱ (6,903,463)	₱ (273,080)
	-100bps	205,396	7,914,719	338,906
Salary increase	+100bps	₱ 205,524	₱ 7,945,487	₱ 322,065
	-100bps	175,672	6,867,975	(266,3776)

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	2024	2023
More than one year to five years	₱ 8,321,450	₱ 8,321,450
More than five years to 10 years	5,240,930	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	₱ 32,883,876	₱ 32,883,876

NOTE 20 – EQUITY

Capital Stock

The details and movements of the Parent Company's number of common shares follow:

Particulars	2024		2023		2022	
	No. of shares	Amount	No. of shares	Amount	No. of shares	Amount
<i>Authorized</i>						
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
<i>Issued and fully paid</i>						
Balance at beginning of year	5,640,405,708	₱ 1,410,101,427	3,456,388,489	₱ 864,097,122	2,557,147,557	₱ 639,286,889
Shares fully paid during the year	-	-	2,184,017,219	546,004,305	287,422,924	71,855,731
Additional subscription	-	-	-	-	611,818,008	152,954,502
Balance at end 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
<i>Subscribed but not yet fully paid</i>						
Balance at beginning of year	67,953,886	₱ 16,988,472	2,251,971,015	₱ 562,992,754	2,539,393,939	₱ 634,848,485
Shares fully paid during the year	-	-	(2,184,017,129)	(546,004,282)	(287,422,924)	(71,855,731)
Additional subscription	-	-	-	-	-	-
Balance at end of year	67,953,886	₱ 16,988,472	67,953,886	₱ 16,988,472	2,251,971,015	₱ 562,992,754
<i>Less: subscription receivable</i>						
Balance at beginning of year	-	₱ 12,741,354	-	₱ 419,593,050	-	₱ 473,484,848
Collections	-	-	-	(406,851,696)	-	(53,891,798)
Additional subscription	-	-	-	-	-	-
Balance at end of year	-	12,741,354	-	12,741,354	-	419,593,050
Issued and subscribed	5,708,359,594	₱ 1,414,348,545	5,708,359,594	₱ 1,414,348,545	5,708,359,504	₱ 1,007,496,826

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, 2024 and 2023, 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.

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.

APIC

APIC includes paid-in capital in excess of par amounting to ₱610.7 million as at December 31, 2024 and 2023, respectively, and the equity component of the issued convertible loans amounting to ₱18.7 million as at December 31, 2024 and 2023.

Subscriptions Receivable

Movements in subscriptions receivable, which is treated as a deduction against capital stock and APIC, are as follows:

	2024			2023		
	Capital stock	APIC	Total	Capital stock	APIC	Total
Balance at beginning of year	₱ 12,741,354	₱ 3,977,233	₱ 16,718,587	₱ 419,593,050	₱ 134,269,776	₱ 553,862,826
Collection	-	-	-	(406,851,696)	(130,292,543)	(537,144,239)
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 ₱24.1 million, ₱30.0 million, and ₱31.0 million in 2024, 2023, and 2022, respectively (see Note 25).

On October 15, 2021, LDA subscribed to 70,835,000 new primary shares of PHA at a subscription price of ₱1.01 per share. The subscription price of ₱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 2022, the "Deposit for future stock subscription" was converted as equity.

In 2024 and 2023, the Group recognized commitment fees to LDA amounting to nil and ₱12.5 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 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.

Retained Earnings

The consolidated retained earnings as at December 31, 2024 and 2023 include accumulated earnings of the subsidiaries aggregating ₱2.4 billion and ₱1.2 billion, 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, 2024 and 2023.

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 15)

No changes were made in the Group's capital management objectives, policies or processes in 2024, 2023 and 2022.

Noncontrolling interests

Noncontrolling interest consist of the following:

Subsidiary	Percentage of Ownership			Equity Attributable to Noncontrolling Interests		
	2024	2023	2022	2024	2023	2022
PGDI	69.22%	69.22%	69.22%	₱ 169,525,794	₱ 167,759,045	₱ 166,146,541
PHMIC	68.44%	68.44%	68.44%	1,316,490	1,698,484	1,714,422
PSMVI	68.22%	68.22%	68.22%	1,495,592	1,849,444	1,865,493
GLCI	55.00%	55.00%	55.00%	296,376,383	225,450,378	178,090,950
CUBES	51.00%	51.00%	51.00%	25,721,376	25,753,082	25,790,832
Total				₱ 494,435,635	₱ 422,510,433	₱ 373,608,238

Net income (loss) attributable to noncontrolling interest follows:

Subsidiary	Percentage of Ownership			Equity Attributable to Noncontrolling Interests		
	2024	2023	2022	2024	2023	2022
PGDI	69.22%	69.22%	69.22%	₱ 1,766,749	₱ (7,864,795)	₱ (22,293,767)
PHMIC	68.44%	68.44%	68.44%	(381,994)	(15,938)	(15,938)
PSMVI	68.22%	68.22%	68.22%	(353,852)	(16,049)	(16,049)
GLCI	55.00%	55.00%	55.00%	70,926,005	47,625,275	41,684,302
CUBES	51.00%	51.00%	51.00%	(31,706)	(37,750)	(26,932)
Total				₱ 71,925,202	₱ 39,690,743	₱ 19,331,616

The summarized financial information of these subsidiaries is provided below. This information is based on amounts before intercompany eliminations.

Statements of income:

	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)

	2022				
	GLCI	PGDI	PHMIC	PSMVI	CUBES
Revenues	₱ 314,666,534	₱ 112,144,168	₱ -	₱ -	₱ -
Cost and expenses	(194,085,955)	(184,074,253)	(50,500)	(50,500)	(54,964)
Other income (charges)	(14,241,368)	14,709	-	-	-
Income (loss) before income tax	106,339,211	(71,915,376)	(50,500)	(50,500)	(54,964)
Income tax benefit (expense)	13,707,426	-	-	-	-
Net income (loss)	₱ 120,046,637	₱ (71,915,376)	₱ (50,500)	₱ (50,500)	₱ (54,964)
Net income (loss) attributable to noncontrolling interest	₱ 41,684,302	₱ (22,293,767)	₱ (15,938)	₱ (16,049)	₱ (26,932)

Statements of Financial Position

	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)	₱ <u>547,776,547</u>	₱ <u>531,528,129</u>	₱ <u>219,918,752</u>	₱ <u>170,418,752</u>	₱ <u>(52,713,217)</u>
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	₱ <u>225,450,378</u>	₱ <u>167,759,045</u>	₱ <u>1,698,484</u>	₱ <u>1,849,444</u>	₱ <u>25,753,082</u>

Statements of Cash Flows

	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	₱ <u>(11,458,660)</u>	₱ <u>(5,425,192)</u>	₱ <u>-</u>	₱ <u>-</u>	₱ <u>-</u>

	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	₱ <u>(2,945,041)</u>	₱ <u>8,610,845</u>	₱ <u>-</u>	₱ <u>1,872</u>	₱ <u>-</u>

	2022				
	GLCI	PGDI	PHMIC	PSMVI	CUBES
Operating	₱ (22,370,245)	₱ (39,929,665)	₱ -	₱ -	₱ 4,964
Investing	3,685,636	(248,661)	-	-	-
Financing	41,877,270	-	-	-	-
Net increase (decrease) in cash	₱ <u>23,192,661</u>	₱ <u>(40,178,326)</u>	₱ <u>-</u>	₱ <u>-</u>	₱ <u>4,964</u>

NOTE 21 – COST OF SALES AND SERVICES

This account consists of:

Particulars	2024	2023	2022
Cost of real estate sold	₱ 84,012,637	₱ 226,704,988	₱ 147,183,575
Personnel cost	23,050,700	34,715,612	57,566,230
Depreciation	18,935,577	45,298,511	64,031,465
Repairs and maintenance	6,511,497	15,476,574	20,173,074
Fuel and oil	1,548,256	806,940	3,718,532
Transportation and travel	676,889	1,383,594	1,894,015
Utilities	172,972	52,166	60,651
Others	3,851,644	3,250,389	2,029,665
Total	₱ <u>138,760,172</u>	₱ <u>327,688,774</u>	₱ <u>296,657,207</u>

NOTE 22 – GENERAL AND ADMINISTRATIVE EXPENSE

This account consists of:

Particulars	2024	2023	2022
Professional and legal fees	P 65,504,995	P 76,252,631	P 57,426,092
Personnel cost	28,951,477	28,267,741	38,825,770
Taxes and licenses	10,526,817	13,921,621	27,696,120
Commission	9,112,961	11,264,693	8,448,019
Success and commitment fee	8,409,294	12,500,000	18,420,003
Transportation and travel	6,523,766	5,201,805	6,463,551
Depreciation and amortization	5,398,424	6,284,227	7,294,971
Entertainment, amusement and recreation	4,453,781	6,716,698	17,746,630
Rentals and utilities	3,398,080	5,544,559	6,784,242
Outside services	1,607,280	1,308,165	2,811,593
Repairs and maintenance	1,331,926	1,657,304	2,417,105
Supplies and materials	742,032	1,236,721	761,217
Impairment losses	405,501	3,448,203	29,181,818
Advertising and promotions	306,643	618,214	1,048,616
Freight and handling	-	1,230,124	1,230,124
Others	16,756,906	19,107,938	21,909,087
Total	P 154,862,646	P 194,560,644	P 248,464,958

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	2024	2023	2022
Loss on stock transaction	P -	P (17,200,000)	P -
Gain (loss) on property disposal	(89,327,335)	-	-
Reversal of long outstanding payable	32,293,806	-	-
Reversal of impairment on receivables	-	-	20,734,364
Share in distributive profit	-	-	2,000,000
Interest on late payment of subscriptions	-	-	4,136,958
Others	19,547,524	2,763,269	-
Total	P (37,486,005)	P (14,436,731)	P 26,871,322

In January 2023, the Group acquired listed shares for P25.8 million. These were subsequently sold in September 2023 for total consideration of P8.6 million, resulting to a loss of P17.12 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.

The provision for (benefit from) income tax shown in the consolidated statements of comprehensive income consists of:

Particulars	2024	2023	2022
Current	₱ 26,020,759	₱ 1,658,764	₱ 1,582,757
Deferred	<u>180,140,556</u>	<u>26,622,871</u>	<u>87,600,919</u>
Total	<u>₱ 206,161,315</u>	<u>₱ 28,281,635</u>	<u>₱ 89,183,676</u>

The reconciliation of provision for (benefit from) income tax expense computed at the statutory income tax rate is as follows:

Particulars	2024	2023	2022
Provision for (benefit from) income tax expense at statutory tax rate	₱ 135,603,263	₱ 8,802,527	₱ 34,504,490
Tax effects of:			
Nondeductible expense	871,442	10,064,670	2,379,892
Expired excess MCIT over RCIT	-	5,494,750	423,436
Income subject to final tax	(15,196)	(41,395)	(13,124)
Expired NOLCO		-	29,873,151
Prior period adjustment	15,992,311	-	-
Lease liability	13,216	-	-
Change in unrecognized deferred tax assets	<u>53,696,279</u>	<u>3,961,083</u>	<u>22,015,831</u>
Total	<u>₱ 206,161,315</u>	<u>₱ 28,281,635</u>	<u>₱ 89,183,676</u>

The components of the Group’s deferred tax assets are as follows:

Particulars	2024	2023
NOLCO	₱ 43,314,093	₱ 49,480,474
Difference in the tax base and accounting base of land and land development	12,511,825	12,511,825
Retirement liability	5,320,844	5,320,844
Excess of MCIT over RCIT	-	3,708,097
Allowance for impairment losses on receivables	736,809	736,809
Lease liabilities	2,655	59,870
Unrealized foreign exchange loss	-	86
Provision for administrative fines	-	-
Total	<u>₱ 61,886,226</u>	<u>₱ 71,818,005</u>

The components of the Group's deferred tax liabilities are as follows:

Particulars	2024	2023
Unrealized gain on fair valuation of investment property	₱ 603,395,096	₱ 417,875,500
Gross profit on real estate sales	100,716,782	100,716,782
Increase in fair value due to purchase price allocation	66,450,512	66,450,512
Commission PFRS 15	-	266,182
Right-of-use asset	-	46,654
DTL recognized in OCI:		
Remeasurement gain on defined benefit obligation	13,928,248	13,928,248
Total	₱ <u>784,490,638</u>	₱ <u>599,283,878</u>

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	2024	2023
NOLCO	₱ 929,562,565	₱ 713,712,061
Allowance for impairment losses	177,723,623	177,723,623
Retirement liability	44,850,751	44,850,751
Excess of MCIT over RCIT	433,419	433,419
Total	₱ <u>1,152,570,358</u>	₱ <u>936,719,854</u>

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
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		₱ <u>713,712,061</u>	₱ <u>215,850,504</u>	₱ <u>-</u>	₱ <u>929,562,565</u>

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	2024	2023	2022
Loans payable			
Long-term loans	₱ 48,623,710	₱ 41,807,979	₱ 42,710,384
Unsecured short-terms loans	14,351,145	21,048,268	27,830,312
Convertible loans	7,500,000	9,160,022	11,975,187
Share lending agreement	24,075,180	29,970,180	31,006,694
Lease liabilities	328,942	41,437	73,190
Total	₱ <u>94,878,977</u>	₱ <u>102,027,886</u>	₱ <u>113,595,767</u>

NOTE 26 – PERSONNEL COSTS

This account consists of:

Particulars	2024	2023	2022
Cost of services			
Salaries and wages	₱ 18,949,290	₱ 20,140,036	₱ 35,200,488
Retirement benefit cost	-	4,392,993	11,297,717
Other employee benefits	4,101,410	10,182,583	11,068,025
	<u>23,050,700</u>	<u>34,715,612</u>	<u>57,566,230</u>
General and administrative expenses			
Salaries and wages	18,369,980	14,180,538	22,931,782
Retirement benefit cost	-	1,882,086	2,627,556
Other employee benefits	10,581,497	12,205,117	13,226,432
	<u>28,951,477</u>	<u>28,267,741</u>	<u>38,785,770</u>
Total	₱ <u>52,002,177</u>	₱ <u>62,983,353</u>	₱ <u>96,352,000</u>

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	2024	2023	2022
Net income (loss) attributable to equity holders of the Parent Company	₱ 264,326,536	₱ (32,762,270)	₱ 29,502,669
Weighted average number of outstanding common shares*	<u>5,708,359,594</u>	<u>5,162,222,637</u>	<u>4,703,359,131</u>
Basic and Diluted Earnings (Loss) Per Share	₱ <u>0.0463</u>	₱ <u>(0.0063)</u>	₱ <u>0.0063</u>

*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	2024	2023	2022
Number of shares at beginning of year	5,708,359,594	4,703,359,131	2,587,197,970
Weighted average number of Parent Company shares issued during the year	-	458,863,506	2,116,161,161
Weighted average common shares	5,708,359,594	5,162,222,637	4,703,359,131

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 2024, 2023 and 2022. Thus, the basic and diluted EPS are the same in 2024 and 2023.

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	2024	2023
Cost		
Balance at beginning of year	₱ 1,521,233	₱ 1,521,233
Additions	5,336,576	-
Derecognition	-	-
	6,857,809	1,521,233
Accumulated depreciation		
Balance at beginning of year	1,334,619	570,463
Depreciation	1,086,245	764,156
Adjustment	2,524,994	-
Derecognition	-	-
	4,945,858	1,334,619
Net Carrying Amount	₱ 1,911,951	₱ 186,614

Movements of lease liabilities are as follows:

Particulars	2024	2023
Balance at beginning of year	₱ 239,478	₱ 992,051
Payments	(1,457,429)	(794,010)
Interest expense	328,942	41,437
Additions	5,336,576	-
Adjustment	(1,659,184)	-
Balance at end of year	₱ 2,788,383	₱ 239,478

The following are the amounts recognized in the consolidated statements of comprehensive income:

Particulars	2024	2023	2022
Expenses relating to short-term leases	₱ 1,414,237	₱ 3,519,616	₱ 2,684,388
Depreciation expense of ROU assets	1,086,245	764,156	581,109
Interest expense on lease liabilities	328,942	41,437	73,190
Total	₱ 2,829,424	₱ 4,325,209	₱ 3,338,687

NOTE 29 – PRIOR PERIOD ADJUSTMENT

In 2024, the Group's current year operations were restated to effect the following transactions.

- In previous periods, 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.
- 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.
- PGDI restated its prior year's result of operations to recognized expenses arising from previous years unliquidated advances amounting to ₱10,692,734
- 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.
- 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.

As at December 31, 2023	As previously reported	Adjustment	Restated
Asset			
Cash in bank	₱ 119,677,544	₱ (10,692,734)	₱ 108,984,810
Other receivables	4,464,047	85,028,485	89,502,532
Allowance for expected credit losses			
Trade and other receivables	7,583,805	3,107,860	10,691,665
Due from related parties	-	7,258,648	7,258,648
Right-of-use asset	-	865,810	865,810
Liability			
Dividends payable	₱ 39,800,000	₱ (39,800,000)	₱ -
Equity			
Retained earnings	₱ 132,711,701	₱ 102,903,433	₱ 165,160,103

NOTE 30 – COMMITMENTS

Service Contract

Cagdianao Mining Corporation (CMC)

In December 2014, the Company entered into a Sapolite 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 Company fails to deliver the required tonnage, CMC shall impose a penalty upon the Company computed based on the required WMT multiplied by \$0.50 per WMT of materials not delivered.

In April 2018, the Company renewed its agreement with CMC effective April 1, 2018 to October 31, 2018. Under the scope of work indicated in the contract, the Company shall perform mining services which include loading and hauling, road and bench maintenance and barge loading services.

In May 2019, the Company has secured a three-year contract with CMC covering the periods of 2019 until 2021, with the Company rendering services to CMC starting March 1 until October 31 of each year.

In March 2023, the Company renewed its contract valid until September 2025.

Taganito Mining Corporation

In February 2024, the Company has secured a new three-year contract with TMC covering the periods of 2024 until 2027, with the Company rendering services to TMC starting March 1 until and including February 28.

The Company 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 Company amounted to ₱45.8 and ₱61.2 million in 2024 and 2023, respectively. This includes equipment rental amounting to ₱666,830 in 2023.

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, 2024, 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. *Premiere Horizon Alliance Corporation v. The Secretary of Justice, Augusto Antonio C. Serafica Jr. and Marvin Dela Cruz CA-G.R. No. 183768 (formerly NPS No. XV-14-INV-22L-01962)* Petition for Certiorari (Re: Estafa under Art. 315 (1)(b) of the Revised Penal Code)

This is a Petition for Certiorari pursuant to Rule 65 of the Rules of Court filed by the Corporation, seeking to nullify and set aside the resolutions dated 31 July 2023 (*First Assailed Resolution*) and 16 February 2024 (*Second Assailed Resolution*) issued by the Department of Justice (DOJ).

The Corporation filed a Complaint-Affidavit for the crimes of Estafa and other Deceits under Article 315(1)(b) and 318 of the Revised Penal Code against private respondents Augusto Antonio C. Serafica, Jr. and Marvin C. Dela Cruz (private respondents) due to their criminal act of defrauding PHA and causing the latter to release to private respondents the amount of ₱32 million, under the guise of investing said amount in the BGC Project.

On 28 December 2022, the OCP – Pasig issued a Resolution of even date (First OCP Resolution), finding probable cause of Estafa under Article 315(1)(b) of the Revised Penal Code against private respondents Serafica and Dela Cruz.

Private Respondent Serafica filed a *Motion for Reconsideration*, assailing the First OCP Resolution, before the OCP Pasig. On 27 February 2023, the OCP Pasig issued Resolution dated 27 February 2023 (Second OCP Resolution), which reversed the earlier finding of probable cause against accused Serafica and Dela Cruz due to purported insufficiency of evidence. Thereafter, a *Motion to Withdraw Information* dated 27 February 2023 was filed by the OCP Pasig before the RTC Pasig where the criminal case is pending. On 11 April 2023, PHA filed a *Motion for Reconsideration* assailing the Second OCP Resolution which was denied on 14 April 2023. This prompted PHA to file a *Petition for Review* before the Department of Justice praying for the reversal of OCP Pasig's Resolutions on the basis that they were issued in gross disregard of both procedural and substantive law. However, on 31 July 2023, the DOJ dismissed PHA's *Petition for Review*. PHA filed a *Motion for Reconsideration* which was likewise denied by DOJ through its Resolution dated 16 February 2024.

The Court of Appeals issued a Decision denying the Petition on the ground that the perceived error in the findings of the DOJ regarding the absence of probable cause do not amount to grave abuse of discretion.

The Corporation filed a *Motion of Reconsideration*, emphasizing that the DOJ should have restrained from reversing the earlier findings of the OCP Pasig as to the existence of executive probable cause. However, the Court of Appeals recently denied this *Motion for Reconsideration*.

The Corporation is in the process of evaluation if it will still elevate the issue to the Supreme Court via a *Petition for Review* or will just opt to re-file the case together with the additional and recent findings of irregularities committed by the private respondents.

- c. *Augusto Antonio C. Serafica, Jr. (Plaintiff) v Hon. Presiding Judge Ma. Gracia Cadiz-Casaclan, Regional Trial Court Branch 144, Pasig City, Premier Horizon Alliance Corporation Represented by its Chief Operating Officer Raul Ma. F. Anona and People of the Philippines C.A. G.R. No. 182115* Petition for Certiorari (Re: Estafa under Art. 315 (1)(b) of the Revised Penal Code)

Of the above case, this Petition for Certiorari was filed by the Plaintiff questioning the denial by RTC – Pasig of his *Motion to Quash*. Plaintiff invoked as basis of his *Motion to Quash*, the dismissal by the DOJ of the Petition for Review filed by the Corporation to compel the RTC – Pasig to overturn its previous findings as to existence of judicial probable cause and dismiss the case pending before it.

In response to the *Petition*, the Corporation has filed its respective *Comment/Opposition* where it argued that the *Petition* should be dismissed for being an improper remedy.

Las November 2024, the Court of Appeals issued a *Decision* granting the Petition filed by Plaintiff and held that the RTC Pasig Committed grave abuse of discretion in denying *Motion to Quash*. The Corporation filed a *Motion for Reconsideration*, reiterating that the Honorable Court committed a reversible error in concluding that the *Petition* is a proper remedy to assail the RTC Order, as well as in ruling that the Deputy City Prosecutor, who issued the First OCP Resolution, has no authority to do so.

In a Resolution dated 18 February 2025, the Honorable Court referred the Motion for Reconsideration for comment of Plaintiff within ten (10) days from notice. After which, the Motion for Reconsideration will be submitted for resolution.

d. *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* Petition for Certiorari (Re: Estafa under Art. 315 (1)(b) of the Revised Penal Code)

Of the above case, this is a *Petition for Certiorari* filed by the Corporation, assailing the *Orders* issued by the RTC Pasig, Branch 67, ordering the dismissal of the Estafa case against the private respondents, 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.

In its Resolution dated 26 December 2024, the Honorable Court ordered the Corporation to submit the written conformity of the OSG to the *Petition*. In compliance thereto, the Corporation submitted the written conformity that it obtained from the OSG, which concurred with the points raised by the Corporation in its *Petition*. In response, Plaintiff filed an *Opposition* to the said conformity of the OSG.

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.

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 – SUBSEQUENT EVENTS

Non-adjusting events

Subsequent to the reporting period, December 31, 2024, the Company has discovered anomalies in the withdrawal of funds and subsequent reinvestment of these to the Company’s account as capital amounting to ₱78.3 million. Last August 5, 2025, the Company filed a criminal complaint for Estafa under Articles 315 (1) (b) and (2) (a) and/or Qualified Theft under Article 310 of the Revised Penal Code, as well as for Violation of Section 168 of the Revised Corporation Code, against PHA’s former officers, Messrs. Augusto Antonio C. Serafica, Jr., Raul Ma. F. Anonas, and Andres A. Del Rosario before the Pasig City Prosecutor’s Office.

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 ₱56,232,153.41. In response, the Company defense that it does not owe any money allegedly advanced and those same funds came from the corporation itself. The Corporation is preparing to file its Answer in due course and allege PHA’s counterclaims against Serafica.

These events do not require adjustment in the financial statements but is disclosed to ensure users are informed of material developments after year-end.

Adjusting events

The accompanying financial statements of Goshen Land Capital Inc for the year ended December 31, 2024, were originally approved and issued on April 28, 2025. Subsequent to the issuance, the management effected reclassification of balances from expense to receivables.

As a result, the financial statements have been amended and reissued on August 12, 2025 to reflect the reclassification amounting to ₱85 million which still constitutes receivables pending settlement, and upon proper substantiation and completion of the required documentation, are intended to be capitalized and eventually expensed as part of the overall project development cost once the related activities, procurement, and other qualifying expenditures are finalized and duly recognized in accordance with the Company's accounting policies and applicable financial reporting standards.

Balances have been restated where necessary to conform with the amended presentation.

Management has evaluated subsequent events up to August 13, 2025, the date the financial statements were approved and authorized for issue by the Board of Directors. Other than the matters disclosed above, no events occurred after the reporting date that would require adjustment to or disclosure in the financial statements.

PREMIERE HORIZON ALLIANCE CORPORATION
SUPPLEMENTARY SCHEDULE OF EXTERNAL AUDITOR
FEE-RELATED INFORMATION
December 31, 2024

	<u>2024</u>	<u>2023</u>
Total Audit Fees (Section 2.1a)	₱ 480,000.00	₱ -
Non-audit services fees:		
Other assurance services	-	-
Tax services	-	-
All other services	-	-
Total Non-audit Fees	-	-
Total Audit and Non-Audit Fees	₱ <u>480,000.00</u>	₱ <u>-</u>

Audit and non-audit fees of other related entities

	<u>2024</u>	<u>2023</u>
Audit fees	₱ 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	₱ <u>1,520,000</u>	₱ <u>-</u>

**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



**INDEPENDENT AUDITOR'S REPORT ON
COMPONENTS OF FINANCIAL SOUNDNESS INDICATORS**

The Stockholders and the Board of Directors
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, 2024 and 2023. 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, 2024 and 2023 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. 10479078, Issued Date: January 10, 2025, Makati City
BOA/PRC Reg. No. 0314
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
August 14, 2025

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,	
		2024	2023
Current Ratio	Total current assets	2,132,045,566	1,977,263,820
	Divided by: Total current liabilities	985,255,056	959,819,232
	Current ratio	2.16	2.06
Acid test ratio	Total current assets	2,132,045,566	1,977,263,820
	Less: Other current assets	183,576,161	193,634,303
	Quick assets	1,948,469,405	1,783,629,517
	Divide by: Total current liabilities	985,255,056	959,819,232
	Acid test ratio	1.98	1.86
Solvency Ratio	Net income (loss)	336,251,738	6,928,473
	Add: Depreciation	24,334,000	51,582,738
	Total	360,585,738	58,511,211
	Divide by: Total liabilities	2,337,381,640	2,058,557,705
	Solvency ratio	0.15	0.03
Net Debt-to-Equity Ratio	Total liabilities	2,337,381,640	2,058,557,705
	Less: Cash and cash equivalents	60,351,442	136,418,577
		2,277,030,198	1,922,139,128
	Divided by: Total equity	3,069,402,005	2,630,246,834
	Net debt-to-equity ratio	0.74	0.73
Debt-to-Equity Ratio	Total liabilities	2,337,381,640	2,058,557,705
	Divided by: Total Equity	3,069,402,005	2,630,246,834
	Debt-to-equity ratio	0.76	0.78
Asset-to-equity ratio	Total assets	5,406,783,645	4,688,804,539
	Divided by: Total equity	3,069,402,005	2,630,246,834
	Asset-to-equity ratio	1.76	1.78
Interest rate coverage ratio	Income (Loss) before income tax	542,413,053	35,210,108
	Add: Interest expense	94,878,977	102,027,886
	Total	637,292,030	137,237,994
	Divided by: Interest expense	94,878,977	102,027,886
	Interest rate coverage ratio	6.72	1.35
Return on average equity	Net income (loss)	336,251,738	6,928,473
	Divided by: Average total capital accounts	2,849,824,420	2,342,917,796
	Return on equity	0.12	0.00
Return on average assets	Net income (loss)	336,251,738	6,928,473
	Divided by: Average total assets	5,047,794,092	4,432,362,957
	Return on average assets	0.07	0.00
Net profit margin	Net income (loss)	336,251,738	6,928,473
	Net sales	225,136,322	534,347,017
	Net profit margin	1.49	0.01

**REPORT OF INDEPENDENT PUBLIC AUDITORS
TO ACCOMPANY SEC SCHEDULES FILED CONSOLIDATEDLY FROM THE
BASIC FINANCIAL STATEMENTS**

The Stockholders and the Board of Directors
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, 2024, on which we have rendered the attached report dated August 14, 2025. 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, 2024, 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
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. 10479078, Issued Date: January 10, 2025, Makati City
BOA/PRC Reg. No. 0314
Issued on July 15, 2024, Valid until July 14, 2027
SEC Accreditation No. 99805 - SEC, Group A
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Makati City, Philippines
August 14, 2025

PREMIERE HORIZON ALLIANCE CORPORATION AND SUBSIDIARIES
Schedule of Philippine Financial Reporting Standards

**SCHEDULE OF RECONCILIATION OF RETAINED EARNINGS AVAILABLE FOR
DIVIDEND DECLARATION**

December 31, 2024 and 2023

Items	2024	2023
Unappropriated Retained Earnings, beginning	₱ 132,711,701	₱ 165,473,971
Prior Period Adjustment	102,903,433	-
Net Income (Loss) based on the face of AFS	264,326,536	(32,762,270)
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	-	-
• 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	₱ <u>499,941,670</u>	₱ <u>132,711,701</u>

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	N/A
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)	2
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, 2024

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	-	₱ 56,356,457	₱ 56,356,457	₱ -
Receivables	-	663,744,950	663,744,950	-
Security deposits	-	433,142	433,142	
Total		₱ 720,534,549	₱ 720,534,549	₱ -

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	₱ 115,099,078	₱ -	₱ -	₱ -	₱ -	₱ -	₱ 55,919,738

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
Premiere Georesources and Development Inc.	₱ 58,053,142	₱ 3,535,707	₱ -	₱ -	₱ 61,588,849	₱ -	₱ 61,588,849
Pyramid Hill Mining & Industrial Corp.	16,115,467	-	-	-	16,115,467	-	16,115,467
Palawan Star Mining and Ventures, Inc.	12,408,262	-	-	-	12,408,262	-	12,408,262
PH Mining and	14,638,408	89,792	-	-	14,728,200	-	14,728,200

Development Corporation

Concepts Unplugged Business Environment Solutions

(CUBES), Inc.	1,223,862	74,706	-	-	1,298,568	-	1,298,568
PH Agriforest Corporation	157,922	78,214	-	-	236,136	-	236,136
PH Big Bounty Entertainment, Inc.	137,034	73,407	-	-	210,441	-	210,441
Digiwave Solutions	8,134	-	-	-	8,134	-	8,134
Total	₱ 102,742,231	₱ 3,851,826	₱ -	₱ -	₱ 106,594,057	₱ -	₱ 106,594,057

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	₱ 210,135,521	₱ -	₱ -	₱ -	₱ -	₱ 210,135,521
Goodwill	15,701,804	-	-	-	-	15,701,804
Deferred input VAT	4,893,381	-	-	-	-	3,715,241
Right-of-use asset	186,614	-	-	-	-	1,911,951
Idle property	-	-	-	-	-	15,709,422
Others	662,061	-	-	-	-	662,061
Total	₱ 231,579,381	₱ -	₱ -	₱ -	₱ -	₱ 247,836,000

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	₱ -	(123,085,010)	₱ (457,214,810)

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

<u>Name of issuing entity of securities guaranteed by the Parent Company for which this statement is filed</u>	<u>Title of issue of each class of securities guaranties</u>	<u>Total amount guaranteed and outstanding</u>	<u>Amount owned by person for which statement is filed</u>	<u>Nature of guarantee</u>
--	--	--	--	----------------------------

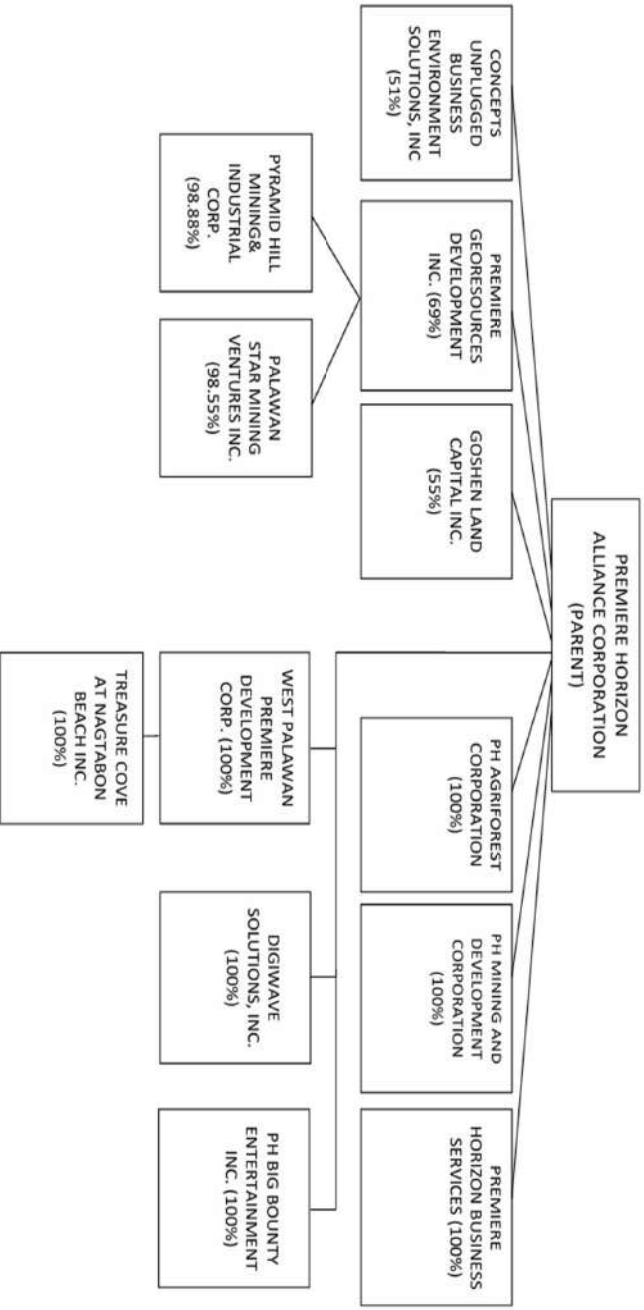
Not Applicable

SCHEDULE H. Capital Stock

<u>Title of issue</u>	<u>Number of shares authorized</u>	<u>Number of shares issued and outstanding as shown under related financial position</u>	<u>Number of shares reserved for options, warrants, conversion and other rights</u>	<u>Number of shares held by related parties</u>	<u>Directors, officers, and employees</u>	<u>Others</u>
Common	<u>6,000,000,000</u>	<u>5,708,359,504</u>	<u>-</u>	<u>-</u>	<u>2,435,913,367</u>	<u>3,272,446,137</u>
Total	₱ <u>6,000,000,000</u>	₱ <u>5,708,359,504</u>	₱ <u>-</u>	₱ <u>-</u>	₱ <u>2,435,913,367</u>	₱ <u>3,272,446,137</u>

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, 2024



STATEMENT OF REPRESENTATION

TO THE SECURITIES AND EXCHANGE COMMISSION:

In connection with my examination of the financial statements of **PREMIERE HORIZON ALLIANCE CORPORATION AND SUBSIDIARIES** which are to be submitted to the Commission, I hereby represent the following:

1. That I am in the active practice of the accounting profession and duly registered with the Board of Accountancy (BOA);
2. That said financial statements are presented in conformity with Philippine Financial Reporting Standards, in all cases where I shall express an unqualified opinion; except that in case of any departure from such principles, I shall indicate the nature of the departure, the effects thereof, and the reasons why compliance with the principles would result in a misleading statement, if such is a fact;
3. That I shall fully meet the requirements of independence as provided under the Code of Professional Ethics for CPAs;
4. That in the conduct of the audit, I shall comply with the Philippine Standards on Auditing promulgated by the Board of Accountancy; in case of any departure from such standards or any limitation in the scope of my examination, I shall indicate the nature of the departure and the extent of the limitation, the reasons therefore and the effects thereof on the expression of my opinion or which may necessitate the negation of the expression of an opinion;
5. That I shall comply with the applicable rules and regulations of the Securities and Exchange Commission in the preparation and submission of financial statements; and
6. That relative to the expression of my opinion on the said financial statements, I shall not commit any acts discreditable to the profession as provided under the Code of Professional Ethics for CPAs.

As a CPA engaged in public practice, I make these representations in my individual capacity and as a partner in the accounting firm of **VALDES ABAD & COMPANY, CPAs**.

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. 10479078, Issued Date: January 10, 2025, Makati City

BOA/PRC Reg. No. 0314

Issued on July 15, 2024, Valid until July 14, 2027

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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
August 14, 2025

**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



**INDEPENDENT AUDITOR'S REPORT TO ACCOMPANYING FINANCIAL STATEMENTS FOR
FILING WITH THE SECURITIES AND EXCHANGE COMMISSION**

The Stockholders and the Board of Directors
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, 2024, on which we have rendered the attached report dated August 14, 2025.

In compliance with Revised SRC Rule 68, we are stating that the Company has one hundred thirty-nine (139) stockholders owning one hundred (100) or more shares each as of December 31, 2024.

VALDES ABAD & COMPANY, CPAs
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BIR Accreditation No. 08-002126-000-2024
Issued on April 5, 2024, Valid until April 4, 2027

For the firm:

A handwritten signature in black ink, appearing to read "ALFONSO L. CAY-AN", is written over a faint circular watermark of the Philippine Accountancy Commission (PAC).

ALFONSO L. CAY-AN
Partner
CPA Registration No. 99805, Valid until December 14, 2026
TIN No. 213-410-741-000
PTR No. 10479078, Issued Date: January 10, 2025, Makati City
BOA/PRC Reg. No. 0314
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Makati City, Philippines
August 14, 2025

ANNEX E-3

COVER SHEET

SEC Registration Number

1 4 7 5 8 4

PREMIERE HORIZON ALLIANCE CORPORATION AND SUBSIDIARIES

(Company's Full Name)

UNIT 1705 17TH FLOOR EAST TOWER ER PHILIPPINE STOCK EXCHANGE CENTRE, EXCHANGE ROAD ORTIGAS CENTER, PASIG CITY

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

GERONIMO B. HALILI

Contact Person

8632-7715

Company Telephone Number

SEC FORM 17-Q

1 2

Month

3 1

Day

Calendar Year

FORM TYPE

0 6

Month

2 8

Day

h

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, 2025**
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 P.0.25 PAR VALUE

5,708,359,504 COMMON SHARES

11. Are any or all of the securities listed on the Philippine Stock Exchange?

Yes 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 II(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 No

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

Yes No

PART I-FINANCIAL INFORMATION

Item 1. Financial Statements

The Unaudited Financial Statements as of the first quarter of 2025 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).

	March 31, 2025	March 31, 2024	Inc (Dec) .
1. Revenues	2,555,870	75,830,172	(73,247,302)
2. Gross Profit (Loss)	(4,097,451)	25,850,750	29,172,153
3. Gross Profit (Loss) Ratio	(1.60)	0.34	(1.26)
4. Net Profit (Loss)	(62,890,887)	(30,610,598)	(32,280,289)
5. Net Profit (Loss) Ratio	(8.65)	(0.40)	(8.25)
6. Net Profit Attributable to Parent	(48,112,730)	(30,274,334)	(17,838,396)
7. 12 months trailing net income/(loss)	17,672,466	12,634,022	5,038,444
8. Trailing 12 months earnings/(loss) per share basic	0.00	0.00	0.00
9. Debt-to-Equity Ratio	0.78	0.34	0.44
10. Current Ratio	1.51	2.82	(1.31)
11. Debt Ratio	0.44	0.19	0.25
12. Return of Assets	(0.01)	(0.01)	0.00

Financial Condition

Interim Report (March 31, 2025)

The Company employed total assets of Php5,359,067,846 financed by total liabilities of Php2,352,556,739 and total stockholders' equity of Php3,006,551,107. Noncurrent assets amounted to Php3,271,332,543 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 Php2,087,735,304.

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

- ▶ **Cash** - As of March 31, 2025 and December 31, 2024, this account amounted to Php29.52 million and Php60.35 million, respectively, which shows an decrease of Php30.83 million or 51.08% change.
- ▶ **Property and equipment, net**- As of March 31, 2025 and December 31, 2024, this account amounted to Php61.74 million and Php65.28, respectively, which shows a decrease of Php3.54 million or 5.43%. The net decrease primarily came from the depreciation expense for the current financial year as at this reporting period.
- ▶ **Loans payable** - As of March 31, 2025 and December 31, 2024, this account amounted to Php616.70 million and Php580.30 million, respectively, which shows an increase of Php36.41 million or 6.27% due to availment of loans.
- ▶ **Retained Earnings** increased by Php23.81 million because of the net loss incurred for the first quarter of 2025.

Results of Operation

A comparative review of the Company's financial operations for the quarter ended March 31, 2025 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 quarters pertain solely to the real estate sales which posted a decrease of PhpPhp2.30 million, as a result of lower percentage of completion met for construction projects.
- ▶ **Cost of services**- decreased by Php6.65 million due to lower operating cost resulting from production volume.
- ▶ **General and administrative expenses** - decreased by Php39.48 million mainly because of the lower costs incurred in the current year related to professional and legal fees.
- ▶ **Other income - net** – decreased by Php1.0 million is mainly attributable to the sale of scrap materials during 2025.

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, 2025 and December 31, 2024

(All amounts in Philippine Peso)

ASSETS	Note	March 31, 2025 (Unaudited)	December 31, 2024 (Audited)
CURRENT ASSETS			
Cash	2	29,522,843	60,351,442
Receivables - net	3	661,303,974	663,744,950
Contract assets - current		420,103,909	438,890,717
Real estate for sale	4	786,407,296	785,482,296
Other current assets - net	5	190,397,282	183,576,161
Total Current Assets		2,087,735,304	2,132,045,566
NON-CURRENT ASSETS			
Contract assets - net of current portion		-	-
Deferred exploration costs		433,741,199	433,502,973
Investment properties		2,678,719,700	2,678,719,700
Property and equipment - net		61,736,107	65,278,494
Goodwill and intangible assets - net		1,926,133	2,027,508
Right-of-use assets - net		1,911,951	1,911,951
Deferred tax assets		61,886,227	61,886,227
Other noncurrent assets - net		31,411,226	31,411,226
Total Non-Current Assets		3,271,332,543	3,274,738,079
TOTAL ASSETS		5,359,067,846	5,406,783,645
LIABILITIES AND EQUITY			
CURRENT LIABILITIES			
Trade and other payables	6	551,332,798	561,310,860
Short-term loans		186,818,862	191,818,862
Lease liability - current portion		2,788,383	2,788,383
Loans payable - current portion		546,018,000	123,085,010
Convertible loans - current portion		100,000,000	100,000,000
Contract liabilities		-	6,251,941
Dividend payable		-	-
Capital gains tax payable		-	-
Total Current Liabilities		1,386,958,043	985,255,056
NON CURRENT LIABILITIES			
Loans payable - net of current portion		70,686,922	457,214,810
Pension liabilities		10,421,135	10,421,135
Deferred tax liabilities		784,490,639	784,490,639
Advances from third parties		100,000,000	100,000,000
Total Non-Current Liabilities		965,598,696	1,352,126,584
EQUITY			
Share capital		1,414,348,522	1,414,348,522
Additional paid-in capital		629,410,181	629,410,181
Retained earnings		523,754,131	499,941,670
Remeasurement gain on retirement plan		31,265,998	31,265,998
Total equity attributable to Parent Company's shareholders		2,598,778,832	2,574,966,371
Equity attributable to non-controlling interest		407,732,275	494,435,634
Total Equity		3,006,511,107	3,069,402,005
TOTAL LIABILITIES AND EQUITY		5,359,067,846	5,406,783,645
<i>See Notes to Consolidated Financial Statements</i>			

PREMIERE HORIZON ALLIANCE CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

For the three-months period ended March 31, 2025 and 2024

(All amounts in Philippine Peso)

	Note	Quarters Ended		Year to Date	
		2025	2024	2025	2024
		(UNAUDITED)	(UNAUDITED)	(UNAUDITED)	(UNAUDITED)
REVENUES					
Real estate sales		-	75,830,172	-	75,830,172
Mining-related services		2,555,870	-	2,555,870	-
Service income		-	-	-	-
		2,555,870	75,830,172	2,555,870	75,830,172
COSTS OF SALES AND SERVICES					
Cost of real estate sales		-	36,454,962	-	36,454,962
Cost of services		6,653,321	13,524,460	6,653,321	13,524,460
		6,653,321	49,979,422	6,653,321	49,979,422
GROSS PROFIT		(4,097,451)	25,850,750	(4,097,451)	25,850,750
GENERAL AND ADMINISTRATIVE EXPENSES	7	39,484,552	33,214,298	39,484,552	33,214,298
OTHER INCOME (CHARGES)					
Interest expense		(20,291,074)	(25,997,731)	(20,291,074)	(25,997,731)
Interest income		9,624	545,443	9,624	545,443
Others – net		972,566	2,205,238	972,566	2,205,238
		(19,308,884)	(23,247,050)	(19,308,884)	(23,247,050)
INCOME (LOSS) BEFORE INCOME TAX PROVISION FOR (BENEFIT FROM) INCOME TAX		(62,890,887)	(30,610,598)	(62,890,887)	(30,610,598)
NET INCOME (LOSS)		(62,890,887)	(30,610,598)	(62,890,887)	(30,610,598)
OTHER COMPREHENSIVE INCOME (LOSS)					
<i>Not to be reclassified to profit or loss in subsequent years -</i>					
Remeasurement gains (losses) on retirement liability - net of deferred tax					
TOTAL COMPREHENSIVE INCOME (LOSS)		(62,890,887)	(30,610,598)	(62,890,887)	(30,610,598)
Net income (loss) attributable to:					
Equity holders of the Parent Company		(48,112,730)	(30,274,334)	(48,112,730)	(30,274,334)
Noncontrolling interests		(14,778,157)	(336,264)	(14,778,157)	(336,264)
		(62,890,887)	(30,610,598)	(62,890,887)	(30,610,598)
Total comprehensive income (loss) attributable to:					
Equity holders of the Parent Company		(48,112,730)	(30,274,334)	(48,112,730)	(30,274,334)
Noncontrolling interests		(14,778,157)	(336,264)	(14,778,157)	(336,264)

**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, Philippine Stock Exchange Center, Exchange Road, Ortigas Center, Pasig City.

As at March 31, 2024 and December 31, 2023, the subsidiaries of the Parent Company, which are all incorporated in the Philippines, are as follows:

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

*Non-operating

2. Cash

This account consists of:

	March 31, 2025 (UNAUDITED)	DECEMBER 31, 2024 (AUDITED)
Cash on hand	Php 3,959,984	Php 3,854,984
Cash in banks	25,422,267	56,356,456
	Php 29,522,253	Php 60,351,442

3. Receivable

This account consists of:

	March 31, 2025 (UNAUDITED)	DECEMBER 31, 2024 (AUDITED)
Contract receivables	Php 358,187,131	Php 356,086,870
Advances to officers and employees	55,774,495	55,919,932
Trade receivables	13,168,599	13,168,598
Others	252,124,061	256,520,056
	679,254,286	681,695,262
Less allowance for ECL	17,950,312	17,950,312
	Php 661,303,974	Php 663,744,950

Aging of receivables

	Total	0-30days	31-60 days	61-90 days	Over90days
Contract receivables	358,187,131	4,171,637	5,005,964	7,508,947	341,500,583
Advances to officers and employees	55,774,495	802,741	535,161		54,436,593
Trade receivables	13,168,599				13,168,598
Others	252,124,061	3,714,917		2,476,612	245,932,532
Total	679,254,286	8,689,295	5,541,125	9,985,559	655,038,306

4. Real Estate Held for Sale

This account consists of:

	March 31, 2025 (UNAUDITED)	DECEMBER 31, 2024 (AUDITED)
Real estate under development and subdivided lots held for sale	Php 779,125,793	Php 778,200,793
Land and land development	7,281,503	7,281,503
	Php 786,407,296	Php 785,482,296

5. Other Current Assets

This account consists of:

	March 31, 2025 (UNAUDITED)	DECEMBER 31, 2024 (AUDITED)
Input VAT	Php 72,175,859	Php 69,291,503
Advances to suppliers and contractors	723,542	4,923,542
Security deposits	433,142	433,142
Supplies	1,014,278	1,014,278
Prepayments	15,290	15,290
Others	116,035,170	107,898,405
	190,397,281	183,576,161
Less allowance for impairment losses	-	-
	Php 190,397,281	Php 183,576,161

6. Trade and Other Payables

This account consists of:

	March 31, 2025 (UNAUDITED)	DECEMBER 31, 2024 (AUDITED)
Trade payables	Php 150,940,193	Php 152,607,965
Accrued expenses	255,808,708	247,331,538
Customers' deposits and advances	103,244,554	103,244,554
Customer's refunds	-	-
Deferred output VAT	-	-
Capital gains tax payable	-	-
Voucher's payable	784,603	784,603
Retention payable	12,488,322	12,488,322
Output VAT payable	-	-
Current portion of lease liabilities	2,788,383	2,788,383
Others	28,066,418	44,853,877
	Php 554,121,181	Php 564,099,242

7. General and Administrative Expenses

This account consists of:

	March 31, 2025 (UNAUDITED)	DECEMBER 31, 2024 (AUDITED)
Professional and legal fees	Php 14,719,177	Php 65,504,995
Personnel cost	6,123,615	28,951,477
Taxes and licenses	5,068,725	10,526,817
Commissions	-	9,112,961
Entertainment, amusement and recreation	1,501,924	4,453,781
Depreciation and amortization	599,643	5,398,424
Rentals and utilities	763,264	3,398,080
Transportation and travel	1,899,666	6,523,767
Repairs and maintenance	266,337	1,331,926
Outside services	204,138	1,607,280
Supplies and materials	172,198	742,033
Freight and handling	520	-
Advertising and promotions	-	306,643
Others	8,165,345	17,044,462
	Php 39,484,552	Php 154,862,646

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



MARIELOR M. SANDOVAL
Senior Vice President

Date: September 05, 2025



ERNEST SZE LOK YEUNG
Chief Financial Adviser

Date: September 05, 2025

ANNEX E-4

COVER SHEET

1 4 7 5 8 4

SEC 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 A N D S U B S I D I A R I E S

(Company's Full Name)

U N I T 1 7 0 5 1 7 T H F L O O R E A S T T O W E

E R T E K T I T E T O W E R S E X C H A N G E

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

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

GERONIMO B. HALILI

Contact Person

8632-7715

Company Telephone Number

SEC FORM 17-Q

1 2 3 1
Month Day
Calendar Year

FORM TYPE

0 6 2 8
Month Day
Annual Meeting

Secondary License Type, If Applicable

Dept Requiring this Doc

Amended Articles Number / Section

Total No. of Stockholders

Total Amount of Borrowings
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, 2025**
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
---------------------	--

<u>COMMON STOCK P.0.25 PAR VALUE</u>	<u>5,708,359,504 COMMON SHARES</u>
---	---

11. Are any or all of the securities listed on the Philippine Stock Exchange?

Yes 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 II(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 No

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

Yes No

PART I-FINANCIAL INFORMATION

Item 1. Financial Statements

The Unaudited Financial Statements as of the second quarter of 2025 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, 2025	June 30, 2024	Inc (Dec) .
1. Revenues	13,415,476	97,551,144	(84,135,668)
2. Gross Profit (Loss)	(4,286,066)	22,480,592	(26,766,658)
3. Gross Profit (Loss) Ratio	(0.32)	0.23	(0.55)
4. Net Profit (Loss)	(122,483,206)	(79,060,453)	(43,422,753)
5. Net Profit (Loss) Ratio	(9.13)	(0.81)	(8.32)
6. Net Profit Attributable to Parent	(95,838,782)	(68,721,936)	(27,116,846)
7. 12 months trailing net income/(loss)	17,672,466	(31,958,594)	-14,286,128
8. Trailing 12 months earnings/(loss) per share basic	0.00	(0.01)	(0.01)
9. Debt-to-Equity Ratio	0.84	0.35	0.49
10. Current Ratio	1.43	1.93	(0.50)
11. Debt Ratio	0.46	0.19	0.27
12. Return of Assets	(0.01)	(0.02)	0.01

Financial Condition

Interim Report (June 30, 2025)

The Company employed total assets of P 5,425,886,529 financed by total liabilities of P 2,478,596,741 and total stockholders' equity of P 2,946,918,788. Noncurrent assets amounted to P 3,268,478,432 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 P 2,157,408,100.

Material Changes - Increase/ Decrease of 5% or more (June 30, 2025 vs. December 31, 2024)

- ▶ **Cash** - As of June 30, 2025 and December 31, 2024, this account amounted to Php36.61 million and Php60.35 million, respectively, which shows an increase of Php23.74 million or 64.57% due to payment of loans. Cash used in operation activities amounted to Php146 million; cash used in investing activities amounted to Php4.7 million; while cash provided by financing activities amounted to Php117.9 million. The said cash flows represent the net increase/decrease during this financial reporting period.
- ▶ **Contract assets**- As of June 30, 2025 and December 31, 2024, this account amounted to Php349.34 million and Php438.90 million, which shows an increase of Php89.56 million or 25.63%. The increase primarily came from collection of receivables
- ▶ **Real Estate for Sale** - As of June 30, 2025 and December 31, 2024, this account amounted to Php931.22 million and Php785.48 million, which shows an increase of Php145.74 million or 18.55% due to booking of new projects NCGR and Basista
- ▶ **Property and equipment, net**- As of June 30, 2025 and December 31, 2024, this account amounted to Php58.9 million and Php65.5 million, respectively, which shows an increase of Php6.6 million or 11.21%. The net increase is due to depreciation expense.
- ▶ **Trade and other payables**- As of June 30, 2025 and December 31, 2024, this account amounted to Php691.28 million and Php526.33 million, which shows an increase of Php164.95 million or 31.34%. The increase is mainly due to the setup of corresponding payables of new projects.
- ▶ **Loans payable** - As of June 30, 2025 and December 31, 2024, this account amounted to Php704.67 million and Php580.03 million respectively, which shows an increase of Php124.64 million or 21.49% due to availing of loans.
- ▶ **Retained Earnings**- As of June 30, 2025 and December 31, 2024, it was decreased by Php23.91 million or 4.78% due to net loss incurred during the period.

Results of Operation

A comparative review of the Company's financial operations for the quarter ended June 30, 2025 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 quarters pertain to the real estate sales and mining-related services which posted a decrease of Php84.14 million or 86%, as a result of lower percentage of completion accomplished for construction projects.
- ▶ **Cost of sales and services**- decreased by Php57.37 million or 76% due to lower operating cost resulting from production volume.
- ▶ **Gross Profit**- decreased by Php26.77 million or 119% due to lower revenues of the Group.
- ▶ **General and administrative expenses** - increased by Php12.51 million or 18.6% is attributed to increase of professional fee due to turnover of former corporate secretary.
- ▶ **Other income - net** – increased by Php4.15 million or 12% is due to additional bank loans.

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 June 30, 2025 and December 31, 2024

(All amounts in Philippine Peso)

ASSETS	Note	June 30, 2025 (Unaudited)	December 31, 2024 (Audited)
CURRENT ASSETS			
Cash	2	36,610,433	60,351,442
Receivables - net	3	652,316,951	663,744,950
Contract assets - current		349,343,092	438,890,717
Real estate for sale	4	931,219,622	785,482,296
Other current assets - net	5	187,918,002	183,576,161
Total Current Assets		2,157,408,100	2,132,045,566
NON-CURRENT ASSETS			
Contract assets - net of current portion		-	-
Deferred exploration costs		434,038,549	433,502,973
Investment properties		2,678,719,700	2,678,719,700
Property and equipment - net		58,686,021	65,278,494
Goodwill and intangible assets - net		1,824,758	2,027,508
Right-of-use assets - net		1,911,951	1,911,951
Deferred tax assets		61,886,227	61,886,227
Other noncurrent assets - net		31,411,226	31,411,226
Total Non-Current Assets		3,268,478,432	3,274,738,079
TOTAL ASSETS		5,425,886,529	5,406,783,645
LIABILITIES AND EQUITY			
CURRENT LIABILITIES			
Trade and other payables	6	691,282,220	561,310,860
Short-term loans		185,318,862	191,818,862
Lease liability - current portion		2,788,383	2,788,383
Loans payable - current portion		630,151,097	123,085,010
Convertible loans - current portion		-	100,000,000
Contract liabilities		-	6,251,941
Dividend payable		-	-
Capital gains tax payable		-	-
Total Current Liabilities		1,509,540,562	985,255,056
NON CURRENT LIABILITIES			
Loans payable - net of current portion		74,515,405	457,214,810
Pension liabilities		10,421,135	10,421,135
Deferred tax liabilities		784,490,639	784,490,639
Advances from third parties		100,000,000	100,000,000
Total Non-Current Liabilities		969,427,179	1,352,126,584
TOTAL LIABILITIES		2,478,967,741	2,337,381,640
EQUITY			
Share capital		1,414,348,522	1,414,348,522
Additional paid-in capital		629,410,181	629,410,181
Retained earnings		476,028,078	499,941,670
Remeasurement gain on retirement plan		31,265,998	31,265,998
Total equity attributable to Parent Company's shareholders		2,551,052,779	2,574,966,371
Equity attributable to non-controlling interest		395,866,009	494,435,634
Total Equity		2,946,918,788	3,069,402,005
TOTAL LIABILITIES AND EQUITY		5,425,886,529	5,406,783,645

See Notes to Consolidated Financial Statements

PREMIERE HORIZON ALLIANCE CORPORATION AND SUBSIDIARIES

UNAUDITED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

For the six-month period ended June 30, 2025 and 2024

(All amounts in Philippine Peso)

	Note	Quarters Ended		Year to Date	
		2025	2024	2025	2024
		<u>Apr 1 – June 30</u>		<u>Jan 1 – June 30</u>	
REVENUES		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Real estate sales		1,962,625	19,362,948	1,962,625	95,193,120
Mining-related services		8,896,980	2,358,024	11,452,850	2,358,024
Service income		-	-	-	-
		10,859,606	21,720,972	13,415,476	97,551,144
COSTS OF SALES AND SERVICES					
Cost of real estate sales		428,247	9,265,533	428,247	45,720,495
Cost of services		10,619,974	15,825,597	17,273,295	29,350,057
		11,048,221	25,091,130	17,701,542	75,070,552
GROSS PROFIT		(188,651)	(3,370,158)	(4,286,066)	22,480,592
GENERAL AND ADMINISTRATIVE EXPENSES	7	39,850,936	33,887,903	79,612,659	67,102,205
OTHER INCOME (CHARGES)					
Interest expense		(26,182,810)	(21,482,940)	(46,473,884)	(47,480,671)
Interest income		769,394	232,161	779,018	777,604
Others – net		6,137,819	10,058,989	7,110,385	12,264,227
		(19,275,497)	(11,191,790)	(38,584,481)	(34,438,840)
INCOME (LOSS) BEFORE INCOME TAX PROVISION FOR (BENEFIT FROM) INCOME TAX		(59,315,148)	(48,449,851)	(122,483,206)	(79,060,453)
NET INCOME (LOSS)		(59,315,148)	(48,449,851)	(122,483,206)	(79,060,453)
OTHER COMPREHENSIVE INCOME (LOSS)					
<i>Not to be reclassified to profit or loss in subsequent years -</i>					
Remeasurement gains (losses) on retirement liability - net of deferred tax					
TOTAL COMPREHENSIVE INCOME (LOSS)		(59,315,148)	(48,449,855)	(122,483,206)	(79,060,453)
Net income (loss) attributable to:					
Equity holders of the Parent Company		(47,555,718)	(38,447,629)	(95,838,782)	(68,721,936)
Noncontrolling interests		(11,759,429)	(10,002,226)	(26,644,423)	(10,338,490)
		(59,315,147)	(48,449,855)	(122,483,206)	(79,060,426)
Total comprehensive income (loss) attributable to:					
Equity holders of the Parent Company		(47,555,718)	(38,447,629)	(95,838,782)	(68,721,936)
Noncontrolling interests		(11,759,429)	(10,002,226)	(26,644,423)	(10,338,490)
		(59,315,147)	(48,449,855)	(122,483,206)	(79,060,426)

PREMIERE HORIZON ALLIANCE CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOW

As at June 30, 2025 and 2024

(All amounts in Philippine Peso)

	Note	June 30, 2025 (Unaudited)	June 30, 2024 (Unaudited)
CASH FLOWS FROM OPERATING ACTIVITIES			
Income before tax		(122,483,205)	(79,060,452)
Adjustments for:			
Prior period adjustment		-	-
Gain on change in fair value of investment property		-	-
Loss on disposal of investment property		-	(5,000,000)
Provision for impairment loss		202,751	-
Reversal of allowance for impairment loss		-	-
Depreciation and amortization		1,386,569	15,173,401
Gain on disposal of equipment		-	-
Retirement benefit expense		-	-
Interest expense		46,473,884	46,953,142
Interest income		(779,018)	(777,604)
Operating income before working capital changes		(75,199,019)	(22,711,513)
Changes in assets and liabilities:			
Receivables and contract assets		100,975,624	(19,427,133)
Real estate inventories		(145,737,326)	9,972,868
Other current assets		(4,341,841)	(7,999,937)
Trade and other payables		29,971,350	(38,642,570)
Contract liabilities		(6,251,941)	2,499,682
Cash used in operations		(100,583,153)	(76,308,603)
Interest paid		(46,473,884)	(25,644,955)
Interest received		779,018	777,604
Income tax paid		-	-
Benefits paid		-	-
Net Cash Flows from Operating Activities		(146,278,019)	(101,175,954)
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from:			
Disposal of property and equipment		-	-
Acquisition of:			
Property and equipment		5,205,904	(46,984,983)
Deferred exploration cost		(535,576)	(1,655,198)
Investment properties		-	-
Decrease in other non-current assets		-	1,577,952
Proceeds from sale of property and equipment		-	5,000,000
Net Cash Flows from Investing Activities		4,670,328	(42,062,229)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from:			
Collection of subscription receivable		-	-
Availments of long-terms loans		124,366,682	234,364,986
Availments of short-terms loans		-	50,750,000
Advances from third parties		-	-
Stock issuance costs		-	-
Payments of:			
Lease liability		-	-
Callable loans		-	-
Short-term loans		(6,500,000)	-
Long-term loans		-	(219,485,267)
Net Cash Flows from Financing Activities		117,866,682	65,629,719
NET INCREASE (DECREASE) IN CASH		(23,741,009)	(77,608,464)
CASH AT BEGINNING OF YEAR		60,351,442	136,418,577
CASH AT END OF YEAR	2	36,610,433	58,810,113

See Notes to Consolidated Financial Statements

PREMIERE HORIZON ALLIANCE CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

As at June 30, 2025 and 2024

(All amounts in Philippine Peso)

	Note	June 30, 2025 (Unaudited)	June 30, 2024 (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		499,941,670	132,711,701
Prior period adjustment		-	-
Net income (loss)		(95,838,782)	(68,721,963)
Balance at end of year		404,102,888	63,989,738
CUMULATIVE REMEASUREMENT GAINS ON RETIREMENT LIABILITY			
Balance at beginning of year		31,265,998	31,265,998
Net remeasurement gain (losses)		-	-
Balance at end of year		31,265,998	31,265,998
NON-CONTROLLING INTEREST			
Balance at beginning of year		494,435,635	422,510,433
Net income (loss)		(26,644,423)	(10,338,490)
Other comprehensive income (loss)		-	-
Balance at end of year		467,791,212	412,171,943
TOTAL EQUITY		2,946,918,788	2,551,186,382
<i>See Notes to Consolidated Financial Statements</i>			

**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, Philippine Stock Exchange Center, Exchange Road, Ortigas Center, Pasig City.

As at June 30, 2025 and December 31, 2024, the subsidiaries of the Parent Company, which are all incorporated in the Philippines, are as follows:

Industry	Percentage of Ownership	
	Direct	Indirect Total
West Palawan Premiere Development Corp. (WPP)	100	100
Treasure Cove at Nagtabon Beach, Inc. (TCNBI)		100
Premiere Georesources and Development Inc. (PGDI)	69	69
Pyramid Hill Mining & Industrial Corp(PHMIC)		68
Palawan Star Mining Ventures, Inc. (PSMVI)		68
Goshen Land Capital, Inc. (GLCI)	55	55
Concepts Unplugged: Business Environment Solutions Management, Investment and/or technical (CUBES), Inc. solutions	51	51
Premiere Horizon Business Services, Inc. (PHBSI)*	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		
Premiere e-Teleservices, Inc. (PeTI) Entertainment		

**Non-operating*

2. Cash

This account consists of:

	June 30, 2025 (UNAUDITED)	DECEMBER 31, 2024 (AUDITED)
Cash on hand	Php 4,360,9172	Php 3,854,984
Cash in banks	32,250,261	56,356,456
	Php 36,610,433	Php 60,351,442

3. Receivable

This account consists of:

	June 30, 2025 (UNAUDITED)	DECEMBER 31, 2024 (AUDITED)
Contract receivables	Php 339,981,139	Php 356,086,870
Advances to officers and employees	56,117,287	55,919,932
Trade receivables	20,851,180	13,168,598
Others	253,317,657	256,520,056
	670,267,264	681,695,262
Less: Allowance for ECL	17,950,312	17,950,312
	Php 652,316,951	Php 663,744,950

Aging of receivables

	Total	0-30days	31-60 days	61-90 days	Over90days
Contract receivables	339,981,139			2,100,261	337,880,878
Advances to officers and employees	56,117,287			5,990,147	50,127,140
Trade receivables	20,851,180	3,726,326	3,956,255		13,168,599
Others	253,317,657			6,191,529	247,126,128
Total	670,267,264				

4. Real Estate Held for Sale

This account consists of:

	June 30, 2025 (UNAUDITED)	DECEMBER 31, 2024 (UNAUDITED)
Real estate under development and subdivided lots held for sale	Php 923,938,119	Php 778,200,793
Land and land development	7,281,503	7,281,503
	Php 931,219,622	Php 785,482,296

5. Other Current Assets

This account consists of:

	June 30, 2025 (UNAUDITED)	DECEMBER 31, 2024 (AUDITED)
Input VAT	Php 77,431,108	Php 69,291,503
Creditable withholding tax	106,961,633	105,478,698
Advances to suppliers and contractors	52,699	4,923,542
Security deposits	433,142	433,142
Deferred MCIT	812,292	559,651
Supplies	1,014,278	1,014,278
Prepayments	138,000	15,290
Others	1,074,849	1,860,056
	187,918,002	183,576,161
Less: Allowance for impairment losses	-	-
	Php 187,918,002	Php 183,576,161

6. Trade and Other Payables

This account consists of:

	June 30, 2025 (UNAUDITED)	DECEMBER 31, 2024 (AUDITED)
Trade payables	Php 159,371,412	Php 152,607,965
Accrued expenses	373,521,111	247,331,539
Customers' deposits and advances	118,942,476	103,244,554
Customer's refunds	-	-
Deferred output VAT	-	-
Retention payable	14,291,729	12,488,322
Capital gains tax payable	-	-
Voucher's payable	271,067	784,603
Output VAT payable	-	-
Current portion of lease liabilities	2,788,383	2,788,383
Others	25,426,557	44,853,877
	Php 691,282,220	Php 564,099,242

7. General and Administrative Expenses

This account consists of:

	June 30, 2025 (UNAUDITED)	DECEMBER 31, 2024 (AUDITED)
Professional and legal fees	Php 35,856,845	Php 65,504,995
Personnel cost	12,805,149	28,951,477
Taxes and licenses	7,201,200	10,526,817
Commissions	2,884,559	9,112,961
Entertainment, amusement and recreation	5,003,554	4,453,781
Depreciation and amortization	1,386,569	5,398,424
Filing and listing fees	717,267	-
Rentals and utilities	2,324,149	3,398,080
Transportation and travel	3,095,834	6,523,767
Repairs and maintenance	768,748	1,331,926
Outside services	1,106,973	1,607,280
Supplies and materials	351,625	742,033
Freight and handling	-	-
Advertising and promotions	342,922	306,643
Others	5,767,263	17,044,462
	Php 79,612,659	Php 154,862,646

8. Summary Report on Deferred Exploration

- For the period January 01 to June 30, 2025, no exploration activities were conducted for both Pyramid Hill Mining and Industrial Corp.(PHMIC) and Palawan Star Mining Ventures, Inc.(PSMVI)
- During the period, Premiere Georesources Development Inc. applied for the the extension of the exploration period with Mines Georesources Bureau (MGB). Once the extension granted, exploration drilling will commence at PSMVI, as PHMIC completed its drilling in 2018. The application is currently being processed.
- Pyramid Hill Mining and Industrial Corp. (PHMIC) submitted its Final Explanation Report (FER) to MGB last February 2025 and is currently awaiting verification by the MBG.
- Palawan Star Mining Ventures, Inc. has applied for an extension of its exploration period to conduct exploration drilling activities.
- Also, during the period, prescoping activities were conducted in preparation for the ECC (Environmental Compliance Certificate) application for PHMIC and exploration drilling at PSMVI.

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



MARFIOR M. SANDOVAL
Senior Vice President

Date: September 05, 2025



ERNEST SZE LOK YEUNG
Chief Financial Adviser

Date: September 05, 2025



**Minutes of the Special Meeting
of the Stockholders
of
PREMIERE HORIZON ALLIANCE CORPORATION¹**

Held on 31 July 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://uso2web.zoom.us/j/84727562768?pwd=AFWpXGJR7zvKXTpvNPMmQw7UJuC2GX.1>

<p>STOCKHOLDERS PRESENT: Eugenio T. Tan Marian Peña Brandon P. Leong Geronimo B. Halili Esteban G. Peña Sy Christina Leong Ernest Sze Lok Yeung Maria Clara A. Camacho Leslie Tan.</p>	<p>ALSO PRESENT: Abdussabor Sawadjaan, Jr. Christine Galita Wincel Chang Mariflor Sandoval Jarodelyn N. Mabalot Kristina Durana Ma. Venica Gerardine Audrey I. Jose Alfonso Cay-an (Valdes) Nangiela Estanislao(Valdes) Russie Ericka Dela Cruz (STSI) Andrea Tan Helenita Ong</p>
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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 Leong.

I. Call to Order

The Corporate Secretary, Atty. Jarodelyn Mabalot (“Atty. Mabalot”) of Premiere Horizon Alliance Corporation (“PHA” or the “Corporation”) confirmed that Chairman Emmanuel G. Herbosa was not present to preside over the meeting. Thus, after some discussion, Director Esteban G. Peña Sy (“Mr. Peña Sy”) was nominated to act as the Chairman of the meeting.

Mr. Peña Sy acknowledged the presence of the following members of the Board of Directors (“Board”), and Management at the meeting:

¹ These draft minutes shall still be subject to the approval of the stockholders during the next stockholders’ meeting.

Director, President & CEO
Director & Executive Vice President
Director & Treasurer
*Director & Group Chief Financial
Adviser*
Director
Director
Director & Chief Investment Officer
Independent Director
Corporate Secretary

Eugenio T. Tan
Marian Peña
Brandon P. Leong
Ernest Sze Lok Yeung

Esteban Peña Sy
Atty. Geronimo B. Halili
Christina P. Leong
Maria Clara A. Camacho
Atty. Jarodelyn M. Mabalot

The meeting was called to order at 10:00 a.m.

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. All 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 Special Stockholders' Meeting ("SSM"), 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 SSM was also published in the business sections of the Daily Tribune on 4 July and 5 July 2025 and of the Manila Times on 3 July and 4 July 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 10:00am, the stockholders who were participating in the meeting virtually and by proxy totaled 3,148,443,529 of the Corporation's shares, constituting 55.15% of its total outstanding capital stock as of 23 June 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 is 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 the submission of proxy forms or voting forms.

There were four (4) items for approval excluding the adjournment, as indicated in the agenda set out in the Notice. 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. Votes received through proxy forms and voting forms were 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, 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 email prior to the meeting, or through the Zoom portal, or by email during the meeting. Questions and comments will be replied to via email. These participation and voting procedures are 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 Annual Stockholders' Meeting held on 28 June 2024

There being a quorum, Mr. Peña Sy proceeded to the next item on the agenda which was the approval of the minutes of the Annual Stockholders' Meeting ("ASM") held on 28 June 2024. 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 last year. Atty. Mabalot also certified that the 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 ASM dated 28 June 2024, and for the approval of the same.

A motion to dispense with the reading and approve the minutes of the ASM dated 28 June 2024 was duly made and seconded.

Atty. Mabalot noted for the record that 99.95% shares of the quorum voted in favor of approving the minutes of the ASM dated 28 June 2024. Thus, the requisite majority for the approval of the minutes had been obtained, and the following resolution was approved:

“**WHEREAS**, the Board of Directors of Premiere Horizon Alliance Corporation (‘Corporation’) duly convened and held an Annual Stockholders’ Meeting on 28 June 2024 (‘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.”

IV. Approval of Minutes of the Special Stockholders’ Meeting held on 28 March 2025

Mr. Peña Sy moved on to the next item on the agenda which was the approval of the minutes of the Special Stockholders’ Meeting (“SSM”) held on 28 March 2025. Atty. Mabalot certified that the minutes of the meeting were posted on the Company’s website after the adjournment of the stockholders’ meeting last 28 March 2025. Atty. Mabalot also certified that a copy of the minutes was also 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 had been read and reviewed. Nonetheless, Mr. Peña Sy likewise 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, and for the approval of the same.

A motion to dispense with the reading and approve the minutes of the SSM dated 28 March 2025 was duly made and seconded.

Atty. Mabalot noted for the record that stockholders owning 99.99% shares of the quorum voted in favor of approving the minutes of the SSM dated 28 March 2025. Thus, the requisite majority for the approval of the minutes had been obtained, and the following resolution was approved:

“**WHEREAS**, the Board of Directors of Premiere Horizon Alliance Corporation (‘Corporation’) duly convened and held a Special Stockholders’ Meeting on 28 March 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.”

V. Approval of the Replacement of Reyes Tacandong & Co. to Valdes Abad & Company, CPAs as the External Auditor of the Company for the year ended 2024

The next item on the agenda was the approval of the replacement of Reyes Tacandong & Co. (“RT”) and appointment of Valdes Abad & Company, CPAs (“Valdes”) as the External Auditor of the Corporation for the year ended 2024.

Mr. Peña Sy explained that on 10 January 2025, the Audit & Risk Oversight Committee (“AROC”) of the Corporation recommended the replacement of its external auditor for the year 2024, RT, due to perceived conflict of interest. Accordingly, in a Special Board Meeting held on 15 January, 2025, the Board, by majority vote, approved the change of its external auditor for the year 2024, subject to the approval of the stockholders at this meeting.

Mr. Peña Sy explained that the reason the AROC recommended the replacement of RT was because it found that RT became the external auditor of companies whose President is currently entangled in litigation with PHA. Hence, there exists a serious conflict of interest which the AROC and Board considered in reaching the decision to replace RT with an equally competent and independent external auditor, Valdes, by a majority vote

of 7-2. Mr. Peña Sy further explained that the present SSM was called to obtain the stockholders' approval of the resolution.

The services and profile of Valdes were likewise flashed on the screen for the stockholders' reference.

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 or objections made, Mr. Peña Sy entertained a motion to approve the replacement of RT to Valdes as the External Auditor of the Corporation for the year ended 2024.

A motion was duly made and seconded.

Atty. Mabalot noted for the record that stockholders owning 99.99% shares of the quorum voted in favor of approving the replacement of RT to Valdes as the External Auditor of the Company for the year ended 2024. Thus, the requisite majority had been obtained, and the following resolution was approved:

“WHEREAS, the Board of Directors of Premiere Horizon Alliance Corporation (‘Corporation’) approved the replacement of Reyes Tacandong & Co. and appointment of Valdes Abad & Company, CPAs as the Corporation’s External Auditor for the year ending 31 December 2024 in its 15 January 2025 special meeting, subject to the stockholders’ approval;

“NOW, THEREFORE, for and in consideration of the foregoing premises, the stockholders hereby resolve as follows:

“RESOLVED, that the Corporation hereby approves the replacement of Reyes Tacandong & Co. and appointment of Valdes Abad & Company, CPAs as the Corporation’s External Auditor for the year ending 31 December 2024.”

VI. Approval of the Appointment of Valdes Abad & Company, CPAs as the External Auditor of the Company for the year ended 2025

The next item on the agenda was the approval of the appointment of Valdes as the External Auditor of the Corporation for the year ended 2025.

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 or objections made, Mr. Peña Sy entertained a motion to approve the appointment of Valdes as the External Auditor of the Company for the year ended 2025.

A motion was duly made and seconded.

Atty. Mabalot noted for the record that stockholders owning 99.99% shares of the quorum voted in favor of the appointment of Valdes as the External Auditor of the Corporation for the year ended 2025. Thus, the requisite majority had been obtained, and the following resolution was approved:

“RESOLVED, that the Corporation hereby approves the appointment of Valdes Abad & Company, CPAs as the Corporation’s External Auditor for the year ending 31 December 2025.”

VII. Other Matters

A. Chief Executive Officer’s (“CEO”) Message

Mr. Peña Sy turned over the floor to the CEO, Mr. Eugenio Tan, to address the stockholders with the following message:

“On behalf of this management and our entire team at Premiere Horizon Alliance Corporation, I extend my heartfelt gratitude and appreciation for your unwavering support, your presence today, and most importantly, your continued confidence in our Company. Today marks a meaningful step forward. With the appointment of the new external auditor, Valdes Abad & Company, CPAs, we reaffirm our commitment to transparency, accountability, and progress.

This is not merely a procedural change. It is a signal of our renewed momentum and determination to move our Company boldly to a brighter, and more stable future. Just like the storms that swept through our Country over the past week, our Company, too, has

weathered challenging times. But storms pass, and when they do, we will rise, we will rebuild, and we will move forward stronger, wiser and more united. That is our promise to you, our Shareholders.

Together, with the foundation of your trust and our shared vision, we look ahead with confidence. There is still a lot to do, and we are committed to working harder than ever to create lasting value for you, all our Shareholders, and for the communities we serve. Thank you again for standing with us, and again I thank all of you - Board members, Chairmans Steve, Management, Colleagues, Shareholders - many, many thanks.”

B. On the Trading Suspension

Mr. Peña Sy then handed over the floor to Atty. Mabalot to address the issue on the trading suspension imposed by the PSE. Atty. Mabalot explained that the suspension was prompted by the Corporation’s failure to submit its Annual Report within the prescribed period. While the Corporation acknowledged that it was unable to file its Annual Report by the extended deadline of 30 April 2025, it clarified that the non-compliance was neither intentional nor due to neglect. Rather, the delay arose from circumstances beyond its control. Specifically, PHA was unable to produce its audited financial statements (“AFS”) for the year ended 31 December 2024, which is a mandatory attachment to the Annual Report.

This was primarily because the appointment of the external auditor had yet to be approved by the stockholders. To address this, the Corporation called an SSM last 28 March 2025, ahead of the Annual Report submission deadline, in an effort to comply with the said requirement. However, it was unable to secure stockholders’ approval for the appointment of an external auditor due to the absence of a quorum. The Corporation thus resolved to call the SSM on 31 July 2025. With the presence of a quorum and the successful appointment of Valdes during this SSM, the PHA is now in a position to proceed with the finalization of its 2024 AFS, and subsequently, the submission of its Annual Report. With this development, the Corporation is hopeful that it may soon comply with the reporting requirements and formally appeal for the lifting of the trading suspension.

Mr. Peña Sy added that in simple terms, the suspension was imposed because PHA could not submit the AFS on time. Despite the Board approving the replacement of RT as early as January 2025, and the SSM being held in March 2025, the appointment of Valdes was not achieved as a quorum was not reached, there being proxies withdrawn at the last minute. Since PHA was not able to appoint an external auditor, the AFS was not submitted, and trading was subsequently suspended by the PSE.

Mr. Peña Sy expressed his happiness in achieving a quorum at the present meeting, and to finally officially appoint Valdes as PHA’s external auditor. He likewise mentioned that the Corporation is looking forward to submit its AFS and the resumption of the trading of PHA shares.

Mr. Peña Sy asked Atty. Mabalot whether there were questions raised or comments made on the agenda. Atty. Mabalot responded that there were no other questions raised or comments made by email prior to the meeting. In any case, should there be any questions, comments, or clarifications from the stockholders, such would be replied to via email as mentioned during the start of the meeting.

Atty. Mabalot then 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 stockholders.”

VIII. Adjournment

There being no other matters on the agenda, 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

MARIA CLARA A. CAMACHO
Director

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 the Minutes:			
a. Annual Stockholders' Meeting ("ASM") held on 28 June 2024	3,146,919,529 (99.95%)	0 (0%)	1,524,000 (0.048%)
b. SSM held on 28 March 2025	3,148,363,529 (99.99%)	0 (0%)	80,000 (0.0025%)
Item 4. Replacement of Reyes Tacandong & Co. ("RT") with Valdes Abad & Company, CPAs ("Valdes") as the external auditor of the Company for the year ended 2024	3,148,363,529 (99.99%)	0 (0%)	80,000 (0.0025%)
Item 5. Appointment of Valdes as the external auditor of the Company for the year ended 2025	3,148,363,529 (99.99%)	0 (0%)	80,000 (0.0025%)
Item 6. Other Matters <i>According to Proxy's Discretion</i>	No action necessary.		
Item 7. Adjournment	No action necessary.		

Percentage is based on total shares of PHA represented by proxy or in person during the meeting (3,148,443,529).

ANNEX G

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 No. of Stockholders

Total Amount of Borrowings

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 G

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): 22 August 2025
2. SEC Identification Number: 147584
3. BIR Tax Identification Number: 002-727-376-600 ^{Text}
4. Exact name of issuer as specified in its charter: PREMIERE HORIZON ALLIANCE CORPORATION
5. Philippines
Province, country or other jurisdiction of incorporation
6. (SEC Use Only).
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
<u>Common Stock P0.25 Par Value</u>	<u>5,708,359,504</u>

11. Indicate the item numbers reported herein: Item No. 9 Other Events

In a special meeting of the Board of Directors ("Board") of Premiere Horizon Alliance Corporation ("Corporation") held today, the Board resolved to call the Annual Stockholders' Meeting on 24 November 2025, 10:00 in the morning, to be conducted via videoconference. The record date was set to 20 October 2025, while the closing of the Corporation's stock and transfer book will be from 21 October 2025 to 24 November 2025.

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 Special Stockholders' Meeting held on 31 July 2025
4. Presentation of the Annual Report and Ratification of the 2024 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 annual stockholders' meeting to date as reflected in the books and records of the Corporation

6. Election of Directors
7. Other Matters
8. 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

22 August 2025
Date



Atty. Jarodelyn N. Mabalot
Corporate Secretary

ANNEX H

REPUBLIC OF THE PHILIPPINES)
CITY OF MAKATI) S.S.

SECRETARY'S CERTIFICATE

I, **NASHA JEMIMAH R. REYES-FERRER**, of legal age, Filipino, with office address at 8F Pacific Star Building Senator Gil Puyat Avenue corner Makati Avenue, Makati City, 1200, the duly elected and incumbent Assistant Corporate Secretary of **PREMIERE HORIZON ALLIANCE CORPORATION** (the "**Corporation**"), a corporation duly organized and existing under and by virtue of the laws of the Republic of the Philippines, with principal business address at Unit 1705, 17th Floor, East Tower, Tektite Towers, Exchange Road, Ortigas Center, Pasig City, do hereby certify that during the 22 August 2025 special meeting of the Board of Directors ("Board"), duly called for the purpose and with quorum acting throughout, the Board resolved to call the Annual Stockholders Meeting on 24 November 2025, adopting and approving by the affirmative vote of at least a majority of the Board the following resolutions:

"**WHEREAS**, Section 2, Article III of Premiere Horizon Alliance Corporation's ('Corporation') By-Laws provided that the Annual Stockholders' Meeting ('ASM') shall be held in the month of May on a day to be fixed by the Board of Directors ('Board');

"**WHEREAS**, the regulatory requirements such as the appointment of the Corporation's new external auditor necessitated that Special Stockholders' Meetings be first conducted as a requirement before the ASM for the year 2025 may proceed;

"**NOW, THEREFORE**, considering that the above preliminary steps prior to the conduct of an ASM have been fulfilled, the Board has deemed it proper to schedule an ASM for the year 2025;

"**RESOLVED**, that the Corporation hereby formally calls for the ASM for the year 2025;

"**RESOLVED, FURTHER**, that the ASM shall be held on 24 November 2025 at 10AM with a record date of 20 October 2025;

"**RESOLVED, FURTHER**, that the inclusive dates for the closing of the books of the Corporation shall be from 21 October 2025 to 24 November 2025;


"**RESOLVED, FURTHER**, that the ASM shall be conducted through remote communication or in absentia, and confirms the authority of the stockholders to vote by proxy;

“RESOLVED, FURTHER, that proxy validation for the ASM shall be performed by the Corporation’s stock and transfer agent, who shall be assisted by the administrative staff of the Corporation;

“RESOLVED, FURTHER, that for purposes of the ASM, the President and Chief Executive Officer of the Corporation, Mr. Eugenio T. Tan, shall be designated as the default or designated proxy for stockholders to be indicated in the Corporation’s Information Statement;


“RESOLVED, FURTHER, that the Corporation is hereby authorized to prepare, execute, submit, and/or file the necessary disclosures to the SEC and PSE, and to perform any and all actions as may be necessary or proper to implement the foregoing resolutions.”

IN WITNESS WHEREOF, I have hereunto set my hand this SEP 12 2025 at Makati City.


NASHA JEMIMAH R. REYES-FERRER
Assistant Corporate Secretary

SUBSCRIBED AND SWORN to before me this SEP 12 2025 at Makati City.
Affiant exhibited to me her with passport number P9208685B issued by DFA Manila on 17 March 2022.

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Page No. 103 ;
Book No. 1 ;
Series of 2025.


JOHN EDWARD F. FRONDA
Notary Public for Makati City
Appointment No. M-253
Until 31 December 2026
Roll of Attorneys No. 85741
IBF No. 498604 / 06 January 2025 / Rizal (RSM)
PTR No. 1047311 / 06 January 2025 / Makati City
MCLE Compliance No. VIII-0023196 / 26 February 2025
8th Floor, Pacific Star Building, Sen. Gil Puyat
Avenue corner Makati Avenue, Makati City