

PREMIERE HORIZON ALLIANCE CORPORATION
ANNUAL STOCKHOLDERS' MEETING
June 28, 2024

PROXY FORM

This proxy is being solicited on behalf of the Board of Directors and Management of PREMIERE HORIZON ALLIANCE CORPORATION (the "Company") for voting at the Annual Stockholders' Meeting to be held virtually by remote communications or *in absentia* on **June 28, 2024** at 10:00 a.m, with **Record Date** on **June 7, 2024**.

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 Annual Stockholders' Meeting of the Company to be held on **June 28, 2024** and any adjournment(s) or postponement(s) thereof, as fully and to all intents and purposes as I might or could if present and voting in person, hereby ratifying and confirming any and all actions taken on matters which may properly come before such meeting or adjournment(s) or postponement(s) thereof. In particular, I hereby direct my said proxy to vote on the agenda items below as I have expressly indicated by marking the same with an "X".

AGENDA ITEMS	ACTION		
Item 1. Call to Order	No action necessary.		
Item 2. Proof of notice and certification of quorum	No action necessary.		
	FOR	AGAINST	ABSTAIN
Item 3. Approval of the minutes of the Annual Stockholders' Meeting held on September 12, 2023			
Item 4. Approval of the Management Report and Audited Financial Statements for the year ended December 31, 2023			
Item 5. Approval and ratification of all acts and resolutions of the Board of Directors and Management from the date of the last stockholders' meeting to date as reflected in the books and records of the Company			
Item 6. Election of directors			
<u>For Regular Director:</u>			
Eugenio T. Tan			
Raul Ma. F. Anonas			
Marian Peña			
Brandon P. Leong			
Ernest Sze Lok Yeung			
Geronimo B. Halili			
Esteban G. Peña Sy			
<u>For Independent Director:</u>			
Emmanuel G. Herbosa			
Arvin Eduard H. Cruz			
Item 7. Approval of the appointment of Reyes Tacandong & Co. as the external auditor of the Company for 2024			
Item 8. Other Matters <i>According to Proxy's Discretion</i>			
Item 9. Adjournment	No action necessary.		

IN CASE A PROXY FORM IS SIGNED AND RETURNED IN BLANK

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

FOR the approval of the minutes of the Annual Stockholders' Meeting held on September 12, 2023;

FOR the approval of the Management Report and Audited Financial Statements for years ended December 31, 2023;

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

FOR the election of the following directors: Eugenio T. Tan, Raul Ma. F. Anonas, Marian Peña, Brandon P. Leong, Ernest Sze Lok Yeung, Geronimo B. Halili, Esteban G. Peña Sy, Emmanuel G. Herbosa (Independent Director), and Arvin Eduard H. Cruz (Independent Director);

FOR the approval of the appointment of Reyes Tacandong & Co. as the external auditor of the Company for 2024;

and to authorize the Proxy to vote according to the discretion of the Company's President or Chairman of the Meeting on 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 fiscal year, or nominee for election as director, or their associates, has 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 PROXIES

The proxy forms and supporting documents shall be submitted to PHA on or before close of business day at 5:00 p.m. of **June 18, 2024** (i) by email to investors@premierehorizon.com or (ii) by delivery or mail to the principal office of the Corporation at Unit 1705 East Tower, Philippine Stock Exchange Building, Exchange Road, Ortigas Center, Pasig City. In case a proxy form is emailed to the Corporation not later than the close of business day at 5:00 p.m. of **June 18, 2024** the original signed copies of the proxy form should also be received by the Corporation by delivery or mail not later than the meeting date. Proxy forms shall be validated on or before **June 23, 2024**.

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 intention to vote in person.

Signed this _____ 2024 at _____.
(DATE) (PLACE)

Printed Name of Stockholder

Signature of Stockholder or Authorized Signatory

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

PLEASE DATE AND SIGN YOUR PROXY

PLEASE MARK, SIGN AND RETURN YOUR PROXY BY HAND OR MAIL (IN TIME FOR IT TO REACH THE COMPANY) **ON OR BEFORE 5:00 P.M. of June 18, 2024.**

**PREMIERE HORIZON ALLIANCE CORPORATION
ANNUAL STOCKHOLDERS' MEETING
June 28, 2024**

VOTING FORM

This voting form is being solicited on behalf of the Board of Directors and Management of PREMIERE HORIZON ALLIANCE CORPORATION (the "Company") for voting at the Annual Stockholders' Meeting to be held virtually by remote communications or *in absentia* on **June 28, 2024** at 10:00 a.m., with **Record Date** on **June 7, 2024**.

I, the undersigned stockholder of the Company, do hereby intend to personally attend the Annual Stockholders' Meeting of the Company to be held on **June 28, 2024**. I hereby cast my vote on the agenda items below as I have expressly indicated by marking the same with an "X".

AGENDA ITEMS	ACTION		
Item 1. Call to Order	No action necessary.		
Item 2. Proof of notice and certification of quorum	No action necessary.		
	FOR	AGAINST	ABSTAIN
Item 3. Approval of the minutes of the Annual Stockholders' Meeting held on September 12, 2023			
Item 4. Approval of the Management Report and Audited Financial Statements for the year ended December 31, 2023			
Item 5. Approval and ratification of all acts and resolutions of the Board of Directors and Management from the date of the last stockholders' meeting to date as reflected in the books and records of the Company			
Item 6. Election of directors			
For Regular Director:			
Eugenio T. Tan			
Raul Ma. F. Anonas			
Marian Peña			
Brandon P. Leong			
Ernest Sze Lok Yeung			
Geronimo B. Halili			
Esteban G. Peña Sy			
For Independent Director:			
Emmanuel G. Herbosa			
Arvin Eduard H. Cruz			
Item 7. Approval of the appointment of Reyes Tacandong & Co. as the external auditor of the Company for 2024			
Item 8. Other Matters <i>According to Shareholder's Discretion</i>			
Item 9. Adjournment	No action necessary.		

IN CASE A VOTING FORM IS SIGNED AND RETURNED IN BLANK

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

FOR the approval of the minutes of the Annual Stockholders' Meeting held on September 12, 2023;

FOR the approval of the Management Report and Audited Financial Statements for years ended December 31, 2023;

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

FOR the election of the following directors: Eugenio T. Tan, Raul Ma. F. Anonas, Marian Peña, Brandon P. Leong, Ernest Sze Lok Yeung, Geronimo B. Halili, Esteban G. Peña Sy, Emmanuel G. Herbosa (Independent Director), and Arvin Eduard H. Cruz (Independent Director);

FOR the approval of the appointment of Reyes Tacandong & Co. as the external auditor of the Company for 2024;

and to authorize the Proxy to vote according to the discretion of the Company's President or Chairman of the Meeting on 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 fiscal year, or nominee for election as director, or their associates, has 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 day at 5:00 p.m. of **June 18, 2024** (i) by email to investors@premierehorizon.com or (ii) by delivery or mail to the principal office of the Corporation at Unit 1705 East Tower, Philippine Stock Exchange Building, Exchange Road, Ortigas Center, Pasig City. In case a voting form is emailed to the Corporation not later than the close of business day at 5:00 p.m. of **June 18, 2024**, the original signed copies of the voting form should also be received by the Corporation by delivery or mail not later than the meeting date. Voting forms shall be validated on or before **June 23, 2024**.

Signed this _____ 2024 at _____
(DATE) (PLACE)

Printed Name of Stockholder

Signature of Stockholder or Authorized Signatory

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

PLEASE DATE AND SIGN YOUR VOTING FORM

PLEASE MARK, SIGN AND RETURN YOUR VOTING FORM BY HAND OR MAIL (IN TIME FOR IT TO REACH THE COMPANY) **ON OR BEFORE 5:00 P.M. of June 18, 2024**.



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 June 28, 2024 at 10:00 a.m.** at Pasig City via remote communication or *in absentia*.

Due to the COVID-19 situation and for the health and safety of the stockholders, the meeting will be conducted virtually and may be accessed through the following link <https://us02web.zoom.us/j/86599566134?pwd=T0xwUERGWNdzTC9VNjRPQ1I5RUNxQT09>. The password to attend the meeting shall be provided by the Company to all stockholders of record as of June 7, 2024 or their proxies who have successfully registered to attend the meeting (Please refer to the registration procedure below).

The following is the agenda of the meeting:

1. Call to order
2. Proof of notice and certification of quorum
3. Approval of the minutes of the Annual Meeting of Stockholders held on September 12, 2023
4. Approval of the Management Report & Audited Financial Statements for years ended December 31, 2023
5. Approval and ratification of acts of the Board of Directors and Management from the date of the last stockholders' meeting to date as reflected in the books and records of the Company
6. Election of directors
7. Approval of the appointment of Reyes Tacandong & Co. as external auditor of the Company for 2024
8. Other matters
9. Adjournment

Only stockholders of record as of **June 7, 2024** or their proxies shall be entitled to attend and vote at the virtual meeting. Stockholders who wish to attend the virtual meeting by remote communication or *in absentia* must email to investors@premierehorizon.com their request to attend, not later than the close of business on **June 18, 2024**.

For individual stockholders who do not own shares through its 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 close of business day at 5:00 p.m. of **June 18, 2024** (i) by email to investors@premierehorizon.com or (ii) by delivery or mail to the principal office of the Corporation at Unit 1705 East Tower, Philippine Stock Exchange Building, Exchange Road, Ortigas Center, Pasig City. In case a voting form is emailed to the Corporation not later than the close of business day at 5:00 p.m. of **June 18, 2024**, the original signed copies of the voting form should also be received by the Corporation by delivery or mail not later than the meeting date. Voting forms shall be validated on or before **June 23, 2024** by the Company's stock and transfer agent, Stock Transfer Services Inc.

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 close of business day at 5:00 p.m. of **June 18, 2024** (i) by email to investors@premierehorizon.com or (ii) by delivery or mail to the principal office of the Corporation at Unit 1705 East Tower, Philippine Stock Exchange Building, Exchange Road, Ortigas Center, Pasig City. In case a proxy form is emailed to the Corporation not later than the close of business day at 5:00 p.m. of **June 18, 2024**, the original signed copies of the proxy form should also be received by the Corporation by delivery or mail not later than the meeting date. Proxy forms shall be validated on or before **June 23, 2024** by the Company's stock and transfer agent, Stock Transfer Services Inc. The Company shall email to the stockholders and/or proxy holders the instructions and password on how to access the virtual stockholders' meeting.

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 not later than **June 18, 2024**. 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 shareholders shall likewise be required to submit a notarized secretary's certificate attesting to the authority of the representative or proxy holder to attend and vote at the virtual stockholders' meeting. The same must be submitted to the Company in the above manner not later than **June 18, 2024**; otherwise, the Company may likewise not recognize you as a stockholder of record.

By registering to participate in the virtual meeting, a stockholder or a proxy or representative of the stockholder agrees for the Company and its service providers to process their 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 investors@premierehorizon.com.
Makati City, Metro Manila, **June 6, 2024**.



JESS RAYMUND M. LOPEZ
Corporate Secretary

Copies of the Notice, Proxy Form, Voting Form, Definitive Information Statement, Management Report, Audited Financial Statements of the Corporation as of December 31, 2023 and other related materials for the Annual Stockholder's Meeting can be accessed through the following options:

1. Scan the QR code using your smart phone's QR code reader.
2. Visit the Company's website at <https://www.premierehorizon.com>
3. Visit the PSE Edge portal
4. Request for the copy by sending an email to investors@premierehorizon.com

**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, Philippine Stock Exchange Bldg.,
Exchange Rd., Ortigas Center, Pasig City**

Address of principal office

1605
Postal Code

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

8. **June 28, 2024 at 10:00 AM to be held via remote communication or in absentia at Unit 1705 East Tower, Philippine Stock Exchange Bldg., Exchange Rd., Ortigas Center, Pasig City 1605**

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

June 5, 2024.

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 Philippine Stock Exchange Bldg., Exchange Rd.,
Ortigas Center, Pasig City 1605; Tel. no. (02)-8632-7715

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

Title of Each Class

Number of Shares of Common Stock
Outstanding or Amount of Debt Outstanding

Common

5,708,359,504 Shares¹

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

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 1,202,271,236 common shares which are subject of pending applications for listing with the PSE as of May 30, 2024.

¹ As of May 30, 2024.

There are 2,184,017,129 common shares which are not listed and are not subject of pending applications for listing with the PSE as of May 30, 2024.

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 on **June 28, 2024 at 10:00 a.m.** at Pasig City via remote communication or *in absentia* (“ASM”).

Due to the COVID-19 situation and for the health and safety of the stockholders, the meeting will be conducted virtually and may be accessed through the following link <https://us02web.zoom.us/j/86599566134?pwd=T0xwUERGWndzTC9VNjRPQ115RUNxQT09>. The password to attend the meeting shall be provided by the Company to all stockholders of record as of **June 7, 2024** or their proxies who have successfully registered to attend the meeting (Please refer to the registration procedure in the Notice of Annual Stockholders’ Meeting).

The complete mailing address of the principal office is Unit 1705 East Tower, Philippine Stock Exchange Bldg., Exchange Rd., Ortigas Center, Pasig City.

The approximate date when the information statement will be first sent to security holders is on **June 5, 2024**.

Item 2. Dissenters' Right of Appraisal

There are no matters to be taken up during the annual stockholders’ meeting 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, by security holdings or otherwise, in any matter to be acted upon in the stockholders' meeting other than their re-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

The complete mailing address of the principal office of is Unit 1705 East Tower, Philippine Stock Exchange Bldg., Exchange Rd., Ortigas Center, Pasig City.

The approximate date when the information statement will be first sent to security holders will be on **June 5, 2024**.

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 **June 7, 2024**.

Proxy is being solicited on behalf of the Board of Directors and Management of the Company for voting at the ASM with record date on **June 7, 2024**. Please refer to Part II. Information Required in Proxy Form.

As of May 30, 2024, there are 5,708,359,504 common shares entitled to notice and to vote at the meeting, of which 4,158,319,735 shares are registered under Filipinos and 1,550,039,769 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").

The election of the board of directors for the current fiscal year will be taken up and all stockholders entitled to vote may vote by proxy. 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 name as of the record date 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 his shares shall equal, or he may distribute them on the same principle among as many candidates as he shall see fit. The total number of votes cast by such stockholder should not exceed the number of shares owned by him as shown in the books of the corporation 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 **May 30, 2024**:

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 Corporation has no information of any beneficial owner holding more than 5% interest in shares lodged under PCD Nominee Corp. The Corporation has not been informed of the identities of the designated proxies authorized to vote the shares.	Filipino	2,120,757,924	37.15%
Common	Stockholder	Ernest Sze Lok Yeung	British	1,389,802,353	24.35%
Common	Stockholder	Marian Peña	Filipino	864,214,976	15.14%

While there have been no legal proceedings to date regarding the ownership of shares of stock of PHA, there is one (1) case that may cause material changes in the ownership of shares of stock:

- a) PHA received an Order of Garnishment pertaining to the shares of stock of Marvin dela Cruz, relative to the NGCT case. Following the public auction for delinquent shares, Mr. Ernest Sze Lok Yeung paid PHA the price of the said shares and submitted a copy of his BIR-issued Certificate Authorizing Registration, for processing with PHA's authorized stock transfer agent;

Please see Part I(B) Item 5(A) for a discussion on the said cases.

(2) Security Ownership of Management

The following are the security ownership of the directors and executive officers of the Company as of **May 30, 2024**:

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 Pena Director	864,214,976 (D)	Filipino	15.14%
Common	Raul Ma. F. Anonas, Director	109,631,319 (D)	Filipino	1.92%
Common	Brandon Benito P. Leong, Director	2 (D)	Filipino	0.00%
Common	Eugenio T. Tan, Director	2 (D)	Filipino	0.00%
Common	Geronimo B. Halili Director	10,000 (D)	Filipino	0.00%
Common	Esteban G. Pena Sy, Director	10,000 (D)	Filipino	0.00%
Common	Emmanuel G. Herbosa, Director	10,000 (I)	Filipino	0.00%
Common	Arvin Eduard H. Cruz, Director	10,000 (I)	Filipino	0.00%
Common	Andres A. Del Rosario, SVP/CFO	25,303,030 (D)	Filipino	0.44%
TOTAL				41.85%

(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

A. Directors and Key Corporate Officers

For the information required of Directors and Corporate 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 nominees for the Board of Directors of the Corporation for the current year pre-screened by the Nominations and Compensation Committee, now known as the Corporate Governance Committee, are the following:

Name	Age	Citizenship	Position	Term Served
Emmanuel G. Hebosa	71	Filipino	Chairman/Independent Director	February 2023 - Present

Eugenio T. Tan	61	Filipino	Regular Director	October 7, 2021 Present
Raul Ma. F. Anonas	61	Filipino	Regular Director	September 2012 Present
Marian Pena	73	Filipino	Regular Director	August 3, 2023 Present
Brandon Benito P. Leong	39	Filipino	Regular Director	December 2020 Present
Ernest Sze Lok Yeung	55	British	Regular Director	August 3, 2023 Present
Esteban G. Pena Sy	76	Filipino	Regular Director	January 2023 – Present
Geronimo B. Halili	55	Filipino	Regular Director	January 2023 - Present
Arvin Eduard H. Cruz	33	Filipino	Independent Director	September 12, 2023 - Present

The aforementioned nominees are expected to attend the annual stockholders' meeting.

Nomination and Election of Independent Directors

The incumbent Independent Directors are Mr. Emmanuel Herbosa and Atty. Arvin Eduard H. Cruz who has been an independent director since February 2023 and September 2023, respectively.

The incumbent directors have certified that they possess all the qualifications and none of the disqualifications provided under the Securities and Regulation Code (“SRC”). Attached as **Annexes “C” and “D”** are the Certifications of Qualification of Independent Directors.

The following are the details of the nominations for Independent Director received and approved by the Nominations Committee:

Nominee for Independent Director	Person Submitting the Nomination	Relation of Nominee to the Nominator
Emmanuel G. Herbosa	Esteban G. Peña Sy	None
Arvin Eduard H. Cruz	Eugenio T. Tan	None

Please see Annex “A” for the biographical information on the foregoing nominees for Independent Directors, including their respective business information in the last five years.

The Corporate Governance Committee was created to accept and pre-screen nominees for the election of the Board Directors as well as Independent Directors conformably with the criteria prescribed under existing SEC rules and the Corporation’s Revised Manual of Corporate Governance; to prepare and 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. The Corporation complies with the requirements of Rule 38 of the SRC on the nomination and election of Independent Directors.

The Corporate Governance Committee has determined certain criteria for nomination to the Board 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 Corporate Governance Committee's current members are the following:

1. Emmanuel G. Herbosa - Chairman
2. Marian Peña - Member
3. Esteban Peña Sy - Member

Family Relationship

No single person is expected to make an indispensable contribution to the business since the Corporation considers the collective efforts of all its employees as instrumental to the overall success of the Corporation's business.

There are no family relationships up to the fourth civil degree either by consanguinity or affinity among the aforementioned Directors, Executive Officers or nominees for election to the Board of Directors other than Ms. Marian Peña, Director, her son, Mr. Brandon Benito P. Leong, Director and her daughter, Ms. Christina P. Leong, Chief Investment Officer.

Involvement in Certain Legal Proceedings

Premiere Horizon Alliance Corporation (PHA)

- (a) In a Petition dated 09 December 2022, and docketed as SEC Case No. 12-22-549, Mr. Marvin Dela Cruz, a shareholder of PHA, filed a complaint with the SEC to compel PHA to conduct a stockholders' meeting and to sanction the Corporation for failure to hold the meeting. In the said Petition, Dela Cruz alleges that as a subscriber to 27.7% of the Corporation's shares, he was entitled to call a special stockholders' meeting. PHA filed its verified answer on 10 January 2023. The SEC case is in progress.
- (b) On 20 January 2023, the Corporation received a letter dated 19 January 2023 from the Markets and Securities Regulation Department (MSRD) of the SEC directing it to show cause why it should not be held liable for violation of Rule 20.11.1.1 of the SRC and Section 49 of the RCC for its "failure to conduct the ASM for year 2022." On 25 January 2023, the Corporation filed its reply to the said letter. The SEC case is in progress.
- (c) In October 2022, plaintiffs Spouses Carlos and Belina Cruz filed with the RTC Br. 92 Quezon City a complaint docketed as Civil Case No. R-QZN-22-11507-CV against Premiere Georesources & Development Inc., Premiere Horizon Alliance Corp., Roberto B. Ortiz, Raul Ma. F. Anonas, and Andres A. Del Rosario. Spouses Cruz claim actual or compensatory damages, moral damages, and exemplary damages on account of allegedly "deliberate, unreasonable, irresponsible, false, and malicious accusations and demands" as embodied in several letters sent by PHA management to Carlos Cruz in his capacity as former president of Premiere Georesources and Development Inc., majority stock of which is held by PHA. Last 02 December 2022, the RTC Br. 92 denied the prayer of Sps. Cruz for a TRO against PHA. Pre-Trial was originally scheduled on 17 April 2023 but was deferred. On 01 June 2023 a Preliminary Conference was held, and on 24 June 2023 the case is scheduled for Pre-Trial. On account of the parties mutually manifesting openness for possible settlement, the trial court rescheduled the preliminary conference and pre-trial to 31 August 2023.
- (d) On 06 December 2022, the Corporation filed a complaint for Estafa against Augusto Antonio Serafica and Marvin dela Cruz, both shareholders of record, for alleged misappropriation of around PHP 32M corporate funds at the Office of the City Prosecutor of Pasig City. The Prosecutor's office found probable cause against Mr. Serafica and Mr. Dela Cruz. The case was docketed as Criminal Case No. R-PSG-23-00208-CR and was raffled to RTC Br. 155, Pasig City last 19 January 2023. The criminal case is in progress. Arraignment was scheduled on 02 August 2023.
- (e) Orlino Enrique E. Hosaka in his capacity as authorized representative of Marvin dela Cruz, Raissa Abainza Queri and Harrison Yap v. Premiere Horizon Alliance Corporation and Roberto B. Ortiz in this capacity as President and CEO, docketed as SEC Case No. 23-2335 (INS). The

complainants filed a complaint with the SEC alleging that PHA did not heed their demand to inspect corporate records.

- (f) Notice of Receipt of Writ of Preliminary Attachment (WPA) PHA received notice from Nuovo Gran CT Inc. (NGCTI), through its counsel, the Divina Law Office, alleging that NGCTI's application for a Writ of Preliminary Attachment (WPA) against the properties of SquidPay Technology Inc. (SPTI) and Marvin C. Dela Cruz (MDC) has been granted by the Regional Trial Court, Manila, Branch 45 on September 28, 2022

NGCTI's WPA application allegedly includes SPTI and MDC's shares of stock in PHA, as security for NGCTI's claim of Php100.0 Million against SPTI and MDC. Based on the copy of the Order, NGCTI entered into a Convertible Loan Agreement on December 14, 2020 with Marvin C. Dela Cruz/SquidPay Technology, Inc. for Php100.0 Million, with a maturity date of June 14, 2022, 18 months from the execution of the contract. The loan may be paid through PHA shares should NGCTI exercise said Conversion Right. NGCTI served a Conversion Notice to exercise the right pursuant to the Conversion Agreement. These were not heeded, and SPTI failed to pay the loan on its maturity date of June 14, 2022.

NGCTI has notified PHA and requested assistance for the implementation of the corresponding WPA through the levy of the PHA shares in favor of NGCTI. Voting trust was not granted by the court. Pretrial was completed last 30 June 2023 and the case is expected to proceed as normal.

Goshen Land Capital, Inc. (GLCI)

A 55% owned subsidiary of the Company, is currently involved in the following cases:

- (a) Petition for Cancellation of Entry No. 328630-36-211, RTC Br. 8, La Trinidad, Benguet. The Case is a petition for cancellation of annotation in a land title, filed by a private person against National Grid Corporation of the Philippines (NGCP), the Registry of Deeds, the Land Registration Authority (LRA), Solicitor General, and GLCI.
- (b) LRC Case Number 10-LRC-0033, RTC Br. 10
LRC Case Number 10-LRC-0036, RTC Br. 8
LRC Case Number 10-LRC- 0034, RTC Br. 10
LRC Case Number 10-LRC-0035, RTC Br. 62

These cases are petitions for judicial titling filed by certain private persons. GLCI is a party-in-interest due to an existing Memorandum of Agreement with the lot-owner of the Blue Ridge Mountains Project. The outcome of these lawsuits or claims cannot be presently determined. In the opinion of Management and its legal counsel, the eventual liability from these lawsuits or claims, if any, will not have a material effect on the consolidated financial statements of the Corporation.

Other than the above mentioned cases, the Corporation is neither aware of any legal proceedings of the nature required to be disclosed under Part I, paragraph (C) of Annex C, SRC Rule 12 nor is it aware of the occurrence of any of the following events, which are material to an evaluation of the ability or integrity of any director, person nominated to become a director, executive officer or control person of the Corporation during the past five (5) years and up to the date of this Information Statement:

1. any bankruptcy petition filed by or against any business of which a director, person nominated to become a director, executive officer, promoter, or control person of the Corporation was a general partner or executive officer either at the time of bankruptcy or within two (2) years prior that time;
2. any conviction by final judgment in a criminal proceeding, domestic or foreign, or being subject to a pending criminal proceeding, domestic or foreign, excluding traffic violations and other offenses of any director, person nominated to become a director, executive officer, promoter, or control person;
3. any order, judgment or decree, not subsequently reversed, suspended or vacated, of any court of competent jurisdiction, domestic or foreign, permanently or temporarily enjoining, barring, suspending or otherwise limiting the involvement in any type of business, securities,

- commodities or banking activities a director, person nominated to become a director, executive officer, promoter or control person of the Corporation; and
4. judgment against a director, person nominated to become a director, executive officer, promoter, or control person of the Corporation found by a domestic or foreign court of competent jurisdiction (in a civil action), the Philippine Securities and Exchange Commission (SEC) or comparable foreign body, or a domestic or foreign exchange or electronic marketplace or self-regulatory organization, to have violated a securities or commodities law, and the judgment has not been reversed, suspended, or vacated.

Certain Relationships and Related Transactions.

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 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 board of directors.

Enterprises and individuals that directly, or indirectly through one or more intermediaries, control or are controlled by or under common control with the Company, including holding companies, subsidiaries and fellow subsidiaries, are related parties of the Company. Associates and individuals owning, directly or indirectly, an interest in the voting power of the Company that gives them significant influence over the enterprise, key management personnel, including directors and officers of the Company and close members of the family of these individuals, and companies associated with these individuals also constitute related parties. The Company discloses the nature of the related party relationship and information about the transactions and outstanding balances necessary for an understanding of the potential effect of the relationship on the consolidated financial statements, including the amount of outstanding balances and its terms and conditions including whether they are secure, and the nature of the consideration to be provided in settlement.

For the years ended December 31, 2023, 2022, and 2021, 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.

Compensation of the Group's key management personnel consists of short-term employee benefits amounting to Php51.6 million, Php38.8 million and Php39.8 million in 2023, 2022, and 2021, respectively. There are no post-employment benefits in 2023, 2022 and 2021. 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.

See Note 16, Related Party Transaction disclosure, of the notes to the Consolidated Financial Statements attached as **Annex "F4"**.

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 Corporation on any matter relating to the Corporation's operations, policies or practices, and the required disclosures relevant to the existence thereof.

Significant Employees

The Corporation 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 2024 (estimate) are as follows:

Name	Position	Year	Salary (in million)	Bonus (in million)	Other Annual Compensation (in million)
Augusto M. Cosio Jr. (Resigned Aug. 3, 2023)	Chairman	2023	0.88	-	-
		2022	1.62	-	0.05
		2021	1.50	-	-
Emmanuel G. Herbosa (Appointed August 3, 2023)	Chairman	2024 (estimated)	1.44	0.12	-
		2023	0.72	-	0.04
Roberto B. Ortiz (Resigned Aug. 3, 2023)	President & CEO	2023	2.03	-	-
		2022	4.44	0.37	0.05
		2021	1.50	-	-
Eugenio T. Tan (Appointed August 3, 2023)	President & CEO	2024 (estimated)	3.60	0.30	-
		2023	-	-	0.40
Raul Ma. F. Anonas	EVP/COO/CIO	2024 (estimated)	1.80	0.15	-
		2023	1.80	0.15	-
		2022	2.04	0.17	-
		2021	2.04	0.17	-
Brandon Benito P. Leong	Treasurer	2024 (estimated)	1.50	0.12	-
		2023	1.50	0.12	-
		2022	1.50	-	0.05
		2021	1.13	-	-
Ernest Sze Lok Yeung (Appointed August 18, 2023)	Chief Financial Adviser	2024 (estimated)	3.60	0.30	-
		2023	0.30	-	-
Adrian Geovanni F. Luzuriaga (Resigned August 18, 2023)	Chief Financial Adviser	2023	1.80	.10	-
		2022	2.40	.20	-
Andres A. Del Rosario	SVP/ Assistant Treasurer	2024 (estimated)	1.20	0.10	-
		2023	1.60	.10	-
		2022	2.40	0.20	-
		2021	3.20	-	-
Christina P. Leong		2024 (estimated)	1.50	0.12	

Name	Position	Year	Salary (in million)	Bonus (in million)	Other Annual Compensation (in million)
	Chief Investment Officer	2023	1.50	0.12	
		2022	1.5	-	-

Compensation of Directors

Under Section 30 of the Revised Corporation Code, in the absence of any provision in the By-Laws of the Corporation, the directors shall not receive any compensation as such directors, except for reasonable *per diem* allowance (an average of Php27,777.78.00 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 Corporation 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 Corporation was compensated, or is to be compensated, directly or indirectly, during the Corporation's last completed fiscal year and the ensuing year, for any service provided as a director.

For years 2023, 2022 and 2021, the directors received the following compensation consisting of a per diem allowance for their attendance at each board meeting:

Name	Position	Year	Per Diem
Emmanuel G. Herbosa	Director (Chairman)	2023	155,555.56
		2022	N/A
		2021	N/A
Esteban Pena Sy	Director	2023	200,000.00
		2022	N/A
		2021	N/A
Eugenio T. Tan	Director	2023	-
		2022	166,666.67
		2021	N/A
Geronimo B. Halili	Director	2023	177,777.78
		2022	N/A
		2021	N/A
Arvin Eduard Cruz	Director	2023	22,222.22
		2022	N/A
		2021	N/A
Gloria Victoria Y. Taruc (Resigned Aug. 11, 2023)	Director	2023	133,333.33
		2022	N/A
		2021	N/A
George Y. Sycip (Resigned Jan. 12, 2023)	Director	2023	N/A
		2022	166,666.67

Name	Position	Year	Per Diem
		2021	222,222.23
Augusto Antonio Serfaica, Jr. (Resigned Jan. 16, 2023)	Director	2023	N/A
		2022	138,888.89
		2021	N/A
Elizabeth Timbol (Resigned Jan. 16, 2023)	Director	2023	N/A
		2022	138,888.89
		2021	N/A
Felipe Judan (Resigned Dec. 31, 2023)	Director	2023	N/A
		2022	180,555.56
		2021	111,111.12
Elisa May A. Cuevas (Resigned Nov. 17, 2021)	Director	2023	N/A
		2022	N/A
		2021	138,888.89

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

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

Warrants and Options

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

Item 7. Independent Public Accountants

The Corporation's current independent public accountant recommended for re-election for the current year is Reyes Tacandong & Co. ("RT & Co."). Mr. Emmanuel V. Clarino is the engagement partner assigned by RT & Co. to lead the audit of the Corporation's financial statements. RT & Co. was the auditor for the previous fiscal year ended 2023.

The General Requirements of SRC Rule 68, as amended, under Part 3(b)(iv)(ix), requires that Independent Auditors or in the case of an audit firm, the signing partner of the regulated entities, shall be rotated after every five (5) years of the engagement and a two (2) year cooling off period shall be observed in the reassignment of the same signing partner or individual auditor. The Corporation has engaged RT & Co. as its external auditor for the past three (3) years, with Ms. Grace Albulian as the Partner In-Charge beginning audit year 2021. Prior to 2021, the company's independent public accountant was SGV & Co.

Duly authorized representatives of RT & Co. will be present at this year's Annual Meeting of Stockholders and are expected to respond to appropriate questions. RT & Co. auditors will also be given the opportunity to make a presentation or statement in case they decide to do so.

The 2023 audits of the Corporation by RT & Co. were in compliance with the requirement that the external auditor should be rotated every five (5) years or earlier or the handling partner shall be changed.

There was no event in the past years where RT & Co. and the Corporation had any disagreements with regard to any matter relating to accounting principles or practices, financial statement disclosure or auditing scope or procedure.

The following are members of the Audit Committee, now renamed as the Audit and Risk Oversight Committee:

Chairman	:	Emmanuel Herbosa (Independent Director)
Members :		Marian Peña Geronimo B. Halili Ernest Sze Lok Yeung (in ex-officio capacity)

Management is requesting the stockholders to approve appointment of RT & Co. as the external auditor of the Company for the current year 2024.

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 Statement (prepared in accordance with SRC Rule 68, as amended, and Rule 68.1), Statement of Management's Responsibility as of December 31, 2023, 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 "F1"**.

Status of Operations and Management Plans

In 2023 and 2022 respectively, the Group reported 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 exists 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.

Management is currently undertaking a combination of initiatives to address the abovementioned going concern issue to wit:

- a. Reduction and efficient management of operating expenses;
- b. Negotiate interest reduction and/or principal payment extensions and deferrals;
- c. Secure all the unsecured loans with the assets of the Group;
- d. Divest a portion of the Group's assets and investments to generate cash;
- e. Abstain financial support from shareholders and/or officers for gap funding of operations; and
- f. Actively seek out partnerships and new investors as a way of generating funds.

The year 2023 was a continuation of the projects that Goshen Land Capital (GLCI) started in 2021 and 2022. The construction of the Stanford Residences has been substantially completed during this year. The residential lot subdivisions have also been mostly sold out and land development has been started with a projected turnover by the following year. GLCI has also expanded its reach with the establishment of sales branches in Pangasinan and Tarlac.

The year 2023 marked the start of operation of Premiere Georesources and Development Inc. 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 start of operation was delayed due to documentary requirements that have to be complied with due to the change in name to PGDI. As a consequence, the revenue was not hit due to lower tonnage and lower rates as well that caused loss for this year.

Plan of Operations for Year 2024

West Palawan Premiere Development Corp. (WPPDC)

On the tourism and infrastructure side, WPPDC shall embark on the development of its 512.7-has beachfront property and tourism estate. A portion of this land will be converted from agricultural land use to a residential/commercial land use. Of the total land area, 4,297 shall be developed into 10-storey hotel and commercial building. The mobilization and construction period shall be within the period 2023 to 2027.

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

For the year 2024, PGDI decided to terminate the remaining 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 2-3 years as per their mine report to us.

PGDI negotiated a 3-year limonite hauling contract with Taganito Mining Corporation, a subsidiary of Nickel Asia Corp. Claver, Surigao del Norte. First year contract is 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 unrefurbishable equipment will be sold as scrap and excess usable equipment will be sold as used equipment.

Initial evaluation at TMC Mine Operation showed that the refurbished equipment are not capable to meet the tonnage target. Acquiring new trucks is under review for immediate purchase.

Goshen Land Capital Inc.

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.

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 Corporation into or with any other person or of any other person into or with the Corporation;
- b. the acquisition by the Corporation or any of its security holders of securities of another person;
- c. the acquisition by the Corporation 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 Corporation; or
- e. the liquidation or dissolution of the Corporation.

Item 13. Acquisition or Disposition of Property

No action is to be taken with respect to the acquisition or disposition of any property.

Item 14. Restatement of Accounts

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

D. OTHER MATTERS

Item 15. Action with Respect to Reports

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

1. Approval of the minutes of the Annual Meeting of Stockholders held on September 12, 2023
2. Management Report & Audited Financial Statements for years ended December 31, 2023
3. Ratification of acts of the Board of Directors and Management

Copies of the Corporation's Management Report, Audited Financial Statements for years ended December 31, 2023 are available in the website of the Corporation. Approval of the foregoing constitutes a ratification by the stockholders of the Corporation's performance for the year 2023.

Approval of the Minutes of the Annual Stockholders' Meeting held on September 12, 2023 constitutes a ratification of the accuracy and faithfulness of the Minutes to the events which transpired during the meeting. A copy of the Minutes of the Annual Stockholders' Meeting held on September 12, 2023 is available on the Company's website.

Please refer to **Annex "E1"** for the disclosures in compliance with Section 49 of the Revised Corporation Code and **Annex "E2"** for the Minutes of the Annual Stockholders' Meeting held on September 12, 2023.

On April 12, 2024, the Board held a special meeting, on the same date, setting the Annual Stockholders' Meeting to June 28, 2024 and the Record Date on June 7, 2024. Please refer to **Annex "E3"** for the Secretary Certificate on the postponement of the Annual Stockholders' Meeting.

Item 16. Matters Not Required to Be Submitted

All corporate actions to be taken up at the annual stockholders' meeting will be submitted to the stockholders of the Corporation for their approval in accordance with the requirements of the 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 Corporation'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 except for the election of directors, 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 may distribute them on the same principle among as many candidates as he shall see fit: Provided, That the total number of votes cast by him shall not exceed the number of shares owned by him as shown in the books of the Corporation multiplied by the whole number of directors to be elected.

At least two seats or at least 20% of the number of directors to be elected, whichever is lesser, but in no case less than two, shall be allotted for the election of independent directors as required by the SRC and Corporation's Code of 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 PHA on or before close of business day at 5:00 p.m. of June 18, 2024 (i) by email to investors@premierehorizon.com with the original signed copies also received by the Corporation by delivery or mail not later than the meeting date or (ii) by delivery or mail to the principal office of the Corporation at Unit 1705 East Tower, Philippine Stock Exchange Building, Exchange Road, Ortigas Center, Pasig City and (b) validated by the Company's stock and transfer agent, Stock Transfer Services, Inc. on June 23, 2024.

PART II. INFORMATION REQUIRED IN PROXY FORM
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Item 1. Identification

This proxy is solicited by the Board of Directors and Management of Premiere Horizon Alliance Corporation. The solicited proxy shall be exercised by Mr. Eugenio T. Tan, President of the Corporation, 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.

For election of directors, the stockholder/proxy shall mark with an "X" the space across the name of his chosen nominee for regular and independent director.

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 Annual Stockholders' Meeting held on September 12, 2023;

FOR the approval of the Management Report and Audited Financial Statements for years ended December 31, 2023;

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

FOR the election of the following directors: Eugenio T. Tan, Raul Ma. F. Anonas, Marian Peña, Brandon P. Leong, Ernest Sze Lok Yeung, Geronimo B. Halili, Esteban G. Peña Sy, Emmanuel G. Herbosa (Independent Director), and Arvin Eduard H. Cruz (Independent Director);

FOR the approval of the appointment of Reyes Tacandong & Co. as the external auditor of the Company for 2024;

and to authorize the Proxy to vote according to the discretion of the Company's President or Chairman of the Meeting on 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. The names of the nominee directors are likewise enumerated opposite an appropriate space.

c. The proxy forms and supporting documents shall be submitted to PHA on or before close of business day at 5:00 p.m. of June 18, 2024 (i) by email to investors@premierehorizon.com or (ii) by delivery or mail to the principal office of the Corporation at Unit 1705 East Tower, Philippine Stock Exchange Building, Exchange Road, Ortigas Center, Pasig City. In case a proxy form is emailed to the Corporation not later than the close of business day at 5:00 p.m. of June 18, 2024, the original signed copies of the proxy form should also be received by the Corporation by delivery or mail not later than the meeting date. Proxy forms shall be validated on or before June 23, 2024.

PLEASE USE THE ATTACHED PROXY FORM

Item 3. Revocability of Proxy

A stockholder may revoke his proxy on or before the date of the Annual Meeting. 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 shareholder's personal attendance during the meeting.

Item 4. Persons Making the Solicitation

- (a) The solicitation will be done by the Corporation. No director has informed the Corporation 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. Employees of the Corporation will also solicit proxies in person or by telephone.
- (c) The estimated amount to be spent by the Corporation to solicit proxies for the Board of Directors is Php 30,000.00.
- (d) The cost of solicitation will be borne by the Corporation.

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, has 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 Corporation does not intend to bring any matter before the meeting other than those set forth in the Notice of the Annual Meeting of Stockholders 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.

The Company will provide without charge to each person solicited, upon his written request, a copy of the Company's annual report on SEC Form 17-A for calendar year ended December 31, 2023 duly filed with the Securities and Exchange Commission. At the discretion of Management, a reasonable fee may be charged for the expense incurred in providing a copy of the exhibits. All requests may be sent to the Company's head office and addressed to:

Attention: Maricel Marinay
Premiere Horizon Alliance Corporation
Unit 1705 East Tower, Philippine Stock
Exchange Bldg., 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 Pasig City on May 31, 2024.

PREMIERE HORIZON ALLIANCE CORPORATION

By:

A handwritten signature in black ink, appearing to read 'E. Tan', with a long, sweeping underline.

EUGENE T. TAN
President and Chief Executive Officer

**PREMIERE HORIZON ALLIANCE CORPORATION
BOARD OF DIRECTORS & MANAGEMENT TEAM**

As of May 30, 2024

The following are the information required of Directors and Corporate Officers and directors-nominees, including their respective business experience in the last five years,

PHA Board Of Directors

#	Name	Position
1	Emmanuel G. Hebosa	Chairman/ Independent Director
2	Eugenio T. Tan	Director
3	Raul Ma. F. Anonas	Director
4	Marian Pena	Director
5	Brandon Benito P. Leong	Director
6	Ernest Sze Lok Yeung	Director
7	Esteban G. Pena Sy	Director
8	Geronimo B. Halili	Director
9	Arvin Eduard H. Cruz	Independent Director

PHA Management Team

#	Name	Position
1	Eugenio T. Tan	President & CEO
2	Raul Ma. F. Anonas	Executive Vice President/COO & Corporate Information Officer
3	Marian G. Peña	Executive Vice President
4	Brandon P. Leong	Treasurer
5	Ernest Sze Lok Yeung	Group Chief Financial Adviser
6	Jess Raymund M. Lopez	Corporate Secretary
7	Andrea E. Katipunan	Assistant Corporate Secretary
8	Andres A. Del Rosario	Senior Vice President & Assistant Treasurer
9	Ana Liza G. Aquino	First Vice President & Investor Relations Officer/ CFO, GLCI
10	Christina P. Leong	Chief Investment Officer
11	Keinth Roger B. Castillo	Finance Comptroller

Emmanuel G. Herbosa

Chairman/Independent Director

Mr. Emmanuel Herbosa (age 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.

Eugenio T. Tan

Director/ President & CEO

Mr. Tan (age 61) was elected as a Regular Director of PHA last October 7, 2021 and President & CEO of PHA in August 03, 2023. He was a former CoCEO of the Oriental Patron Asia Limited where he manages the corporate finance, capital markets, M&A, sales and distribution businesses and private investment business lines of 28-year-old Greater China firm. He was previously the Co-CEO of Shanxi Securities International, where he was responsible for building the ECM/DCM/M&A and primary distribution for Shanxi Securities internationally.

Mr. Tan 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), 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.

Raul Ma. F. Anonas

*Director/ Executive Vice President/COO
& Corporate Information Officer*

Mr. Anonas (age 61) 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.

Marian Pena

Director/ Executive Vice President

Ms. Pena (age 73) was appointed as a Regular Director of Premiere Horizon Alliance Corporation on August 03, 2023 and also as the Company's Executive Vice President. She is the Chairperson and Chief Executive Officer of Eastern Securities Development Corporation ("ESDC") and Nouvo Gran CT. She is an entrepreneur with more than 20 years of business experience in China, HK and the Philippines. She received her Bachelor's Degree Major in Business Administration from St. Theresa's College.

Brandon Benito P. Leong

Director/ Treasurer

Mr. Leong (age 39) was elected as a Regular Director of PHA on December 2020 and Treasurer of PHA. 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 Company in navigating its industry's increasingly complex regulatory landscape while maintaining a high level of business efficiency. He ensures financial innovation provides optimal shareholder value while never compromising core principles of the Company, investor protections and values of the Philippine capital markets. Mr. Leong provides market education, financial literacy and fintech consultation for teams and organizations seeking to create their digital footprint in Philippines' financial landscape. Mr. Leong brings 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. Mr. Leong is a graduate of the University of California Irvine with a degree in Sociology and Business.

Ernest Sze Lok Yeung

Director/ Group Chief Financial Adviser

Mr. Ernest Yeung (age 55) was elected as Regular Director of PHA on August 3, 2023. He is a veteran in corporate strategy, project finance, private equity, and asset management whereby he held key positions at Changsheng Fund Management, Manulife Asset Management, DBS Bank, PSEG, HSBC, Nomura Securities, JP Morgan and the Swire Group in Hong Kong, Singapore and China. He 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.

Atty. Geronimo B. Halili

Director

Atty. Halili (age 55) was elected as a Regular Director of PHA in January 26, 2023. An established lawyer, he is currently the Proprietor at G. B. Halili Law Office since 2015. Atty. Halili began his career as a law intern in the Office of Supreme Court Justice Jose A. R. Melo in 1993. Three years later, he passed the Philippine Bar Examinations in the Top 16. He went on to become a Senior Associate at Y. F. Busmente & Associates Law Offices, and then a Partner at Halili Certeza Matibag Law Offices.

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

Esteban Peña Sy

Director

Mr. Peña Sy (age 76) was elected as a Regular Director of PHA in January 2023. He is currently a Director and the President of Philippine Plaza Holdings Inc., the company behind Sofitel Philippine Plaza, and Mabuhay Holdings Corp., a publicly-listed company. Throughout his storied career, he has held key positions in various companies, including the Ayala Group of Companies. There, he was Assistant Vice President for the Bank of the Philippine Islands; Head of the Business Development

Group for the Island Development Bank of Brunei; and Assistant Director for Ayala International Finance Ltd. (Hong Kong) and Ayala International (Hong Kong) Ltd.

Mr. Peña Sy was also the Assistant Secretary General of the Federation of Filipino-Chinese Chambers of Commerce and Industry from 1972-79, before becoming its Executive Director from 1980-86. Shortly after, Esteban 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 Philippine InfraDev Holdings, Inc. (formerly IRC Properties, Inc.) Esteban graduated from the University of the Philippines with a degree in Economics and completed the 43rd Program for Management Development at Harvard Business School.

Atty. Arvin Eduard H. Cruz

Independent Director

Atty. Arvin Eduard H. Cruz (age 33) is a nominee for Independent Director of Premiere Horizon Alliance Corporation (PHA). He is currently engaged in private practice, being a Senior Partner at Gimenez, Eubank, Cruz, and Ocampo Law Offices. Prior to joining Gimenez Eubank Law firm, he served in the Presidential Communications Operations Office, providing legal assistance GOCC privatization, as well as other matters under the said office. He also previously worked as Corporate Counsel for Malayan Insurance Company, Inc., an Associate Lawyer at Adarlo Caoile & Associates Law Offices, and as a Senior Associate in SGV & Co. He graduated from the De La Salle University with a degree in Political Science. He obtained his Law Degree from the San Beda College.

Jess Raymund M. Lopez

Corporate Secretary

Atty. Jess Raymund M. Lopez (age 41) obtained his Juris Doctor Degree from the Ateneo de Manila College of Law in 2009, where he ranked fourth in his class, and obtained a silver medal for academic excellence. He joined C&G Law in October 2009, and was promoted as one of the firm's senior associates effective January 1, 2013. He was then admitted as a Partner effective January 1, 2017.

Atty. Lopez is also a part-time lecturer at the Ateneo de Manila School of Law, where he teaches Obligations and Contracts, Succession, and Torts and Damages. He also previously taught Transportation and Public Utilities Law and Credit Transactions at the Far Eastern University – De La Salle University J.D., MBA Consortium.

During his undergraduate years, Atty. Lopez was ranked and recognized as among the top speakers in various intercollegiate debate competitions held in the Philippines, Singapore, Thailand, Malaysia, and the United Kingdom, which were attended by students from the University of Oxford, the University of Cambridge, the National University of Singapore, the University of Harvard, the University of Toronto, and the University of Sydney, among others. He was twice recognized as Asia's top speaker in debate competitions held in the region in 2004 and 2005.

Andrea E. Katipunan

Assistant Corporate Secretary

Atty. Andrea E. Katipunan (age 37) obtained her Juris Doctor degree from the Ateneo de Manila Law School in 2012, where she ranked thirteenth in her class. She thereafter obtained her master's degree in business administration from Instituto de Empresa in 2019.

Atty. Katipunan became a partner of C&G Law in October 2020. She is a key member of the firm's General Corporate Practice Group, Energy, Construction & Infrastructure Sector Group, and TMT & Fintech Sector Group. Her practice areas include competition and antitrust, construction, corporate services, energy, fintech, foreign investments, infrastructure, and mergers & acquisitions.

Atty. Katipunan also has experience working abroad. In 2017, she was seconded to the Competition and Trade Department of Rajah & Tann Singapore LLP. In 2019, as part of a team of post-graduate students from the Master of Business Administration program of Instituto de Empresa, Andrea worked in South Africa for a socially oriented enterprise

Andres A. Del Rosario

Senior Vice President & Asst. Treasurer

Mr. Andres A. del Rosario (age 60) was elected as a Regular Director of PGDI in 2017. Mr. Del Rosario has extensive experience in corporate finance, investment banking, treasury, and business development. The exposure to different projects throughout his investment banking career as well as banking proper, has given him ample experience to a range of financial products and services, corporate restructuring and due diligence reviews. In looking at new projects or investments, all of these experiences come in to play to ensure that these are beneficial to the company. Mr. Del Rosario is also the SVP and Treasurer of Premiere Horizon Alliance Corporation, a publicly listed company. He is also the Treasurer of Goshen Land Capital, Inc. and West Palawan Premiere Development Corporation. He used to be the Treasurer of Marventures Holdings, Inc., and a Director of Asian Alliance Investment Corporation. He is a graduate of AB Economics at the Ateneo de Manila University.

Ana Liza G. Aquino

First Vice President / Investor Relations Officer / CFO, GLCI

Ms. Aquino has over 15 years experience in operations management in the IT Outsourcing industry. She has in-depth knowledge of the software development life cycle with over 10 years experience in managing software development projects for US clients. She is currently the First Vice President of PHA and the Investor Relations Officer with over 5 years experience in Corporate Finance, Mergers & Acquisition and Corporate Affairs. Since late 2019, she has also been designated as the CFO of Goshen Land Capital, Inc., the real estate subsidiary of PHA. Ms. Aquino has an Executive MBA degree from the Asian Institute of Management and earned her AB Management Economics degree from the Ateneo de Manila University.

Keinth Roger B. Castillo

Finance Comptroller

Mr. Castillo, 32, Filipino, finished Bachelor of Science in Accountancy in De La Salle University – Dasmariñas in 2014 and passed the CPA board exam in the same year. He is a member of the Philippine Institute of Certified Public Accountants. He started his career as an audit associate in Punongbayan & Araullo. Since 2015, he has been involved in accounting and compliance for listed real estate companies. He served as director and treasurer of the Makati City Subway, Inc. from 2019 to 2023. He was also a former treasurer and director of Philippine Infradev Holdings Inc., from 2020 to 2023, a listed company engaged in infrastructure and real estate development through its subsidiaries and affiliates.

SUBSIDIARY HEADS

West Palawan Premiere Development Corporation (WPP)

Eugenio T. Tan

President

Mr. Tan (age 61) was elected as a Regular Director of PHA last October 7, 2021 and President & CEO of PHA in August 03, 2023. He was a former CoCEO of the Oriental Patron Asia Limited where he manages the corporate finance, capital markets, M&A, sales and distribution businesses and private investment business lines of 28-year-old Greater China firm. He was previously the Co-CEO of Shanxi Securities International, where he was responsible for building the ECM/DCM/M&A and primary distribution for Shanxi Securities internationally.

Mr. Tan 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, ex-Japan 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), 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.

Premiere Georesources and Development Inc. (PGDI)

Roberto B. Ortiz

President

Mr. Ortiz (age 72) was elected as the President and CEO of PHA in December 2021. He was a director and the previous Group CFO of the company prior to his most recent appointment. An accomplished financial and management consultant, Bob boasts 28 years of experience as a valued CFO and Board Member of various local and multinational corporations in the manufacturing, retail, and commodities trading industries. His previous work brought him to Joaquin Cunanan and PricewaterhouseCoopers, while his current advisory engagements are with the Energy Regulatory Commission and Eastern Securities Development Corporation. At present, he is the Chairman of the Board of the Philippine Telegraph & Telephone Co.

Goshen Land Capital, Inc.

Alexander L. Bangsoy

President & CEO

Atty. Alexander Bangsoy is the President and CEO of Goshen Land Capital, Inc., one of the biggest real estate companies in Northern Luzon in the Philippines. In 2014, he was appointed by President Noynoy Aquino a board seat at the John Hay Management Corporation (JHMC), a subsidiary of the Bases Conversion Development Authority (BCDA). He was nominated as an Ernst & Young 2013 Entrepreneur of the Year by the Philippine Stock Exchange and was one of the top 12 finalists for the award. Locally, Atty. Bangsoy was nominated as an Outstanding Citizen of Baguio in 2013. Atty. Bangsoy graduated with a Bachelor of Science degree major in Accounting from Saint Louis University. He holds a degree of Doctor in Jurisprudence (JD) from the Ateneo College of Law and a Masters in Entrepreneurship from the Asian Institute of Management. He took up the Owner/President Management Program Batch 45 at the Harvard Business School, Boston, U.S.A and he continued his study at the Kellogg School of Management, Chicago and took the Accelerating Sales Force Performance.

He is currently the administrator of the Manahan Bldg. in Session Road in Baguio City, former Legal Consultant to the National Power Corp. of the Office of the President, a leader of Tuloy Pinoy and an active Member of Gawad Kalinga and Legal Aid.

CERTIFICATION

I, **Raul Ma. F. Anonas**, Filipino, of legal age, with office address at Unit 1705, East Tower, Philippine Stock Exchange Centre, 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 principal officer address at Unit 1705, East Tower, Philippine Stock Exchange Centre, 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.

IN WITNESS WHEREOF, this Certificate was signed and issued this 31 MAY 2024 at PASIG CITY, Philippines.

Raul Ma. F. Anonas
Raul Ma. F. Anonas
Compliance Officer

SUBSCRIBED AND SWORN to before me this 31 MAY 2024 day of _____ at PASIG CITY, affiant personally appeared before me and exhibited to me his Passport No. P7225887B issued at DFA, Manila on July 19, 2021.

Doc. No. 395 ;
Page No. 80 ;
Book No. 57 ;
Series of 2024.

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
MCLE Exemption No. VB-000000000, until 04/14/28
Roll No. 46377; HBP LFN 20159; CR. 159225; 00/21/2001
TIN 133-011-785; PTR 1811291 A; 01/01/24; Pasig City
Unit 5, West Tower PSE, Exchange Road
Ortigas Center, Pasig City Tel. +632-86014090

COVER SHEET

1 4 7 5 8 4

SEC Registration
Number

PREMIERE HORIZON ALLIANCE
CORPORATION

(Company's Full Name)

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

RAUL MA. F. ANONAS

Contact Person

Tel No. 8632-7715

Company Telephone Number

SEC FORM 17-C

Certificate of Independent Director - EGH

1 2 3 1
Month Day
Fiscal Year
Meeting

FORM TYPE

0 9 1 2
Month Day
Annual

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

PSE No.
SEC No. 147584
FILE No.

Remarks: Please use BLACK ink for scanning purposes

CERTIFICATION OF INDEPENDENT DIRECTOR

I, Emmanuel G. Herbosa, Filipino, of legal age and a resident of 101 Banaue St., Ayala Alabang Village, Muntinlupa City, 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 February 3, 2023.
2. I am affiliated with the following companies 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 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 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 the Company of any changes in the abovementioned information within five days from its occurrence.



MAY 21 2024

Mandaluyong City

Done, this _____ day of _____, at _____.




Emmanuel G. Herbosa

MAY 21 2024

SUBSCRIBED AND SWORN to before me this _____ day of _____ at _____, affiant personally appeared before me and exhibited to me his SSS No. 03-3646192-8.

Doc. No. 102 ;
Page No. 22 ;
Book No. 175 ;
Series of 2024.


ATTY. JAMES K. BUGAN
Notary Public
APPT. NO. 0442-23 Until 12-31, 2024
IBP No. 400022 Jan. 04, 2024 Rizal Chapter
Roll No. 26890 Lifetime
MCLE No. VII-0020184 until 4/14/2025
TIN No. 116-239-956
PTR No. 5420382 01/03/2024
Rm. 314 J&B Bldg., 251 EDSA,
Mandaluyong City Tel. No. (02)854-523-21

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

(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 R P H I L I P P I N E S T O C K E X C H A N G E
C E N T R 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

RAUL MA. F. ANONAS

Contact Person

Tel No. 8632-7715

Company Telephone Number

SEC FORM 17-C

Certificate of Independent Director - AHC

1 2 3 1
Month Day
Fiscal Year
Meeting

FORM TYPE

0 9 1 2
Month Day
Annual

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

PSE No.
SEC No. 147584
FILE No.

Remarks: Please use BLACK ink for scanning purposes

CERTIFICATION OF INDEPENDENT DIRECTOR

I, **ARVIN EDUARD H. CRUZ**, Filipino, of legal age and a resident of 14 Manguait St., Tierra Pura, Culiat, Quezon City 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 September 12, 2023.
2. I am affiliated with the following companies or organizations (including

COMPANY/ORGANIZATION	POSITION/RELATIONSHIP	PERIOD OF SERVICE
Gimenez, Eubank, Cruz and Ocampo Law Offices	Senior Partner	2022-Present
Presidential Communications Operations Office	Project Development Officer III	2021-2022
Malayan Insurance Company, Inc.	Corporate Counsel	2021-2022
Adarlo Caoile & Associates Law Offices	Associate Lawyer	2019-2021
SGV & Company	Senior Associate	2018-2019
Infance Foundation	Practicum Researcher	2011-2012

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 MAY 20 2024 day of Mandaluyong City, at _____.


ARVIN EDUARD H. CRUZ
Affiant

SUBSCRIBED AND SWORN to before me this MAY 20 2024 day of _____ at Mandaluyong City, affiant personally appeared before me and exhibited to me his IBP Roll of Attorneys No. 73525 issued at Quezon City.

Doc. No. 473 ;
Page No. 96 ;
Book No. 173 ;
Series of 2024.


ATTY. JAMES MABUGAN
Notary Public
APPT. NO. 0442-23 Until 12-31, 2024
IBP No. 400022 Jan. 04, 2024 Rizal Chapter
Roll No. 26890 Lifetime
MCLE No. VII-0020184 until 4/14/2025
TIN No. 116-219-956
PTR No. 5420882 01/03/2024
Rm. 314 16th Bldg., 251 EDSA,
Mandaluyong City Tel. No. (02)854-523-21

ANNEX "E1"

Disclosure Requirements under Section 49 of the Revised Corporation Code

a. A description of the voting and vote tabulation procedures used in the previous annual stockholders' meeting held on September 12, 2023:

Under the Company's By-Laws, every stockholder shall be entitled to one vote for each share of stock standing in his/her name in the books of the Company. For the election of directors, each stockholder may cumulate his/her votes.

Stockholders who successfully registered for the meeting were given the opportunity to cast their votes through the submission of voting forms, if appearing personally, or proxy forms, if voting through proxy. There were five (5) items for approval excluding the adjournment, as indicated in the agenda set out in the Notice.

The proposed resolutions for each of those items were read out and flashed on the screen during the meeting when the proposal to approve the resolution was presented.

For all items in the agenda to be approved in the meeting other than the election of directors, the stockholders had the option to either vote in favor of or against a matter for approval, or to abstain.

For the election of directors, the stockholders had the option to vote their shares for each of the nominees, not vote for any nominee, or vote for one or some nominees only, in such number of shares as the stockholders prefer; provided that the total number of votes cast did not exceed the number of shares owned by them multiplied by the number of directors to be elected.

Votes received through voting forms and proxy forms were validated by Stock Transfer and Services, Inc., the Company's Stock and Transfer Agent. The results of the voting, with full details of the affirmative and negative votes, as well as abstentions, are reflected in the minutes of the meeting.

For all items in the agenda approved at the meeting, the affirmative vote of the stockholders representing at least a majority of the outstanding capital stock was sufficient to approve the matter.

For the election of directors, the nine (9) nominees who received the highest number of votes were declared the duly elected members of the Board of Directors for the current term.

b. A description of the opportunity given to stockholders or members to ask questions and a record of the questions asked and answers given:

Stockholders, once successfully registered, were 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. Stockholders were advised that questions and comments received prior to the meeting would be addressed at the end of the meeting, while those received during the meeting will be replied to via email.

No questions were received nor were comments made on the agenda.

c. The matters discussed and resolutions reached; and

d. A record of the voting results for each agenda item

After proof of notice and certification of quorum, the following matters were taken up at the Annual Stockholders' Meeting held on September 12, 2023 together with the approved resolutions and voting results:

1. Approval of Minutes of Previous Stockholders' Meeting held on December 17, 2021

“RESOLVED, that the minutes of the Annual Stockholders' Meeting of Premiere Horizon Alliance Corporation held on December 17, 2021 be, as it is hereby, approved.”

Number of Shares Voting:

In Favor - 3,372,861,286

Against - 0

Abstain - 104,345,632

2. Approval of Management Report and Audited Financial Statements for the years ended December 31, 2021 and December 31, 2022

“RESOLVED, that the Annual Report of Management as presented by the President and the Company's audited financial statements for the years ended December 31, 2021 and December 31, 2022 be, as it is hereby, approved.”

Number of Shares Voting:

In Favor - 3,372,861,286

Against - 0

Abstain - 104,345,632

3. Approval and Ratification of Acts of the Board of Directors and Management from the date of the last stockholders' meeting to date

“RESOLVED, that all acts, contracts, resolutions and actions, authorized and entered into by the Board of Directors and Management of the Company from the date of the last annual stockholders' meeting up to the present be, as they are hereby, approved, ratified and confirmed.”

Number of Shares Voting:

In Favor - 3,372,861,286

Against - 0

Abstain - 104,345,632

4. Election of directors

The following were elected as members of the Board of Directors for 2023-2024:

For Regular Directors

1. Eugenio T. Tan
2. Raul Ma. F. Anonas
3. Marian Pena
4. Brandon P. Leong
5. Ernest Sze Lok Yeung
6. Geronimo B. Halili
7. Esteban G. Pena Sy

For Independent Directors

8. Emmanuel G. Herbosa
9. Arvin Eduard H. Cruz

Each director received 3,372,861,286 votes.

5. Approval of the Appointment of Reyes Tacandong & Co. as External Auditor of the Company for 2022-2023

“RESOLVED, that the accounting firm Reyes Tacandong & Co. be, as it is hereby, reappointed as the Company’s external auditor for the year 2022-2023.”

Number of Shares Voting:

In Favor - 3,372,861,286

Against - 0

Abstain - 104,345,632

e. A list of the directors or trustees, officers and stockholders or members who attended the meeting:

Name	Position
Eugene T. Tan	Director, Ex-Officio Member of the Executive Committee, President/Chief Executive Officer
Emmanuel G. Herbosa	Chairman of the Board of Directors, Independent Director, Chairman of the Audit and Risk Oversight Committee, Chairman of the Corporate Governance Committee and Related Party Transactions Committee
Raul Ma. F. Anonas	Director, Member of the Executive Committee, Executive Vice President/Chief Operating Officer/Chief Information Officer
Brandon P. Leong	Director and Treasurer
Esteban Pena Sy	Director, Chairman of the Executive Committee, Member of the Corporate Governance Committee/Related Party Transactions Committee
Geronimo Halili	Director, Member of the Audit and Risk Oversight Committee
Marian Pena	Director, Member of the Executive Committee, Audit and Risk Committee, Corporate Governance Committee, and Related Party Transactions Committee, Executive Vice President
Ernest Sze Lok Yeung	Director, Member of the Executive Committee, Ex-Officio Member of the Audit and Risk Committee, Group Chief Financial Adviser
Arvin Eduard Cruz	Independent Director
Andres A. Del Rosario	Senior Vice President and Assistant Treasurer
Ana Liza Aquino	First Vice President and Investor Relations Officer
Joseph Jeeben R. Segui	First Vice President and Corporate Finance Head
Christina P. Leong	Chief Investment Officer
Jess Raymund M. Lopez	Corporate Secretary
Andrea E. Katipunan	Assistant Corporate Secretary

f. Material information on the current stockholders and their voting rights

As of May 30, 2024, there are 5,708,359,504 unclassified common shares entitled to notice and to vote at the meeting, of which 4,158,319,735 shares are registered under Filipinos and 1,550,039,769 shares are registered under foreign ownership. The Company has 2,254,117,253 common shares listed and traded in PSE. Each common share is entitled to one vote, subject to the right to cumulate votes with respect to the election of directors.

g. Director attendance report indicating the attendance of each director at each of the meetings of the Board and its committees and in regular or special meetings in 2024.

Meetings of the Board of Directors for the Year 2024

Name of Directors	SM February 5	SM April 12	SM May 27
Eugenio T. Tan	√	√	√
Raul Ma. F. Anonas	√	√	√
Marian Pena	√	√	√
Brandon P. Leong	√	√	√
Ernest Sze Lok Yeung	√	√	√
Geronimo B. Halili	√	√	√
Esteban G. Pena Sy	√	√	√
Emmanuel G. Herbosa	√	√	√
Arvin Eduard H. Cruz	√	X	√

h. Appraisals and performance report for the Board and the criteria and procedure for assessment:

The Revised Manual of Corporate Governance of the Company states that the Board should have in place a system that provides, at the minimum, criteria and process to determine the performance of the Board, the individual directors, committees and such system should allow for a feedback mechanism from the shareholders. Currently, the assessment of the Company is being undertaken by the Board during the annual corporate governance seminar. During the annual corporate governance seminar for the year 2022 and 2021, the Board of Directors reflected on and assessed its general performance.

i. Director disclosures on self-dealing and related party transactions:

Directors' acquisitions and dispositions of PHA shares are disclosed to the SEC by submission of SEC Form 23-A (Initial Statement of Beneficial Ownership of Securities) and SEC Form 23-B (Statement of Changes in Beneficial Ownership of Securities). The beneficial ownership of directors was included in the security ownership of management section of the Definitive Information Statement. Related party transactions can be found in the 'Certain Relationships and Related Transactions' section of the Preliminary Information Statement.

**Minutes of the Annual Meeting
of the Stockholders
of
PREMIERE HORIZON ALLIANCE CORPORATION**

Held on September 12, 2023
at the principal office of the Corporation
and via videoconference facility

<https://us02web.zoom.us/j/89442506658?pwd=dmt4WjU4SVdMUUesyNTd3WUtDYkt6QT09>

DIRECTORS PRESENT:

Eugenio T. Tan
Emmanuel G. Herbosa
Raul Ma. F. Anonas
Brandon P. Leong
Esteban Peña Sy
Geronimo Halili
Marian Peña
Ernest Sze Lok Yeung
Arvin Eduard Cruz

ALSO PRESENT:

Andres Del Rosario
Ana Liza Aquino
Joseph Jeeben Segui
Christina P. Leong
Benson Elomina
Al Adjuli
Ann R.
Emmanuel Clarino
Gilbert Olivares
Grace Albunian
Jesse Binolirao
Vince
Wincel Chang
Reyes Tacandong & Co.
Lester Nazarene Ople
Jess Raymund M. Lopez
Andrea E. Katipunan
Felicidad N. Diloy
Anne Beatrice N. Marañon
Adrienne Mae R. Aguirre
Emmalyn Z. Escanilla

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 Atty. Lester Nazarene Ople.

1. *Call to Order*

The Chairman of the Board of Directors (the "Board") of Premiere Horizon Alliance Corporation (the "Company" or "PHA"), Mr. Emmanuel G. Herbosa, presided over the meeting and called the same to order. The Corporate Secretary, Atty. Jess Raymund M. Lopez, recorded the minutes of the proceedings. The proceedings were recorded in

compliance with the Securities and Exchange Commission's requirements for virtual board meetings.

2. *Roll Call*

The Chairman acknowledged the presence of the following members of the Board and Management at the meeting:

Independent Director & Chairman	- Emmanuel G. Herbosa
President & CEO	- Eugenio T. Tan
Director, Executive Vice President/COO & Corporate Information Officer	- Raul Ma. F. Anonas
Director and Executive Vice President	- Marian G. Peña
Director and Treasurer	- Brandon P. Leong
Director & Group Chief Financial Adviser	- Ernest Sze Lok Yeung
Director	- Geronimo B. Halili
Corporate Secretary	- Jess Raymund M. Lopez
Assistant Corporate Secretary	- Andrea E. Katipunan
Senior Vice President & Assistant Treasurer	- Andres A. Del Rosario

First Vice President - Ana Liza G. Aquino
& Investor Relations
Officer/ CFO, GLCI

First Vice President - Joseph Jeeben R. Segui
& Corporate Finance
Head/ CFO, PGDI

Chief Investment - Christina P. Leong
Officer

The Chairman also acknowledged the presence of the Company's 2022 external auditors, Reyes Tacandong & Co.

3. *Proof of Notice and Certification of Quorum*

The Corporate Secretary reported that in accordance with the Company's By-laws, copies of the Notice of meeting were delivered to each stockholder of record at least 2 weeks prior to the meeting. A copy of the notice, together with the Definitive Information Statement, minutes of the previous meeting, and other documents related to this meeting were also published in Business Mirror and the Daily Tribune on August 21 and 22, and was made accessible through the Company's website. Stockholders who successfully registered within the prescribed period were included in the determination of quorum. By attending or voting through proxy or by participating remotely in the meeting, a stockholder was deemed present for purposes of determining quorum.

Based on this, the Corporate Secretary certified that there were present at the meeting stockholders owning **3,477,206,918** shares representing **60.91%** of the outstanding capital stock. Therefore, a quorum existed for the transaction of business.

The Chairman stated that although the Company is holding this meeting also virtually, the Company had taken steps to ensure that the stockholders will have an opportunity to participate in the meeting to the same extent as possible as they would have had they attended in person.

The Corporate Secretary explained the participation and voting procedures adopted for the meeting as follows:

Under the Company's By-Laws, every stockholder was entitled to one vote for each share of stock standing in his/her name in the books of the Company. For the election of directors, each stockholder may cumulate his/her votes.

Stockholders who successfully registered for the meeting were given the opportunity to cast their votes through the submission of proxy forms or voting forms. There were five (5) 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 flashed on the screen when the proposals to approve the resolutions were presented.

For items other than the election of directors, the stockholders had the option to either vote in favor of or against a matter for approval, or to abstain.

For the election of directors, the stockholders had the option to vote their shares for each of the nominees, not vote for any nominee, or vote for one or some nominees only, in such number of shares as the stockholders prefer; provided that the total number of votes cast did not exceed the number of shares owned by them multiplied by the number of directors to be elected.

Votes received through proxy forms and voting forms were validated by Stock Transfer and Services, Inc., the Company's Stock and Transfer Agent. The attendance report, the results of the voting, with full details of the affirmative and negative votes, as well as abstentions, are set out in "Annex A" of these Minutes.

For all items in the agenda approved at the meeting, other than the election of directors, the vote of the stockholders representing at least a majority of the outstanding capital stock was sufficient to approve the matter.

For the election of directors, the nine (9) nominees receiving the highest number of votes will be declared the duly elected members of the Board of Directors for the current term.

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 Company's website and on PSE Edge.

4. *Approval of Minutes of Previous Stockholders' Meeting held on December 17, 2021*

The next matter on the agenda was the approval of the Minutes of the previous meeting of the stockholders held on December 17, 2021, an electronic copy of which has been made available on the Company's website. The Corporate Secretary presented the proposed resolution and the voting results.

Upon motion duly made and seconded, the following resolutions were approved:

"**RESOLVED**, that the minutes of the Annual Stockholders' Meeting of Premiere Horizon Alliance Corporation held on December 17, 2021 be, as it is hereby, approved."

The Corporate Secretary noted for the record that stockholders owning **3,372,861,286** shares representing **59.09%** of the outstanding capital stock voted in favor of approving the minutes, 0 shares voted against, and 104,345,632 shares abstained on the motion.

5. *Approval of Management Report and Audited Financial Statements for the years ended December 31, 2021 and December 31, 2022*

The next item on the agenda was the presentation of the Management Report including the Company's audited financial statements for the years ended December 31, 2021 and December 31, 2022. The Company's President and CEO, Eugenio T. Tan presented the Company's operational highlights and financial results, and the audited financial statements for the years ended December 31, 2021 and December 31, 2022.

After the report, the Corporate Secretary presented the proposed resolution and the voting results.

Upon motion duly made and seconded, the following resolutions were approved:

"**RESOLVED**, that the Annual Report of Management as presented by the President and the Company's audited financial statements for the years ended December 31, 2021 and December 31, 2022 be, as it is hereby, approved."

The Corporate Secretary noted for the record that stockholders owning **3,372,861,286** shares representing **59.09%** of the outstanding capital stock voted in favor of approving the minutes, 0 shares voted against, and 104,345,632 shares abstained on the motion.

6. *Approval and Ratification of Acts of the Board of Directors and Management from the date of the last stockholders' meeting to date*

The next item on the agenda was the ratification and approval of the acts of the Board of Directors and management of the Company undertaken from the last stockholders' meeting to date. A summary of the acts for ratification was included in the Definitive Information Statement and was flashed on the screen.

The Corporate Secretary read the acts for ratification from the date of the last stockholders' meeting as follows:

Date of Meeting	Resolution
December 17, 2021	Retirement of Mr. Augusto Antonio C. Serafica, Jr. as President/Chief Executive Officer Election of officers Reorganization of Board Committees
February 23, 2022	Approval of the West Palawan Premiere Board line-up and appointment of proxy for West Palawan Premiere Board stockholders' meeting Approval of Premiere Georesources and Development Inc. Board line-up and appointment of proxy for Premiere Georesources and Development Inc. stockholders' meeting Grant of authority to issue convertible loans worth up to PHP150 Million as additional funding Confirmation and ratification of issuance of 70,835,000 Shares to LDA Capital Limited in connection with the parties' execution of the Put Option Agreement and Subscription Agreement Retirement of Mr. Manolo Tuason as Senior Vice President, Chief Financial Officer, Deputy Corporate Information Officer and Data Protection Officer Appointment of Mr. Paolo Martinez as replacement Deputy Corporate Information Officer and Data Protection Officer

Date of Meeting	Resolution
	Authority to open bank accounts with Security Bank Corporation
May 16, 2022	<p>Approval and release of 2021 Audited Financial Statements</p> <p>Approval of the organizational structure and functional chart of the Company and its subsidiaries</p> <p>Approval of the lowering of the Put Option Notice amount from PhP2.5 Billion to PhP1.25 Billion</p> <p>Approval of the request of Ms. Marian Peña to transfer the partially paid shares acquired by Ms. Marian Peña, subject to the submission to the Company of the Certificate Authorizing Registration</p> <p>Approval of the postponement of the Annual Stockholders' Meeting to a new meeting date to be determined by the Company's President</p> <p>Approval of the updating of authorized signatories for transactions with Security Bank Corporation</p> <p>Grant of authority to transact with Intellicare and appointment of Mr. Raul Ma. F. Anonas as authorized representative for this purpose</p> <p>Grant of authority to process the Alien Employment Permit and 9(G) Visa of Mr. Adrian Luzuriaga and appointing Mr. Raul Ma. F. Anonas as authorized representative for this purpose</p> <p>Appointment of Mr. Paolo Antonio A. Martinez as authorized representative for the Company's Data Protection Agreement with Intellicare</p>
July 29, 2022	Approval of Management's authority to do whatever action necessary for the evaluation of the Squidpay Technology Fold In and Executive Committee's authority to take whatever action it may deem proper based on the response or lack of response by Squidpay Technology and its principals and management

Date of Meeting	Resolution
	<p>Approval of the Company's guarantee for the working capital loan of Goshen Land Capital, Inc. with Rang-Ay Bank and authorizing Mr. Raul Ma. F. Anonas for this purpose</p> <p>Approval of the proposal to increase the threshold value for related party transactions falling within the jurisdiction of the Related Party Transactions Committee at PhP50 Million or higher, subject to the Board's review of the draft Related Party Transactions Policy</p>
October 3, 2022	<p>Approval of Executive Committee's authority to finalize, not later than October 15, 2022, its recommendations on the Squidpay Technology Fold In</p> <p>Approval of Executive Committee's authority to negotiate with LDA Capital regarding the payment of the balance of commitment fees, additional 15 Million security shares, and extension of term of the Put Option Agreement and granting Mr. Roberto B. Ortiz and Mr. Raul. Ma. F. Anonas authority to sign documents as may be required by the negotiations/transactions</p> <p>Resignation of Mr. Paolo A. Martinez as Assistant Vice President - Contoller/Data Protection Officer/Deputy Chief Information Officer</p> <p>Appointment of Ms. Cyrene Jerah V. Nambong as Contoller/Deputy Information Officer/Data Protection Officer</p> <p>Approval of Management's proposal to enter into a loan with Bank of the Philippine Islands</p> <p>Approval of authorized signatories for the Company's letter request to Philippine Deposit and Trust Corporation for information on the Company's list of stockholders with Philippine Deposit and Trust Corporation</p>
October 13, 2022	Approval of the Management's recommendation not to pursue the planned acquisition of Squidpay Technology Inc.

Date of Meeting	Resolution
November 2, 2022	<p>Resignation of Atty. Roberto V. San Jose as Corporate Secretary and Election of Atty. Maria Allen M. Arbis as new Corporate Secretary</p> <p>Resignation of Atty. Ana Maria A. Katigbak as Assistant Corporate Secretary effective November 16, 2022 and election of Atty. Kristine Ninotschka L. Evangelista as Co-Assistant Corporate Secretary</p> <p>Approval of Management's recommendation to extend the deadline for payment of the unpaid subscription balance under the Memorandum of Agreement dated October 29, 2020 from October 29, 2022 to December 27, 2022</p> <p>Approval of Annual Stockholders' Meeting Date on December 28, 2022 and Record Date on November 17, 2022, respectively</p> <p>Approval of Executive Committee's authority to review the terms proposed by LDA Capital on the Put Option Agreement and to formulate a counter-proposal</p>
November 16, 2022	<p>Approval of the postponement and resetting of the Annual Stockholders' Meeting Date to March 31, 2023 and Record Date to March 1, 2023</p> <p>Approval of the proposed agenda for the Annual Stockholders' Meeting for the year 2022</p> <p>Approval of the authority to institute legal action against Messrs. Augusto Antonio C. Serafica Jr. and Marvin Dela Cruz and designating Mr. Raul Ma. F. Anonas as authorized signatory and Atty. Gilbert Santos and the Law Firm of Berberabe Santos & Quinones Law Firm and their lawyers as counsel to represent the Company in said legal action/s</p>
December 20, 2022	<p>Approval of Management's recommendation to further extend the deadline for payment of unpaid subscription balance under the Memorandum of Agreement dated October 29, 2020 from December 27, 2022 to March 31, 2023</p>

Date of Meeting	Resolution
	<p>Approval to sell 291,640,496 shares of the Company to various interested investors</p> <p>Approval of Management's proposal to waive the Company's pre-emptive rights for West Palawan Premiere Development Corp. investors</p> <p>Approval of the authorization of Mr. Roberto B. Ortiz and the engagement and appointment of Atty. Gilbert Santos and the law firm of Berberabe Santos and Quinones Law Firm to represent the Company in the case entitled Carlos C. Cruz and Belinda T. Cruz v. Premiere Georesources and Development Inc., Premiere Horizon Alliance Corporation, Roberto B. Ortiz, et. al. docketed as Civil Case No. R-QZN-22-11507-CV pending before Branch 92 of the Regional Trial Court of Quezon City</p> <p>Approval of the authorization of Messrs. Roberto B. Ortiz and/or Raul Ma. F. Anonas and the engagement and appointment of the law firm of Gatmaytan Yap Patacsil Gutierrez and Protacio ("C&G Law") to represent the Company in the case before the Securities and Exchange Commission ("SEC") entitled "Marvin dela Cruz v. Premiere Horizon Alliance Corporation, et al" docketed as SEC Case No. 12-22-549</p>
January 26, 2023	<p>Election of new members of the Board of Directors</p> <p>Approval of the Executive Committee's proposed counter-proposal for the Put Option Agreement with LDA Capital</p> <p>Designation of authorized representatives (Messrs. Raul Ma. F. Anonas or Roberto B. Ortiz) to execute the waiver of the Company's pre-emptive rights for West Palawan Premiere Development Corp. share issuance</p> <p>Designation of authorized representatives for transactions with the Bureau of Internal Revenue</p> <p>Approval of the proposed restructuring of the Company's loan with Mrs. Imelda Lao</p>

Date of Meeting	Resolution
	Approval to authorize the Company to offer its existing creditors to be paid with unlisted shares of the Company at a maximum of five percent (5%) discount
February 3, 2023	<p>Approval of the call for payment of unpaid subscriptions as of February 3, 2023 on or before March 6, 2023</p> <p>Election of Independent Directors</p> <p>Approval of the resetting of the Annual Stockholders' Meeting Record Date to March 10, 2023</p>
February 27, 2023	<p>Approval of the capital call schedule</p> <p>Resetting of the Annual Stockholders' Meeting and Record Date to May 15, 2023 and April 25, 2023, respectively</p> <p>Approval of the Company's guarantee of the PhP20 Million loan secured by Goshen Land Capital Inc. from Sterling Bank</p> <p>Reorganization of the Board Committees</p>
March 27, 2023	<p>Resignation of Attys. Maria Allen M. Arbis and Kristine Ninotschka L. Evangelista as Corporate Secretary and Assistant Corporate Secretary, respectively, and appointment of Attys. Jess Raymund M. Lopez and Andrea E. Katipunan as new Corporate Secretary and Assistant Corporate Secretary, respectively</p> <p>Approval of the set-off of the amount payable to Ms. Marian Peña for loans obtained by PHA Group with the amounts payable to the Corporation for Ms. Marian Peña's subscription</p> <p>Resolution instructing the President and CEO and the Chief Operating Officer to (i) prepare the reports and statements necessary for clarifying the application of the Marian Peña 2020 Payments, (ii) in the event that an error in the application of the Marian Peña 2020 Payments has been made, recommend how the books of the Corporation should be corrected, including the recording of the relevant amount in the name of Ms. Marian Peña in the books of the</p>

Date of Meeting	Resolution
	Corporation, and (iii) present said reports, statements and recommendation to the Board of Directors for approval
April 3, 2023	Approval of the assignment to the Company of the loans of West Palawan Premiere Development Corp. and Premiere Geo Resources Development Inc. obtained from Ms. Marian Peña and authorizing Mr. Roberto B. Ortiz to perform any and all things necessary and proper on behalf of the Company including signing, execution, and delivery of any and all agreements and documents in relation thereto
April 11, 2023	<p>Approval of the filing of an Answer and participation in SEC Case No. 23-2335</p> <p>Approval of the Annual Report (SEC Form 17-A for the calendar year ended December 31, 2022)</p> <p>Approval of the Information Statement (SEC Form 20-IS) for the Annual Stockholders' Meeting to be held on May 15, 2023</p> <p>Approval of the amounts to be offset with Ms. Marian Pena's Advances to West Palawan Premiere Development Corp., Premiere Geo Resources Development Inc. and the Company against Ms. Marian Pena's Subscriptions Payable</p> <p>Approval of the delinquency sale on May 11, 2023</p>
Passed on April 12, 2023 ratified on May 15, 2023	Approval of the Company's Audited Financial Statements for the year ended December 31, 2022
May 15, 2023	<p>Approval of the resetting of the Annual Stockholders' Meeting and Record Date to May 15, 2023 and April 25, 2023, respectively</p> <p>Designation of new authorized representative for transactions with the Home Development Mutual Fund/Pag-Ibig Fund and the Social Security System</p> <p>Approval of the use of the guarantee format of Sterling Bank for the Company's Guarantee for Goshen Land Capital Inc.'s PHP20 Million secured loan from Sterling Bank</p>

Date of Meeting	Resolution
	<p>Designation of authorized representatives for transactions with Sterling Bank in relation to the Company's Guarantee for Goshen Land Capital Inc.'s Php20 Million secured loan from Sterling Bank</p> <p>Approval of the Company's guarantee of the approximately Php20 Million surety bond of Premiere Georesources & Development Inc.'s contract with Cagdianao Mining Corporation</p>
June 21, 2023	<p>Approval of the resetting of the Annual Stockholders Meeting and Record Date to September 12, 2023 and August 23, 2023, respectively</p> <p>Grant of authority to the Company to participate in the case entitled, "Nuovo Gran CT Inc. vs. Squidpay Technology, Inc., et al.", docketed as Civil Case No. R-MNL-22-06284-CV, pending before Branch 45 of the Regional Trial Court of the Manila City, and authorizing its Legal Officer, Atty. Lester Nazarene V. Ople and the law firm of Berberabe Santos & Quiñones Law Firm for this purpose</p> <p>Appointment of Ms. Christina Leong as Chief Investment Officer</p> <p>Approval of the designation of new authorized bank signatories</p>
August 3, 2023	<p>Resignation of Mr. Cosio and Mr. Ortiz and election of new members of the Board of Directors</p> <p>Election of new officers</p> <p>Approval of the designation of new authorized bank signatories</p> <p>Reorganization of Board Committees</p>
August 18, 2023	<p>Resignation of Mr. Luzuriaga and Appointment of Mr. Ernest Sze Lok Yeung as Chief Financial Adviser</p>

Date of Meeting	Resolution
	<p>Creation of New Position of Executive Vice President and Appointment of Ms. Marian Peña as Executive Vice President</p> <p>Authority to enter into a Leasing Arrangement with the Bank of the Philippine Islands and appointment of authorized representatives</p>

Mr. Raul Ma. F. Anonas noted that with respect to the resolution on the Marian Peña 2020 payments, it was discussed during the BOD meeting on April 11, 2023 that PhP37.5 Million was not properly credited to Marian Peña.

Thereafter, the Corporate Secretary presented the proposed resolution and the voting results.

Upon motion duly made and seconded, the following resolutions were approved:

“RESOLVED, that all acts, contracts, resolutions and actions, authorized and entered into by the Board of Directors and Management of the Company from the date of the last annual stockholders’ meeting up to the present be, as they are hereby, approved, ratified and confirmed.”

The Corporate Secretary noted for the record that stockholders owning **3,372,861,286** shares representing **59.09%** of the outstanding capital stock voted in favor of approving the minutes, 0 shares voted against, and 104,345,632 shares abstained on the motion.

7. Election of Directors

The next item on the agenda was the election of the members of the Board of Directors.

The Corporate Secretary explained that under the SIXTH Article of the Company’s Amended Articles of Incorporation, there are nine (9) seats in the Board of Directors. The Company is required to have at least two (2) independent directors. Further, the Corporate Secretary stated that under SEC rules, all nominations for director shall be submitted to and evaluated by the Nominations and Compensation Committee, now known as Corporate Governance Committee. Nominations for Independent Directors shall appear in the Final List of Candidates set forth in the Definitive Information

Statement or other reports submitted to the Securities and Exchange Commission, and no other nominations shall be entertained from the floor.

The Corporate Secretary informed the stockholders that the Company received a total of seven (7) nominations for Regular Directors, and two (2) for Independent Directors. The nominees are:

For Regular Directors:

1. EUGENIO T. TAN
2. RAUL MA. F. ANONAS
3. MARIAN PEÑA
4. BRANDON P. LEONG
5. ERNEST SZE LOK YEUNG
6. GERONIMO B. HALILI
7. ESTEBAN G. PEÑA SY

For Independent Directors:

1. EMMANUEL G. HERBOSA
2. ARVIN EDUARD H. CRUZ

Full details of the background and qualifications of the nominees have been disclosed in the Company's Definitive Information Statement.

The nominees receiving the highest number of votes for the 7 available seats for Regular Director, and for the 2 available seats for Independent Director, shall be declared as the duly elected members of the Board of Directors for 2023-2024.

At the request of the Chairman, the Corporate Secretary announced that based on the tabulation and validation by the Company's stock and transfer agent, stockholders owning **3,372,861,286** shares representing **59.09%** of the outstanding capital stock, voted to elect all the nine (9) candidates to the Board of Directors. These candidates are therefore the duly elected members of the Board of Directors of the Company for the term 2023-2024.

8. *Message from the Chairman, and CEO's letter to stockholders*

After the election, the Chairman and the CEO respectively shared a short message to the stockholders.

9. *Approval of the Appointment of Reyes Tacandong & Co. as External Auditor of the Company for 2022-2023*

The next item was the appointment of the Company's external auditor for 2022-2023. As requested by the Chairman, Mr. Geronimo Halili, being a member thereof, presented the recommendation of the Company's Audit Committee.

Mr. Halili stated that the Company's Audit Committee has reviewed the qualifications of Reyes Tacandong & Co. and is endorsing its appointment for the 2022-2023 as the Company's external auditors.

At the request of the Chairman, the Corporate Secretary presented the proposed resolution and the voting results.

Upon motion duly made and seconded, the following resolutions were approved:

"RESOLVED, that the accounting firm Reyes Tacandong & Co. be, as it is hereby, reappointed as the Company's external auditor for the year 2022-2023."

The Corporate Secretary noted for the record that stockholders owning 3,372,861,286 shares representing 59.09% of the outstanding capital stock voted in favor of approving the minutes, 0 shares voted against, and 104,345,632 shares abstained on the motion.

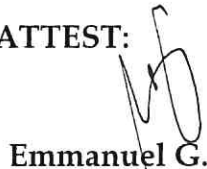
10. *Other matters*

The Chairman asked the Corporate Secretary whether there were questions raised or comments made on the agenda. The Corporate Secretary responded that there were no questions raised or comments made by email prior to the meeting, and that for any questions that may have been raised through email or on the Zoom portal during the meeting, the response will be sent via email as well.

11. *Adjournment*

There being no other matters on the agenda, the Chairman adjourned the meeting. He advised the stockholders that a copy of the recorded proceedings will be made available to the stockholders upon request while the minutes of this meeting will be made available at the Company's website. The Chairman also thanked everyone present.

ATTEST:



Emmanuel G. Herbosa
Chairman of the Meeting



Jess Raymund M. Lopez
Corporate Secretary

ANNEX "A"
(Voting Results and Attendance Report)

AGENDA ITEMS	ACTION			
Item 1. Call to Order	No action necessary.			
Item 2. Roll Call	No action necessary.			
Item 3. Proof of Notice and Certification of Quorum	No action necessary.			
	FOR	%	AGAINST	ABSTAIN
Item 4. Approval of Minutes of Previous Stockholders' Meeting held on December 17, 2021	3,372,861,286	59.09%	0	104,345,632
Item 5. Approval of Management Report and Audited Financial Statements for the years ended December 31, 2021 and December 31, 2022	3,372,861,286	59.09%	0	104,345,632
Item 6. Approval and Ratification of Acts of the Board of Directors and Management from the date of the last stockholders' meeting to date	3,372,861,286	59.09%	0	104,345,632
Item 7. Election of Directors	Votes per nominee shown below.			
For Regular Directors:	Votes per nominee shown below.			
EUGENIO T. TAN	3,372,861,286	59.09%	0	104,345,632
RAUL MA. F. ANONAS	3,372,861,286	59.09%	0	104,345,632
MARIAN PEÑA	3,372,861,286	59.09%	0	104,345,632
BRANDON P. LEONG	3,372,861,286	59.09%	0	104,345,632
ERNEST SZE LOK YEUNG	3,372,861,286	59.09%	0	104,345,632
GERONIMO B. HALILI	3,372,861,286	59.09%	0	104,345,632
ESTEBAN G. PEÑA SY	3,372,861,286	59.09%	0	104,345,632
For Independent Directors:	Votes per nominee shown below.			
EMMANUEL G. HERBOSA	3,372,861,286	59.09%	0	104,345,632
ARVIN EDUARD H. CRUZ	3,372,861,286	59.09%	0	104,345,632
Item 8. Message from the Chairman, and CEO's letter to stockholders	No action necessary.			
Item 9. Approval of the Appointment of Reyes Tacandong & Co. as External Auditor of the Company for 2022-2023	3,372,861,286	59.09%	0	104,345,632
Item 10. Other matters	No action necessary.			
Item 11. Adjournment	No action necessary.			

Percentage is based on total and outstanding voting shares of PHA (5,708,359,504)

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

SECRETARY'S CERTIFICATE

KNOW ALL MEN BY THESE PRESENTS:

I, **ANDREA E. KATIPUNAN**, of legal age, Filipino, with office address at 30F, 88 Corporate Center, Sedeño cor. Valero Sts., Makati City 1227, after having been duly sworn under oath in accordance with law, do hereby depose and state that:

1. I am the duly elected and incumbent Assistant Corporate Secretary of PREMIERE HORIZON ALLIANCE CORPORATION (the "Corporation"), a corporation duly organized and existing under Philippine laws with principal office at Unit 1705, 17th Floor, East Tower, Philippine Stock Exchange Center, Ortigas Center, Pasig City;
2. In my capacity as such, I have custody and access to the corporate records of the Corporation;
3. At a meeting of the Board of Directors of the Corporation held on April 12, 2024, wherein a quorum was present and acted throughout, the following resolutions consistent with the Articles of Incorporation and By-Laws of the Corporation were approved:

"WHEREAS, the By-Laws of PREMIERE HORIZON ALLIANCE CORPORATION (the "Corporation" or "PHA") states that the annual meeting of the stockholders shall be held in the month of May on a day to be fixed by the Board of Directors;


RESOLVED, that the Board of Directors authorize, as it hereby authorizes, the setting of the date of the Annual Stockholders' Meeting to June 28, 2024 and setting of the Record Date to June 7, 2024.

RESOLVED FURTHER, that the Board of Directors, confirm as it hereby confirms, the holding of the Annual Stockholders' Meeting by remote communication or in absentia, and the authority of the stockholders to vote by proxy and/or through a secure online voting system, according to the procedures and rules that the Corporate Secretary may determine.

RESOLVED FINALLY, that the foregoing resolutions shall remain valid until the Corporation issues a subsequent resolution revoking, repealing, or otherwise amending them."

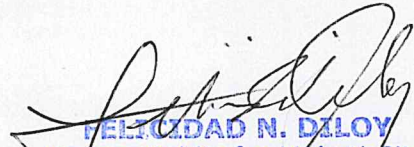
4. The above resolutions are subsisting, in full force and effect and have not been superseded, amended, cancelled or revoked as of this date.

IN WITNESS WHEREOF, I have hereunto set my hand this 12th day of April 2024 at Makati City.


ANDREA E. KATIPUNAN
Corporate Secretary

SUBSCRIBED AND SWORN to before me this 12th day of April 2024. Affiant exhibited to me her Philippine Passport No. P3195070B issued on September 14, 2019 at DFA NCR South.

Doc. No. 456;
Page No. 92;
Book No. 1;
Series of 2024.


FELICIDAD N. DILOY
Notary Public for Makati City
Appointment No. M-607 until December 31, 2024
Roll of Attorney No. 84089
PTR No. 10077884; 1/5/2024; Makati City
IBP No. 301585; 1/3/2024; Makati Chapter
30th Floor 88 Corporate Center
Sedeño corner Valero Streets
Salcedo Village, Makati City 1227

MANAGEMENT REPORT

See attached Audited Financial Statements for years ended December 31, 2023 and the Unaudited Financial Statements for the 1st Quarter of 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 E-1705, 17F, East Tower, Philippine Stock Exchange Center, Exchange Road, Ortigas Center, Pasig City.

Below are the Parent Company's subsidiaries with its respective percentage ownership in 2023 and first quarter of 2024.

	Percentage of Ownership	
	Direct	Indirect
West Palawan Premiere Development Corp. (WPP)	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

WPP

On August 9, 2016 the Company established a 100% subsidiary West Palawan Premiere Development Corp. (WPPDC) to subsidiarize the land holdings PHA owned. WPPDC has an authorized capital stock of Php 700.0 million, subscribed capital of Php 175.0 million and a paid-up capital of Php 43.75 million.

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

PGDI

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

PGDI is primarily engaged into mining related services, e.g. hauling and excavation for mining companies.

GLCI

In June 04, 2015, PHA bought 55% of Goshen Land Capital Inc. (GLCI) for Php 440.0 million, Php140 million secondary and Php300 million primary.

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

In 2023, the group has 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 were able to collect from its subscription receivable the amount of Php537.14 million
- Availment of short-term and long-term loans

In 2022, the group has undertaken the following initiatives:

- PHA has raised an additional capital by issuing 70,835,000 million shares to LDA Capital Limited with a par value of Php.25 per share and share price of Php1.01 per share. The share issuance was paid in cash for a total consideration of Php71.54 million.
- PHA has 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 has 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.

In 2021, the Group has undertaken the following initiatives:

- PHA increased its authorized capital stock from P563.6 million divided into 2,254,224,000 common shares at P0.25 par value a share to P1.5 billion divided into 6,000,000,000 common shares at P0.25 par value share. This was approved by the SEC on May 28, 2021. A new investor group subscribed to 2,803,030,303 shares, equivalent to 55% ownership in PHA at P0.33 a share for a total consideration of P925.0 million, of which, P371.0 million was to be paid for in cash and the balance for a period of two years in either a combination of cash and/or infusion of SquidPay Technology, Inc (SPTI) shares, with the intent of making SPTI a subsidiary. Of the amount to be paid for in cash, P371.0 million was received as at December 31, 2021.
- PHA entered into a Put Option Agreement with LOA Capital Limited (LOA) for an equity financing

of P2.5 billion over the next 36 months. Under the Put Option Agreement, PHA may, in its sole discretion issue a Put Option Notice (PON) under certain terms and conditions. LDA agrees to honor Put Option Notices from PHA based on the agreed per share subscription price. On October 15, 2021, LOA subscribed to 70,835,000 new primary shares of PHA at a subscription price of P1.01 per share. The subscription price of P71.5 million was fully paid and recognized as Deposit for Future Subscription as at December 31, 2021.

- Convertible notes holder exercised their rights to convert the principal of P354.0 million and accrued interest aggregating P24.7 million to equity of PHA at a conversion price of P0.70 per share which is equivalent to 540,938,008 shares. These converted notes were reclassified to deposit for future stock subscriptions, pending approval of the SEC of the valuation.

Other initiatives are:

- Negotiate principal payment extensions and deferrals with creditors;
- Secure loans with the Group assets; and

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 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 exists 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.

Management is currently undertaking a combination of initiatives to address the abovementioned going concern issue to wit:

- a. Reduction and efficient management of operating expenses;
- b. Negotiate interest reduction and/or principal payment extensions and deferrals;
- c. Secure all the unsecured loans with the assets of the Group;
- d. Divest a portion of the Group's assets and investments to generate cash;
- e. Abstain financial support from shareholders and/or officers for gap funding of operations; and
- f. Actively seek out partnerships and new investors as a way of generating funds.

The year 2023 was a continuation of the projects that Goshen Land Capital (GLCI) started in 2021 and 2022. The construction of the Stanford Residences has been substantially completed during this year. The residential lot subdivisions have also been mostly sold out and land development has been started with a projected turnover by the following year. GLCI has also expanded its reach with the establishment of sales branches in Pangasinan and Tarlac.

The year 2023 marked the start of operation of Premiere Georesources and Development Inc. 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 start of operation was delayed due to documentary requirements that have to be complied with due to the change in name to PGDI. As a consequence, the revenue was not hit due to lower tonnage and lower rates as well that caused loss for this year.

Plan of Operations for Year 2024

West Palawan Premiere Development Corp. (WPPDC)

On the tourism and infrastructure side, WPPDC shall embark on the development of its 512.7-has beachfront property and tourism estate. A portion of this land will be converted from agricultural land use to a residential/commercial land use. Of the total land area, 4,297 shall be developed into 10-

storey hotel and commercial building. The mobilization and construction period shall be within the period 2023 to 2027.

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

For the year 2024, PGDI decided to terminate the remaining 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 2-3 years as per their mine report to us.

PGDI negotiated a 3-year limonite hauling contract with Taganito Mining Corporation, a subsidiary of Nickel Asia Corp. Claver, Surigao del Norte. First year contract is 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 unrefurbishable equipment will be sold as scrap and excess usable equipment will be sold as used equipment.

Initial evaluation at TMC Mine Operation showed that the refurbished equipment are not capable to meet the tonnage target. Acquiring new trucks is under review for immediate purchase.

Goshen Land Capital Inc.

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, uses 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

Presented below is the comparative table of the Group's performance for the 1st Quarter of 2024, and preceding years 2023 and 2022, 2021, respectively.

		Formula	For the quarter ended March 31	
			2024	2023
1	Revenues	-	75,830,172	102,912,211
2	Net Income (Loss)	-	(30,610,598)	(36,316,147)
3	Debt – to – Equity Ratio	Total Liabilities/ Total Stockholders' Equity	0.34	0.47
4	Current Ratio	Current Assets/ Current Liabilities	2.82	1.16
5	Return on Assets	Net Income/ Total Assets	(0.01)	(0.01)

		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

		Formula	For the year ended December 31	
			2022 (Audited)	2021 (Audited)
1	Revenues	-	445,536,982	349,117,555
2	Net Income (Loss)	-	48,834,284	(42,187,132)
3	Debt – to – Equity Ratio	Total Liabilities/ Total Stockholders' Equity	1.03:1.00	1.53:1
4	Current Ratio	Current Assets/ Current Liabilities	1.16:1.00	1.06:1
5	Return on Assets	Net Income/ Total Assets	0.012:1.00	(0.011:1)

Results of Operation (For the first quarter of 2024)

A comparative review of the Company's financial operations for the quarter ended March 31, 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 both years pertain solely to the real estate sales which posted a decrease of Php27.08 million or 26.32%. as a result of lower percentage of completion met for construction projects.
- **Cost of real estate sold** – The Group's cost of real estate sold posted a decrease of Php14.30 million or 28.18%. as a result of lower percentage of completion met for construction projects.
- **Cost of services** – decreased by Php6.12 million due to lower operating cost resulting from production volume.
- **General and administrative expenses** - decreased by Php10.15 million or 23.41% mainly because of the lower costs incurred in the current year related to professional and legal fees.
- **Interest income** – decreased by Php0.55 million from Php1.10 million in 2023 which primarily came from the lower balance of interest earning assets this 2024.
- **Other income - net** – the amount is mainly attributable to the sale of scrap materials during 2024.

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
For the three-months period ended March 31, 2024 and 2023
(All amounts in Philippine Peso)

	Quarters Ended Jan 1 – Mar 31		Variance	
	2024 (UNAUDITED)	2023 (UNAUDITED)	In Amount	In Percentage
REVENUES				
Real estate sales	75,830,172	102,912,211	-27,082,039	-26.32%
Mining-related services	-	-	-	0.00%
Service income	-	-	-	0.00%
	75,830,172	102,912,211	-27,082,039	-26.32%
COSTS OF SALES AND SERVICES				
Cost of real estate sales	36,454,962	50,759,242	-14,304,280	-28.18%
Cost of services	13,524,460	19,649,237	-6,124,777	-31.17%
	49,979,422	70,408,478	-20,429,056	-29.02%
GROSS PROFIT	25,850,750	32,503,733	-6,652,983	-20.47%
GENERAL AND ADMINISTRATIVE EXPENSES	33,214,298	43,367,740	-10,153,442	-23.41%
OTHER INCOME (CHARGES)				
Interest expense	(25,997,731)	(26,548,064)	550,333	-2.07%
Interest income	545,443	1,095,924	-550,481	-50.23%
Others – net	2,205,238	-	-	100.00%
	(23,247,050)	(25,452,141)	-	100.00%
INCOME (LOSS) BEFORE INCOME TAX	(30,610,598)	(36,316,147)	5,705,549	-15.71%
PROVISION FOR (BENEFIT FROM) INCOME TAX^h	-	-	-	0.00%
NET INCOME (LOSS)	(30,610,598)	(36,316,147)	5,705,549	-15.71%
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)	(30,610,598)	(36,316,147)	5,705,549	-15.71%

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.

<i>All amounts in Philippine Peso</i>	December 31, 2023 (Audited)	December 31, 2022 (Audited)	Variance (In amount)	Variance (In percentage)
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%
GENERAL AND ADMINISTRATIVE EXPENSES	191,112,441	219,283,140	- 28,170,699	-12.85%
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)					
<i>Not to be reclassified to profit or loss in subsequent years -</i>					
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 cost 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 is Php420.00, while the price per square meter in 2022 and 2021 is 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 came from the lower interest charges due to repayment of 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.

<i>All amounts in Philippine Peso</i>	December 31, 2022 (Audited)	December 31, 2021 (Audited)	Variance (In amount)	Variance (In percentage)
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				
Cost of real estate sales	147,183,575	74,080,684	73,102,891	98.68%
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)				
Unrealized gain on fair valuation of investment properties	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 PROVISION FOR (BENEFIT FROM)	138,017,960	-	111,280,305	249,298,265	-224.03%	
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 -</i>						
Remeasurement gains (losses) on retirement liability - net of deferred tax	-	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 cost 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 is Php393, while the price per square meter in 2021 is 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.

December 31, 2021

The Group reported a revenue of Php349.12 million and a net loss of Php42.19 million for the year 2021.

Material Changes - Increase/ Decrease of 5% or more (2021 versus 2020)

- **Real estate sales** posted a decrease of Php305.37 million or 63.71% brought by the significant number of new sales generated in 2020 as compared to 2021. The majority of the sales in 2020 pertain to the sale of lots only, while the rest are attributable to residential dwellings.
- **Revenue from mining related services** decreased by Php67.57 million or 27.95% primarily due to lower tonnage hauled in 2021 relative to 2020.
- **Cost of real estate sales** posted a decrease of Php227.18 million or 75% brought by the significant number of new sales generated in 2020 as compared to 2021.

- **Cost of services** decreased by Php17.50 million due to lower operating cost resulting from production volume.
- **Unrealized gain on fair valuation of investment properties** decreased by Php342.28 million or 93.03% primarily due to the yearly changes in the fair valuation of the Group's investment properties in Palawan. Price per square meter in 2021 is Php330, while the price per square meter in 2020 is Php330.
- **Impairment losses.** No impairment was recognized in the year 2021 as against the Php11.67 million incurred in 2020.
- **Interest expense** decreased by Php58.31 million primarily came from the lower interest charges due to repayment of principal and debt restructuring.
- **Others under other income and expenses** for the year 2021 mainly pertain to the share in distributive profit amounting to Php54.34 million.

Financial Condition (For the Interim Report March 31, 2024)

The Company employed total assets of P 4,725,206,939 financed by total liabilities of P 2,125,570,703 and total stockholders' equity of P 2,599,636,236. Noncurrent assets amounted to P 2,703,299,156 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 2,021,907,783.

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
As at March 31, 2024 and December 31, 2023
(All amounts in Philippine Peso)

	March 31, 2024 (UNAUDITED)	December 31, 2023 (AUDITED)	Variance (Amount)	Variance (in percentage)
ASSETS				
Current Assets				
Cash	158,249,849	136,553,358	21,696,491	15.89%
Receivables	551,014,488	523,833,047	27,181,441	5.19%
Current portion of contract assets	384,356,917	384,356,917	-	0.00%
Real estate for sale	730,427,700	739,020,978	(8,593,278)	-1.16%
Creditable withholding taxes	124,166,512	122,072,660	2,093,852	1.72%
Other current assets	73,692,317	71,561,643	2,130,674	2.98%
Total Current Assets	2,021,907,783	1,977,263,820	44,643,963	2.26%
Noncurrent Assets				
Investment properties	2,161,998,400	2,161,998,400	-	0.00%
Deferred exploration costs	427,400,651	426,268,084	1,132,567	0.27%
Property and equipment	19,855,720	28,341,348	(8,485,628)	-29.94%
Contract assets - net of current portion	3,615,315	3,615,315	-	0.00%
Deferred tax assets	71,818,005	71,818,005	-	0.00%
Other noncurrent assets	18,611,065	19,499,567	(888,502)	-4.56%
Total Noncurrent Assets	2,703,299,156	2,711,540,719	(8,241,563)	-0.30%
	4,725,206,939	P4,688,804,539	36,402,400	0.78%

LIABILITIES AND EQUITY

Current Liabilities				
Trade and other payables	572,552,195	572,965,390	(413,195)	-0.07%
Short-term loans	240,468,862	240,468,862	-	0.00%
Current portion of long-term loans	95,862,137	95,862,137	-	0.00%
Contract liabilities	9,613,944	10,722,842	-1,108,898	-10.34%
Dividend payable	39,800,000	39,800,000	-	0.00%
Total Current Liabilities	958,297,138	959,819,231	-1,522,093	-0.16%

Noncurrent Liabilities				
Noncurrent portion of:				
Long-term loans	457,568,552	389,033,460	68,535,092	17.62%
Lease liabilities	-	-	-	0.00%
Deferred tax liabilities	599,283,878	599,283,878	-	0.00%
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	1,167,273,565	1,098,738,473	68,535,092	6.24%
Total Liabilities	2,125,570,703	2,058,557,704	67,012,999	3.26%
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	102,437,367	132,711,701	-30,274,334	-22.81%
Cumulative remeasurement gains on retirement liability	31,265,998	31,265,998	-	0.00%
	2,177,462,068	2,207,736,402	-30,274,334	-1.37%
Noncontrolling Interests	422,174,168	422,510,433	-336,265	-0.08%
Total Equity	2,599,636,236	2,630,246,835	-30,610,599	-1.16%
	4,725,206,939	4,688,804,539	36,402,400	0.78%

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

- **Cash** – As of March 31, 2024 and December 31, 2023, this account amounted to Php158.25 million and Php136.42 million, respectively, which shows an increase of Php21.70 million or 16.00% change. Cash used in operation activities amounted to Php45.21 million; cash used in investing activities amounted to Php1.50 million; while cash provided by financing activities amounted to Php68.54 million. The said cash flows represent the net increase/decrease during this financial year as at this reporting period.
- **Receivables** – As of March 31, 2024 and December 31, 2023, this account amounted to Php551.01 million and Php523.83 million, respectively, which shows an increase of 5.20%. The increase is mainly because of the increase in contract receivable.
- **Property and equipment, net** – As of March 31, 2024 and December 31, 2023, this account amounted to Php19.86 million and Php28.34, respectively, which shows a decrease of Php8.49 million or 29.09%. The net decrease primarily came from the depreciation expense for the current financial year as at this reporting period.
- **Contract liabilities** – As of March 31, 2024 and December 31, 2023, this account amounted to Php9.61 million and Php10.72 million, respectively, which shows an increase of Php1.11 million. The net increase is brought mainly by the increase in real estate buyers' deposits in the first quarter of 2024
- **Loans payable** - As of March 31, 2024 and December 31, 2023, this account amounted to Php553.43 million and Php484.90 million, respectively, which shows an increase of Php68.54 million. Availment of loans for the first quarter of 2024 amounts to Php103.47 million while payment of principal loan is Php34.93 million.
- **Retained Earnings** increased by P30.27 million because of the net loss incurred for the first quarter of 2024.

Financial Condition (For the last three years)

December 31, 2023

The financial position of the Company as of December 31, 2023, shows total assets of P 4,678,546,931. Noncurrent assets were P 2,702,555,380. 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 P 1,975,991,551.

All amounts in Philippine Peso				
	December 31, 2023 (Audited)	December 31, 2022 (Audited)	Variance (In amount)	Variance (In Percentage)
ASSETS				
Current Assets				
Cash	136,418,577	69,729,594	66,688,983	95.64%
Receivables	523,833,045	442,327,680	81,505,365	18.43%
Current portion of contract assets	384,356,917	34,842,065	349,514,852	1003.14%
Real estate for sale	739,020,978	811,694,228	-72,673,250	-8.95%
Creditable withholding taxes	122,072,660	117,005,107	5,067,553	4.33%
Other current assets	71,561,643	62,826,569	8,735,074	13.90%
Total Current Assets	1,977,263,820	1,538,425,243	438,838,577	28.53%
Noncurrent Assets				
Contract assets - net of current portion	3,615,315	69,581,924	-65,966,609	-94.80%
Investment properties	2,161,998,400	2,023,560,400	138,438,000	6.84%
Property and equipment	28,341,348	71,903,816	-43,562,468	-60.58%
Deferred exploration costs	426,268,084	418,042,647	8,225,437	1.97%
Deferred tax assets	71,818,005	27,580,919	44,237,086	160.39%
Other noncurrent assets	19,499,567	26,826,426	-7,326,859	-27.31%
Total Noncurrent Assets	2,711,540,719	2,637,496,132	74,044,587	2.81%
	4,688,804,539	4,175,921,375	512,883,164	12.28%
LIABILITIES AND EQUITY				
Current Liabilities				
Short-term loans	240,468,862	428,754,632	-188,285,770	-43.91%
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.
- **Receivable** increased by Php81.51 million mainly because of the upward movement in 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%.
- **Contract assets (current portion)** posted an increase of Php349.51 million. 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 is 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 as a result 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 loan 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 loans availment and increase in deferred tax liabilities.
- **Capital stock** increased by Php406.85 million or 40.38% as a result of the collection of subscription receivable.
- **Additional paid-in capital** increased by Php130.19 million brought by the collection of subscription receivable.
- **Retained earnings** decreased by 19.97% as a result of the net loss attributable to equity holders of the parent company.

December 31, 2022

The financial position of the Company as of December 31, 2022, shows total assets of P 4,175,921,375. Noncurrent assets were P 2,637,496,132. 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 P 1,538,425,243.

The total liabilities of the Company as of December 31, 2022 is P 2,120,332,616 while current liabilities stood at P 1,328,897,556. Non-current liabilities is P 791,435,060 which includes the 518,195,465 deferred tax liability and P 127,986,999 noncurrent portion of long-term loans. Total stockholders' equity as of December 31, 2022 is P 2,055,588,759.

	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				
Short-term loans	428,754,632	376,554,632	52,200,000	13.86%
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 loans	127,986,999	64,042,349	63,944,650	99.85%
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	-100.00%
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%
	1,681,980,521	1,133,760,255	548,220,266	48.35%
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.
- **Receivable** increased by Php365.71 million as a result of increase in sold real estate 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 project 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 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 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 as a 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.

December 31, 2021

The financial position of the Company as of December 31, 2021, shows total assets of P 3,770,249,977. Noncurrent assets were P 2,404,742,180. The noncurrent assets consist of investment properties, deferred exploration costs, property and equipment, contract assets (net of current portion), deferred tax assets, intangible assets and other assets. Current assets as of December 31, 2021 stood at P 1,365,507,797.

The total liabilities of the Company as of December 31, 2021 is P 2,281,295,522 while current liabilities stood at P 1,293,708,557. Non-current liabilities is P 987,586,965 which includes the 429,617,606 deferred tax liability and P 465,231,457 deposit for future subscription. Total stockholders' equity as of December 31, 2021 is P 1,488,954,455.

(B) Information on Independent Auditor and Other Related Matters

(1) External Auditor's Fees and Services

a) Audit Fees

The Company engaged Reyes Tacandong & Co. (RTC) 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 billing for the service of the auditors are Php2.24, Php2.11 million, and Php2.96 million, VAT exclusive, for the years 2023, 2022, and 2021, respectively.

b) Tax Fees

Aside from the aforementioned activities, the Company or any of its subsidiaries has not engaged Reyes Tacandong & Co. for any tax-related service.

c) All Other Fees

There were no other professional services rendered by the external auditors during the period.

d) Audit Committee's Approval Policies and Procedures

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

(2) Changes in and Disagreements with Independent Auditors on Accounting and Financial Disclosure

During the course of the audit, the Company and Reyes Tacandong & Co. did not have any material disagreements on any matter of accounting principles or practices, financial statement disclosure, or auditing scope or procedure.

(C) Market Information

The common shares of the Company are traded on the Philippine Stock Exchange (“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 two fiscal years and first quarter of 2024:

Quarter	2024		2023		2022	
	High	Low	High	Low	High	Low
First	0.234	0.161	0.420	0.280	0.910	0.480
Second	-	-	0.305	0.236	0.580	0.390
Third	-	-	0.242	0.186	0.445	0.350
Fourth	-	-	0.208	0.160	0.355	0.255

Stock Prices as of the following trading date:

- December 29, 2023 - Common share Php 0.162
- May 30, 2024 - Common share Php 0.201

Holder

The Company has an authorized capital stocks 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 May 30, 2024 and December 31, 2023, the Company has 145 stockholders.

The top 20 stockholders as of May 30, 2024 are as follows:

	Name of Stockholder	Number of Shares	Percentage Ownership
1	PCD NOMINEE CORPORATION	2,120,757,924	37.15%
2	ERNEST SZE LOK YEUNG	1,389,802,353	24.35%
3	MARIAN PENA	864,214,976	15.14%
4	AUGUSTO ANTONIO C. SERAFICA, JR.	200,000,000	3.50%
5	UNITED COCONUT PLANTERS LIFE ASSURANCE CORPORATION	142,857,142	2.50%
6	RAUL MA. F. ANONAS	109,631,319	1.92%
7	KENNETH SEE	101,930,830	1.79%
8	ASIAN ALLIANCE INVESTMENT CORPORATION	96,171,578	1.68%
9	PCD NOMINEE CORPORATION (NON-FILIPINO)	89,292,416	1.56%

10	PBB TRUST AND INVESTMENT CENTER	86,184,126	1.51%
11	S. J. ROXAS & CO. INC.	78,667,710	1.38%
12	LDA CAPITAL LIMITED	70,835,000	1.24%
13	CHRISTINA PENA LEONG	69,734,519	1.22%
14	S CAPITAL CORP.	36,000,000	0.63%
15	ROBERTO B. ORTIZ	33,986,943	0.60%
16	AUGUSTO M. COSIO, JR.	33,976,943	0.60%
17	CHARMAINE N. COBANKIAT	25,757,575	0.45%
18	ANDRES A. DEL ROSARIO	25,303,030	0.44%
19	KATHRYN YU CHENG SEE	25,303,030	0.44%
20	LESLIE SZE TAN	20,000,000	0.35%

Dividends

PHA did not declare dividends in the years 2021, 2022 and 2023 and in the first quarter of 2024.

PHA has declared a 22.1 % property dividend of its Redstone Construction and Development Corp. (PGDI) to stockholders of record as of May 15, 2018 equivalent of 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 will come 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.

Under the By-Laws of the Company, dividends shall be declared only from surplus profits and shall be payable at such time and in such amounts as the Board of Directors 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 Company or at a special meeting called for the purpose. No dividends shall be declared that impair the capital of the Company. 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.

Recent Sales of Unregistered or Exempt Securities, Including Recent Issuance of Securities Constituting an Exempt Transaction

On October 29, 2020, the Company and an investor group signed a Memorandum of Agreement for the infusion of equity through the subscription of 2,803,030,303 shares for Php 925 million, or 55% ownership in the Company, at a price of Php0.33 per share. The shares consist of 263,636,363 shares from the current unissued capital in 2020 and 2,539,393,939 from the increase in authorized capital stock of the Company approved by SEC on May 28, 2021.

PHA increased its authorized capital stock from Php563.6 million divided into 2,254,224,000 common shares at Php0.25 par value a share to P1.5 billion divided into 6,000,000,000 common shares at P0.25 par value share. This was approved by the SEC on May 28, 2021.

On October 15, 2021, LDA subscribed to 70,835,000 new primary shares of PHA at a subscription price of Php1.01 per share. The subscription price of P=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 which was converted as equity in 2022.

On March 2022 SEC approved the conversion of loans from certain creditors to subscribed shares of 540,983,008 with par value of Php0.25 per share and at a subscription price of Php0.70 per share. Following this subscription, the outstanding shares of PHA was at 5,708,359,504 shares.

In February 2023, the BOD approved a call for payment on the remaining unpaid shares and on April 11, 2023, the BOD 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.

D. CORPORATE GOVERNANCE

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

The Board of Directors and the Management of PHA also recognizes good corporate governance as essential in performing its obligations to the company's 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, the Company revised its Manual of Corporate Governance on September 16, 2009. The Company accomplished and submitted its Corporate Governance Scorecard Survey for Publicly Listed Companies. In compliance, the Board of Directors and Key Management officers of the Corporation have attended Corporate Governance seminars and will continue to do so on an annual basis.

To measure the extent of compliance with the Manual, the Company conducted self-assessment and submitted its first Governance Self Rating, which reported no significant deviation, to SEC and PSE on July 25, 2003. The 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 May 2022 for the year 2021.

On December 7, 2022, 4 Directors and 8 Key Officers of the Company attended a Corporate Governance Training conducted by ROAM Inc.

The Company has also established an evaluation system to measure or determine the level of compliance of the Board of Directors 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 Board of Directors and the senior management of the Company in seminars and trainings on Corporate Governance are also monitored and submitted to the SEC and PSE.

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

Board Committees

To further comply with the leading practices on good Corporate Governance, the Company, through its Board of Directors, adopted and approved its Charters of the Audit Committee, Nominations Committee and Compensation Committee. During the special meeting of the board of directors 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. Pena Sy
Members : Raul Ma. F. Anonas
Emmanuel Herbosa
Marian Peña
Ernest Sze Lok Yeung
Eugene T. Tan (in ex-officio capacity)

Audit and Risk Oversight Committee

Chairman : Emmanuel G. Herbosa
Members : Marian Peña
Geronimo B. Halili
Ernest Sze Lok Yeung (in ex-officio capacity)

Corporate Governance Committee and Related Party Transactions Committee

Chairman : Emmanuel G. Herbosa
Members : Marian Peña
Esteban G. Peña Sy

Code of Business Conduct and Ethics

The Company has also adopted a Code of Ethics last September 16, 2009. Under this Code, the Board of Directors, 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)

PHA will be working with different partners in the fulfillment of its commitment to invigorate the countryside and improve the leadership potential of micro and small entrepreneurs to make them more competitive in the ASEAN Economic Community integration beginning 2015.

PHA will sponsor and hold leadership training modules to SME entrepreneurs thereby raising the capacity for leading and sustaining change in the countryside.

The scope of the PLACE Program is nationwide and will be done on a quarterly basis.

Film Legacy Project

PHA has ownership of thousands of original films, it will institute a Film Legacy Project in partnership with the National Library and different private museums. Film showing projects will also be done in schools.

COVER SHEET

SEC Registration Number 147584

PREMIERE HORIZON ALLIANCE CORPORATION AND SUBSIDIARIES

(Company's Full Name)

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

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

RAUL MA. F. ANONAS Contact Person

8632-7715 Company Telephone Number

1 2 3 1 Month Day Calendar Year

SEC FORM 17-Q FORM TYPE

0 6 2 7 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: **March 31, 2024**

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, Philippine Stock Exchange Centre,
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 11(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 2024 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, 2024	March 31, 2023	Inc (Dec)
1. Revenues	75,830,172	102,912,211	(27,082,039)
2. Gross Profit (Loss)	25,850,750	32,503,733	(6,652,983)
3. Gross Profit (Loss) Ratio	0.34	0.32	0.03
4. Net Profit (Loss)	(30,610,598)	(36,316,147)	5,705,549
5. Net Profit (Loss) Ratio	(0.40)	(0.35)	(0.05)
6. Net Profit Attributable to Parent	(30,274,334)	(41,185,806)	10,911,472
7. 12 months trailing net income/(loss)	12,634,022	84,231,495	(71,597,473)
8. Trailing 12 months earnings/(loss) per share basic	0.00	0.02	(0.02)
9. Debt-to-Equity Ratio	0.34	0.47	(0.12)
10. Current Ratio	2.82	1.16	1.66
11. Debt Ratio	0.19	0.22	(0.04)
12. Return of Assets	(0.01)	(0.01)	0.00

Financial Condition

Interim Report (March 31, 2024)

The Company employed total assets of P 4,725,206,939 financed by total liabilities of P 2,125,570,703 and total stockholders' equity of P 2,599,636,236. Noncurrent assets amounted to P 2,703,299,156 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 2,021,907,783.

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

- **Cash** – As of March 31, 2024 and December 31, 2023, this account amounted to Php158.25 million and Php136.42 million, respectively, which shows an increase of Php21.83 million or 16.00% change. Cash used in operation activities amounted to Php45.21 million; cash used in investing activities amounted to Php1.50 million; while cash provided by financing activities amounted to Php68.54 million. The said cash flows represent the net increase/decrease during this financial year as at this reporting period.
- **Receivables** – As of March 31, 2024 and December 31, 2023, this account amounted to Php551.01 million and Php523.83 million, respectively, which shows an increase of 5.20%. The increase is mainly because of the increase in contract receivable.
- **Property and equipment, net** – As of March 31, 2024 and December 31, 2023, this account amounted to Php19.86 million and Php28.34, respectively, which shows a decrease of Php8.49 million or 29.09%. The net decrease primarily came from the depreciation expense for the current financial year as at this reporting period.
- **Contract liabilities** – As of March 31, 2024 and December 31, 2023, this account amounted to Php9.61 million and Php10.72 million, respectively, which shows an increase of Php1.11 million. The net increase is brought mainly by the increase in real estate buyers' deposits in the first quarter of 2024
- **Loans payable** - As of March 31, 2024 and December 31, 2023, this account amounted to Php553.43 million and Php484.90 million, respectively, which shows an increase of Php68.54 million. Availment of loans for the first quarter of 2024 amounts to Php103.47 million while payment of principal loan is Php34.93 million.
- **Retained Earnings** increased by P30.27 million because of the net loss incurred for the first quarter of 2024.

Results of Operation

A comparative review of the Company's financial operations for the quarter ended March 31, 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 both years pertain solely to the real estate sales which posted a decrease of Php27.08 million or 26.32%. as a result of lower percentage of completion met for construction projects.
- **Cost of real estate sold** – The Group's cost of real estate sold posted a decrease of Php14.30 million or 28.18%. as a result of lower percentage of completion met for construction projects.
- **Cost of services** – decreased by Php6.12 million due to lower operating cost resulting from production volume.
- **General and administrative expenses** - decreased by Php10.15 million or 23.41% mainly because of the lower costs incurred in the current year related to professional and legal fees.
- **Interest income** – decreased by Php0.55 million from Php1.10 million in 2023 which primarily came from the lower balance of interest earning assets this 2024.
- **Other income - net** – the amount is mainly attributable to the sale of scrap materials during 2024.

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, 2024 and December 31, 2023

(All amounts in Philippine Peso)

	Note	March 31, 2024 (UNAUDITED)	December 31, 2023 (AUDITED)
ASSETS			
Current Assets			
Cash	2	158,249,849	136,553,358
Receivables	3	551,014,488	523,833,047
Current portion of contract assets		384,356,917	384,356,917
Real estate for sale	4	730,427,700	739,020,978
Creditable withholding taxes		124,166,512	122,072,660
Other current assets	5	73,692,317	71,561,643
Total Current Assets		2,021,907,783	1,977,263,820
Noncurrent Assets			
Investment properties		2,161,998,400	2,161,998,400
Deferred exploration costs		427,400,651	426,268,084
Property and equipment		19,855,720	28,341,348
Contract assets - net of current portion		3,615,315	3,615,315
Deferred tax assets		71,818,005	71,818,005
Other noncurrent assets		18,611,065	19,499,567
Total Noncurrent Assets		2,703,299,156	2,711,540,719
		4,725,206,939	₱4,688,804,539
LIABILITIES AND EQUITY			
Current Liabilities			
Trade and other payables	6	572,552,195	572,965,390
Short-term loans		240,468,862	240,468,862
Current portion of long-term loans		95,862,137	95,862,137
Contract liabilities		9,613,944	10,722,842
Dividend payable		39,800,000	39,800,000
Total Current Liabilities		958,297,138	959,819,231
Noncurrent Liabilities			
Noncurrent portion of:			
Long-term loans		457,568,552	389,033,460
Lease liabilities		-	-
Deferred tax liabilities		599,283,878	599,283,878
Advances from third parties		100,000,000	100,000,000
Retirement liability		10,421,135	10,421,135
Total Noncurrent Liabilities		1,167,273,565	1,098,738,473
Total Liabilities		2,125,570,703	2,058,557,704

(Forward)

	Note	March 31, 2024 (UNAUDITED)	December 31, 2023 (AUDITED)
Equity Attributable to Equity Holders of the Parent Company			
Capital stock		1,414,348,522	1,414,348,522
Additional paid-in capital		629,410,181	629,410,181
Retained earnings		102,437,367	132,711,701
Cumulative remeasurement gains on retirement liability		31,265,998	31,265,998
		2,177,462,068	2,207,736,402
Noncontrolling Interests		422,174,168	422,510,433
Total Equity		2,599,636,236	2,630,246,835
		4,725,206,939	4,688,804,539

PREMIERE HORIZON ALLIANCE CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

For the three-months period ended March 31, 2024 and 2023

(All amounts in Philippine Peso)

	Note	Quarters Ended		Year to Date	
		2024	2023	2024	2023
		(UNAUDITED)	(UNAUDITED)	(UNAUDITED)	(UNAUDITED)
REVENUES					
Real estate sales		75,830,172	102,912,211	75,830,172	102,912,211
Mining-related services		-	-	-	-
Service income		-	-	-	-
		75,830,172	102,912,211	75,830,172	102,912,211
COSTS OF SALES AND SERVICES					
Cost of real estate sales		36,454,962	50,759,242	36,454,962	50,759,242
Cost of services		13,524,460	19,649,237	13,524,460	19,649,237
		49,979,422	70,408,478	49,979,422	70,408,478
GROSS PROFIT		25,850,750	32,503,733	25,850,750	32,503,733
GENERAL AND ADMINISTRATIVE EXPENSES	7	33,214,298	43,367,740	33,214,298	43,367,740
OTHER INCOME (CHARGES)					
Interest expense		(25,997,731)	(26,548,064)	(25,997,731)	(26,548,064)
Interest income		545,443	1,095,924	545,443	1,095,924
Others – net		2,205,238	-	2,205,238	-
		(23,247,050)	(25,452,141)	(23,247,050)	(25,452,141)
INCOME (LOSS) BEFORE INCOME TAX PROVISION FOR (BENEFIT FROM) INCOME TAX		(30,610,598)	(36,316,147)	(30,610,598)	(36,316,147)
NET INCOME (LOSS)		(30,610,598)	(36,316,147)	(30,610,598)	(36,316,147)
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)		(30,610,598)	(36,316,147)	(30,610,598)	(36,316,147)
Net income (loss) attributable to:					
Equity holders of the Parent Company		(30,274,334)	(41,185,806)	(30,274,334)	(41,185,806)
Noncontrolling interests		(336,264)	4,869,658	(336,264)	4,869,658
		(30,610,598)	(36,316,147)	(30,610,598)	(36,316,147)
Total comprehensive income (loss) attributable to:					
Equity holders of the Parent Company		(30,274,334)	(41,185,806)	(30,274,334)	(41,185,806)
Noncontrolling interests		(336,264)	4,869,658	(336,264)	4,869,658
			(36,316,147)		(36,316,147)

PREMIERE HORIZON ALLIANCE CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

For the three-months period ended March 31, 2024 and 2023

(All amounts in Philippine Peso)

	Note	March 31, 2024 (UNAUDITED)	March 31, 2023 (UNAUDITED)
EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT COMPANY			
CAPITAL STOCK - ₱0.25 par value			
Balance at beginning of year		1,414,348,522	1,007,496,826
Collection of subscription receivable		-	-
Additional subscription		-	-
Balance as at March 31		1,414,348,522	1,007,496,826
ADDITIONAL PAID-IN CAPITAL			
Balance at beginning of year		629,410,181	499,217,638
Collection of subscription receivable		-	-
Additions		-	-
Balance as at March 31		629,410,181	499,217,638
RETAINED EARNINGS			
Balance at beginning of year		132,711,701	165,473,971
Net income (loss)		(30,274,334)	(41,185,806)
Balance as at March 31		102,437,367	124,288,165
CUMULATIVE REMEASUREMENT GAINS ON RETIREMENT LIABILITY			
Balance at beginning of year		31,265,998	9,792,086
Net remeasurement gains (losses)		-	-
Balance as at March 31		31,265,998	9,792,086
NONCONTROLLING INTERESTS			
Balance at beginning of year		422,510,433	373,608,238
Net income		(336,265)	4,869,658
Other comprehensive income (loss)		-	-
Balance as at March 31		422,174,168	2,019,272,612

PREMIERE HORIZON ALLIANCE CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS

For the three-months period ended March 31, 2024 and 2023

(All amounts in Philippine Peso)

Notes	March 31, 2024 (UNAUDITED)	March 31, 2023 (UNAUDITED)
CASH FLOWS FROM OPERATING ACTIVITIES		
Income (loss) before income tax	(30,610,598)	(31,316,147)
Adjustments for:		
Interest expense	25,881,453	26,548,064
Depreciation and amortization	9,739,890	17,019,769
Interest income	(545,443)	(1,095,924)
Operating income before working capital changes	4,465,302	6,155,762
Decrease (increase) in:		
Receivables and contract assets	(27,181,443)	(52,490,017)
Real estate for sale	8,593,278	21,455,000
Other current assets	(4,224,527)	(33,132,317)
Increase (decrease) in:		
Trade and other payables	(12,788,016)	40,963,306
Contract liabilities	(1,108,898)	-
Net cash generated from (used in) operations	(32,244,304)	(17,048,265)
Interest paid	(13,506,632)	(26,548,064)
Interest received	545,443	1,095,924
Net cash flows from (used in) operating activities	(45,205,493)	(42,500,406)
CASH FLOWS FROM INVESTING ACTIVITIES		
Additions to:		
Property and equipment	(1,152,887)	-
Deferred exploration costs	(1,132,567)	(479,830)
Decrease in other noncurrent assets	787,127	259,541
Proceeds from sale of property and equipment	-	(1,514,783)
Net cash provided by (used in) investing activities	(1,498,327)	(1,735,072)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from:		
Availments of long-term loans	103,470,000	27,260,712
Availments of short-term loans	-	16,169,363
Capital gains tax payable	-	60,000
Long-term loans	(34,934,908)	(12,807,838)
Obligation under finance lease	-	(61,944)
Net cash provided by financing activities	68,535,092	30,620,293
NET INCREASE (DECREASE) IN CASH	21,831,272	(13,615,185)
CASH AT BEGINNING OF YEAR	136,418,577	69,729,594
CASH AS AT MARCH 31	158,249,849	56,114,409

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)	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*

2. Cash

This account consists of:

	March 31, 2024 (UNAUDITED)	DECEMBER 31, 2023 (AUDITED)
Cash on hand	Php 16,042,477	Php 16,741,032
Cash in banks	142,207,373	119,812,326
	Php 158,249,850	Php 136,553,358

3. Receivable

This account consists of:

	March 31, 2024 (UNAUDITED)	DECEMBER 31, 2023 (AUDITED)
Contract receivables	Php 436,004,610	Php 403,009,914
Advances to officers and employees	113,941,684	114,926,556
Trade receivables	4,119,465	8,843,811
Others	4,532,534	4,636,569
	558,598,293	531,416,850
Less allowance for ECL	7,583,805	7,583,805
	Php 551,014,488	Php 523,833,045

Aging of receivables

	Total	0-30 days	31-60 days	61-90 days	Over 90 days
Contract receivables	436,004,610	284,668,686	13,273,664	1,465,766	136,596,494
Advances to officers and employees	113,941,684	1,101,033	66,569		112,774,082
Trade receivables	4,119,465				4,119,465
Others	4,532,534	68,486			4,464,048
Total	558,598,293	285,838,205	13,340,233	1,465,766	257,954,089

4. Real Estate Held for Sale

This account consists of:

	March 31, 2024 (UNAUDITED)	DECEMBER 31, 2023 (AUDITED)
Real estate under development and subdivided lots held for sale	Php 643,836,513	Php 652,429,791
Land and land development	86,591,187	86,591,187
	Php 730,427,700	Php 739,020,978

5. Other Current Assets

This account consists of:

	March 31, 2024 (UNAUDITED)	DECEMBER 31, 2023 (AUDITED)
Input VAT	Php 55,670,647	Php 56,638,743
Advances to suppliers and contractors	19,361,738	15,998,477
Security deposits	824,199	1,380,592
Supplies	1,014,277	1,014,277
Prepayments	611,950	215,080
Others	711,536	816,504
	78,194,347	76,063,673
Less allowance for impairment losses	4,502,030	4,502,030
	Php 73,692,317	Php 71,561,643

6. Trade and Other Payables

This account consists of:

	March 31, 2024 (UNAUDITED)	DECEMBER 31, 2023 (AUDITED)
Trade payables	Php 87,901,529	Php 95,769,560
Accrued expenses	238,441,073	235,003,960
Customers' deposits and advances	81,000,000	81,000,000
Customer's refunds	46,121,353	48,596,068
Deferred output VAT	43,605,398	41,305,572
Capital gains tax payable	-	26,940,000
Voucher's payable	7,097,209	6,126,456
Output VAT payable	463,648	463,648
Current portion of lease liabilities	239,478	239,478
Others	40,503,029	37,520,648
	Php 545,372,717	Php 572,965,390

7. General and Administrative Expenses

This account consists of:

	March 31, 2024 (UNAUDITED)	March 31, 2023 (UNAUDITED)
Professional and legal fees	Php 10,782,859	Php 18,765,276
Personnel cost	6,235,719	6,032,967
Taxes and licenses	2,910,867	2,819,970
Commissions	3,030,753	-
Entertainment, amusement and recreation	-	1,168,426
Depreciation and amortization	1,330,119	1,529,176
Rentals and utilities	1,346,069	1,775,146
Transportation and travel	1,630,548	1,222,186
Repairs and maintenance	545,297	607,736
Outside services	489,191	-
Supplies and materials	172,802	-
Freight and handling	520	-
Advertising and promotions	-	304,655
Others	4,739,553	9,142,202
	Php 33,214,297	Php 43,367,740

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



RAUL MA. F. ANONAS
EVP & COO/CIO/ SEC Compliance Officer

Date: May 15, 2024



KEINTH ROGER B. CASTILLO
Financial Controller

Date: May 15, 2024

COVER SHEET

Annex F3

			1	4	7	5	8	4
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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		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		E	A	S	T		T	O	W	E	R		P	S	E		C	E	N	T	R	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)

RAUL MA. F. ANONAS

Contact Person

(02) 8632 - 7715

Company Telephone Number

1	2
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Month

3	1
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Day

Fiscal Year

	1	7	-	A
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FORM TYPE

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Month

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Day

Annual Meeting

Secondary License Type, If Applicable

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Dept. Requiring this Doc.

Amended Articles Number/Section

145

Total No. of Stockholders

Domestic

Foreign

To be accomplished by SEC Personnel concerned

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File Number

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Document I.D.

_____ Cashier

STAMPS

Remarks – pls. use black ink for scanning purposes

Premiere Horizon Alliance Corporation

(Company's Full Name)

**Unit 1705, 17th Floor, East Tower,
Philippine Stock Exchange Center,
Ortigas Center, Pasig City**

(Company's Address)

(02) 8632-7715

(Telephone Numbers)

December 31

(Fiscal Year Ending (month & day))

Form 17-A Annual Report

Form Type

Amendment Designation (if applicable)

December 31, 2023

Period Ended Date

Publicly Listed Corporation

(Secondary License Type and File Number)

**SECURITIES AND EXCHANGE COMMISSION
SEC FORM 17-A**

**ANNUAL REPORT PURSUANT TO SECTION 17 OF THE
SECURITIES REGULATION CODE AND SECTION 141
OF THE CORPORATION CODE OF THE PHILIPPINES**

1. For the calendar year ended: **December 31, 2023**
2. Commission Identification Number : **147584**
3. BIR Tax Identification Number: **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:
Metro Manila Philippines
6. Industry Classification Code: (SEC Use Only)
7. Address of registrant's principal office Postal Code
Unit 1705, 17th Floor, East Tower, Philippine Stock Exchange **1605**
Center, Ortigas Center, Pasig City
8. Registrant's telephone number, including area code : **(02) 8632-7715**
9. Former name, former address and former fiscal year, if changed since last report
N/A
10. Securities registered pursuant to Sections 8 and 12 of the Code, or Sections 4 and 8 of the RSA

<u>Title of Each Class</u>	<u>Number of shares outstanding</u>
Common	5,708,359,504

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

Yes No

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

Philippine Stock Exchange Common Stock

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 Section 11 of the RSA and RSA Rule 11(a)-1 thereunder, and Sections 26 and 141 of the Corporation Code of the Philippines during the preceding twelve (12) months (or for such shorter period that the registrant was required to file such reports);

Yes No

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

Yes No

PART I - BUSINESS AND GENERAL INFORMATION

Item 1: BUSINESS

Company and Business Profile

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 E-1705, 17F, East Tower, Philippine Stock Exchange Center, Exchange Road, Ortigas Center, Pasig City.

Below are the Parent Company's subsidiaries with its respective percentage ownership in 2023.

	Percentage of Ownership	
	Direct	Indirect
West Palawan Premiere Development Corp. (WPP)	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

WPP

On August 9, 2016 the Company established a 100% subsidiary West Palawan Premiere Development Corp. (WPPDC) to subsidiarize the land holdings PHA owned. WPPDC has an authorized capital stock of Php 700.0 million, subscribed capital of Php 175.0 million and a paid-up capital of Php 43.75 million.

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

PGDI

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

PGDI is primarily engaged into mining related services, e.g. hauling and excavation for mining companies.

GLCI

In June 04, 2015, PHA bought 55% of Goshen Land Capital Inc. (GLCI) for Php 440.0 million, Php140 million secondary and Php300 million primary.

GLCI is a real estate developer based in Baguio City and develops innovate master planned communities of low to mid rise residential and commercial condominiums including student dormitories.

In May 2008, the Company acquired Digiwave Solutions Inc. ("DSI"), a corporation engaged in the development of gaming software and the operation of internet casino stations.

On December 29, 2011, the company's name was changed to Premiere Horizon Alliance Corporation and added the business of mining, real estate, information technology and other related business. The company also lowered the par value of its shares from P1.00 to P0.25, thus decreasing its authorized capital stock from Php 1,800,000,000.00 to Php 563,556,000.00.

In February 2015, PHA completed the 51% acquisition of Concepts Unplugged Business Environment Solutions, Inc. (CUBES) amounting to Php 40.0 million and.

In 2018, PHA entered into a Memorandum of Agreement (MOA) with the shareholders of Pyramid Hill Mining & Industrial Corp. (PHMIC) and Palawan Star Mining Ventures, Inc. (PSMVI) which gives the PHA the sole and exclusive right to acquire shares of up to 100% of the total issued and outstanding common shares of PHMIC and PSMVI. PHA subsequently assigned its rights to PGDI.

On March 20, 2018, the BOD of the Parent Company has approved property dividend consisting of 268.0 million shares of stock with the new par value of Php 0.10 per share of the Parent Company's subsidiary, Premiere Georesources and Development Inc. (PGDI) 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 any applicable withholding taxes on the property and cash dividends so declared.

Furthermore, the BOD of the PHA also approved the grant of 268.0 million detachable nil-paid warrants that will entitle the warrant holder to acquire one PGDI share from the PHA for each

warrant held. The warrants shall be applied for listing in the PSE. As at December 31, 2018, the SEC approval on the property and cash dividends is still pending.

Furthermore, the BOD of PGDI approved the amendment of the Parent Company's Articles of Incorporation. The amendment includes the following:

- a.) Change of name from Redstone Construction & Development Corporation to Premiere Georesources and Development, Inc.
- b.) Amendment of primary and secondary purposes;
- c.) Change in number of directors from five (5) to nine (9);
- d.) Additional provisions regarding pre-emptive rights and lock-up requirements; and
- e.) Increase in the authorized capital stock from Php 100.00 million divided into 100.00 million shares with par value of Php 1 per shares, to Php 650 million divided into 6.5 billion shares with par value of Php 0.10 per share.

Out of the Php 550.00 million increase in authorized capital stock, Php 137.5 million worth of shares were subscribed of which Php 55.0 million was fully paid through stock dividends and Php 82.5 million was paid through conversion of advances to equity. The amendment was approved on September 13, 2018 by the SEC.

Furthermore, PGDI entered into a Deed of Assignment (DOA) with PHMIC and PSMVI wherein PGDI assigned advances to PHMIC and PSMVI amounting to Php 220.00 million and Php 170.00 million, respectively, for conversion to equity through application of advances as payment for PGDI subscription. The valuation of advances converted to equity was approved by the SEC on July 11, 2018.

On August 28, 2018, the BOD of the Parent Company approved the conversion of its advances to PGDI to equity shares allowing PGDI to own up to 100% of PHMIC and PSMVI. As of December 31, 2018, PGDI has acquired 98.88% of PHMIC and 98.55% of PSMVI through conversion of its advances to equity amounting to Php 220.0 million and Php 170.0 million, respectively. The valuation of advances converted to equity was approved by the SEC on November 20, 2018.

In January 17, 2019, PHA entered into a Memorandum of Agreement with Sama Global Investments for a EUR 250 million investment with an interest rate of 1.25% p.a. to be paid by the year 2027. Beginning March 23, 2019 a series of remittance efforts begun. Follow-ups and communication letters were sent to Sama for the remittance of the funds as agreed upon in the MOA. By August 17, 2019, a final notice was sent by PHA to Sama with regard to their failure to deliver their obligation under the MOA. On August 26, 2019 an official notification was sent by Sama to PHA stating among others the renegotiation of the MOA. Since then no communication has been received by PHA on the status of the MOA.

On October 29, 2020, PHA entered into a Memorandum of Agreement with an investor group led by Mr. Marvin Dela Cruz for the equity infusion through subscription of 2,803,030,303 shares or up to 55% ownership of PHA at Php 0.33 per share for a total consideration of Php 925.0 million, Php 300.00 million will be in cash and the balance of Php 625.0 million will be via a combination of cash and/or infusion of Squidpay Technology, Inc. (SPTI) shares over a period of 2 years, with the intent of making SPTI a subsidiary of PHA.

On the same day, the Board of Directors of PHA approved the amendment of the articles of incorporation and increase of the authorized capital stock from Php 563,556,000.00 divided into 2,254,224,000 shares with a par value of Php 0.25 per share, to Php 1,500,000,000.00 divided into

6,000,000,000 shares at a par value of Php 0.25 per share. The Board also approved the issuance of 303,030,304 shares worth up to Php 100.0 million out of the increase in authorized capital stock to existing creditors at a price of Php 0.33 per share.

Payment of Php 113.0 million was made and received by PHA on December 17, 2020 bringing the total payment as of date to Php 200.0 million the balance of Php 100.0 million will be completed by first quarter of 2021.

Year 2021

On March 2, 2021, the Board approved the issuance of 2,539,393,939 shares to the following Squidpay Technology Inc. (STI) shareholders and 303,030,303 shares to the following creditors, out of the increase in authorized capital stock of the Company to Php1,500,000,000.00 divided into 6,000,000,000 common shares with a par value of Php0.25 per share:

<u>STI SHAREHOLDERS</u>	<u>TOTAL SUBSCRIBED SHARES</u>
MARVIN DELA CRUZ	1,389,802,253
RAISSA ABAINZA QUERI	191,735,537
ENRICO ALFONSO TAMAYO	200,826,447
HARRISON YAP	200,826,446
ROGELIO DE RAMA	200,826,446
KENNETH SEE	101,930,830
AUGUSTO M. COSIO, JR.	33,976,943
ROBERTO B. ORTIZ	33,976,943
CHRISTINA PENA LEONG	69,734,519
LESLIE SZE TAN	20,000,000
CHARMAINE N. COBANKIAT	25,757,575
EUGENE TAN	20,000,000
MARIAN PENA	50,000,000
TOTAL	2,539,393,939

<u>CREDITOR GROUP</u>	<u>TOTAL SUBSCRIBED SHARES</u>
AUGUSTO ANTONIO C. SERAFICA, JR.	200,000,000
PAUL DAVID P. JAMLANG	15,151,516
RAUL MA. F. ANONAS	37,272,728
KATHRYN YU CHENG SEE	25,303,030
ANDRES A. DEL ROSARIO	25,303,029
TOTAL	303,030,303
TOTAL SUBSCRIPTION	2,842,424,243

On the same date, The Board also approved the conversion of all or a portion of the outstanding principal of about Php355.0 million and capitalized interest of about Php35.0 million of existing convertible loans for a total amount of Php390 million, to fully paid PHA shares at an issue price of Seventy Centavos (Php0.70) per share. The new shares will be issued out of the authorized capital stock, post-increase, in the amount of up to 557,142,857 common shares as may be finalized by the President.

On July 21, 2021, Convertible Notcholders have exercised their right to convert principal and accrued interest to equity of the Company at a conversion price of Php0.70 per share. The amount

of principal of Php354,000,000.00 and accrued interest Php24,688,107.56 for a total of Php378,688,107.56 which is equivalent to 540,983,008 shares.

Also on July 21, 2021, the PHA Board of Directors approved a Put Option Agreement (POA) with LDA Capital Limited (LDA), a global investment group, to provide PHA with up to Two Billion Five Hundred Million Pesos (PhP2,500,000,000) in committed equity capital over the next thirty-six months. In addition, the Board also approved the grant of a Call Option to LDA, which allows the Investor to purchase up to 133 million (133,000,000) common shares of the Company at an exercise price of PhP2.26 per share exercisable any time during the term of the Agreement.

Subsequently, PHA has signed on 15 October 2021 a Subscription Agreement with LDA, wherein LDA has agreed to subscribe 70,835,000 new primary shares of PHA at a subscription price of PhP1.01 per share. LDA has remitted to PHA a total of PhP71,543,350 as full payment for the subscribed shares.

On August 31, 2021, PHA entered into a Deed of Assignment (DOAS) with Squidpay Technology, Inc. (SPT) with the conformity of Philippine Regional Investment Development Corporation (PRIDE), a wholly-owned subsidiary of AbaCore Capital Holdings, Inc., and Philstar Development Bank, Inc. (PHILSTAR), a subsidiary of PRIDE.

Under the DOAS, SPT assigned to PHA 40% of the 60% share that it would invest in PHILSTAR subject to the fulfillment of the conditions precedent of the Memorandum of Agreement (MOA) entered into by PRIDE, PHILSTAR, and SPT last April 8, 2021. This assignment would formally make PHA a party to the MOA.

The MOA provides that SPT will infuse up to Nine Hundred Million Pesos (PhP900,000,000.00) for a 60% stake in Philstar Development Bank, subject to certain conditions and subsequent implementing agreements. Following the DOAS, PHA will invest Six Hundred Million Pesos (PhP600,000,000.00) for a 40% stake, while SPT will continue to hold its investment of Three Hundred Million Pesos (PhP300,000,000.00) for a 20% stake. PRIDE and the current stockholders, will retain at least 40%.

On October 7, 2021, the Board of Directors accepted of the resignation of Mr. Victor Y. Lim, Jr., and election of Mr. Eugene T. Tan as replacement regular director. The BOD also approved the change of external auditors from Sycip, Gorres, Velayo & Co. to Reyes Tacandong & Co.

On November 17, 2021, the PHA Board approved the acquisition of thirty-three percent (33%) of SquidPay Technology Inc. (SPT) for PhP561 million equivalent to two hundred sixty-four million (264 million) existing and outstanding shares of SPT owned by the group led by Mr. Marvin Dela Cruz. The acquisition will give SPT a PhP1.7B Equity Value.

PHA will be entitled to three (3) out of the seven (7) Board of Directors' seats in SPT. PHA and Mr. Marvin Dela Cruz shall also jointly nominate the Chairman of the Board of SPT as well as the Executive Committee Chairman, President, CEO, CFO, and Treasurer.

The Board likewise authorized, subject to stockholders' approval, the increase of the authorized capital stock from PhP 1,500,000,000.00 divided into 6 billion common shares with a par value of PhP 0.25 per share, to up to PhP 2,500,000,000.00 divided into 10 billion common shares with a par value of PhP 0.25 per share.

Year 2022

On February 24, 2022, the Board of Directors of PHA approved a convertible loan amounting to Php150M. The convertible loans are for a period of 2 years with an interest rate of 8% per annum. The interest will be paid quarterly and the principal will be paid in full at maturity. Within the life of the loan, the investors shall have the option to convert the outstanding loan principal and accrued interest to shares of PHA coming from PHA's unsubscribed capital at a conversion strike price of Php0.95 per share. The strike price of Php0.95 is based on a 54% premium over the 30-day as of February 17, 2022

On February 9, 2022, PHA's stock transfer agent, issued 70,835,000 common shares to LDA Capital Limited, a global investment group, as part of the subscription agreement signed by both parties on October 15, 2021. LDA Capital Limited's subscription price was at Php1.01 which resulted to an increase in equity by Php71,543,350.00.

On April 12, 2022, PHA issued a total of 540,983,008 common shares in favor of convertible notes holders at a conversion price of Php.70/ share. This resulted to an increase in equity by Php377,335,648.08, net of the documentary stamp tax and the total outstanding shares reaching 5,708,359,504.

On October 6, 2022, PHA received a notice from Nuovo Gran CT Inc. (NGCTI) through its counsel, the Divina Law Office, alleging that NGCTI's application for a Writ of Preliminary Attachment (WPA) against the properties of SquidPay Technology Inc. (SPTI) and Marvin C. Dela Cruz (MDC) has been granted by the Regional Trial Court, Manila, Branch 45 on September 28, 2022. Related to this, PHA received a copy of the following on October 7, 2022: Amended Summons dated October 6, 2022 for the case entitled Nuovo Gran CT, Inc. vs. Squidpay Technology, Inc., Marvin C. Dela Cruz and Premiere Horizon Alliance Corporation, the corresponding Amended Complaint for the same case, the Writ of Preliminary Attachment dated October 6, 2022, and the Notice of Garnishment dated October 6, 2022. PHA reiterated in its disclosure on October 14, 2022 that these legal proceedings do not affect the operations and plans of PHA.

On October 14, 2022, PHA announced that in the company's October 13, 2022 special board meeting, the Board decided to no longer pursue its planned acquisition of 33% in SquidPay Technology, Inc. (SPTI). The decision of the Board of Directors has been made following the determination that purchasing SPTI is no longer in the best interest of PHA and its shareholders given SPTI's inability to operate a viable business. The planned acquisition of 33% of SPTI was announced on 18 November 2021, at a time when the demand for e-wallets was rapidly rising. SPTI was earlier granted its Operator of Payment System ("OPS") license, followed by its Electronic Money Issuer ("EMI") license.

On the November 2, 2022, the PHA Board also approved the extension of the deadline to pay the unpaid subscription balances under the Memorandum of Agreement dated October 29, 2020 from October 29, 2022 to December 27, 2022. As previously disclosed on October 29, 2020, PHA and an investor group led by Mr. Marvin Dela Cruz entered into a Memorandum of Agreement for an equity infusion through a total subscription of 2,803,030,303.

Year 2023

In February 2023, the BOD approved a call for payment on the remaining unpaid shares and on April 11, 2023, the BOD 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.

In January 2023, the Group acquired listed shares for Php25.8 million. These were subsequently sold in September 2023 for total consideration of Php8.6 million, resulting to a loss of Php17.2 million.

As of December 31, 2023, PHA has the following subsidiaries and affiliates:

Operating subsidiaries and affiliates:

- a) Premiere Georesources and Development, Inc. (formerly Redstone Construction and Development Corporation (PGDI)) – its primary purpose is to engage in, conduct, manage, operate, and carry on the business of construction works for mining, real estate development, environmental protection and remediation, dam, dikes, flood control, and reclamation and to engage in quarrying, hauling, earthmoving, and heavy equipment rentals and all other earthmoving works.

PGDI owns 98.88% of Pyramid Hill Mining and Industrial Corp. (PHMIC) and 98.55% of Palawan Star Mining Ventures Inc. (PSMVI). Both mining companies are located south of Palawan province.

- b) West Palawan Premiere Development Corp (WPPDC) – its primary purpose is to acquire 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, whether improve, manage or otherwise dispose of buildings, houses, equipment, and other structures of whatever kind, together with their maintenances.
- c) Goshen Land Capital Inc. (GLCI) – a PHA subsidiary based in Baguio City is engaged in real estate development in Northern Luzon. Incorporated in 2007, GLCI focused initially on residential subdivisions in prime locations all over the city. To further provide affordable yet quality homes for the ordinary Filipino, GLCI added master planned condominium communities in its home offerings. These maximized land use and better living for residents because Goshen’s master-planned communities provide security, convenient access to commercial districts and property management services.

Non-operating subsidiaries and affiliates

- d) Concepts Unplugged Business Environment Solutions, Inc. (CUBES)
- e) Digiwave Solutions Inc.- DSI (formerly Digigames Inc.-DSI)
- f) PH Big Bounty Entertainment, Inc., Premiere Horizon Business Services, Inc. (Formerly La Prima Hotel Imperiale, Inc.), PH Agriforest Corporation, PH Mining and Development Corporation (PHMDC)– the foregoing subsidiaries are still in their pre-operating stages.
- g) Premiere e-Teleservices, Inc. (PeTI) – This subsidiary is in the process of liquidation.

The Group revenues in 2023 were driven by the following subsidiaries:

Company	In Million (Php)	Percentage Contribution
GLCI	472.5	88%
PGDI	61.85	12%
Total	534.35	100%

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.

In 2023, the group has 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 were able to collect from its subscription receivable the amount of Php537.14 million
- Availment of short-term and long-term loans

In 2022, the group has undertaken the following initiatives:

- PHA has raised an additional capital by issuing 70,835,000 million shares to LDA Capital Limited with a par value of Php.25 per share and share price of Php1.01 per share. The share issuance was paid in cash for a total consideration of Php71.54 million.
- PHA has 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 has also sold part of its land held in inventory.
- In 2022, GLCI has started generating cash from operations due to the cash flow generated from its Stanford project.

In 2021, the Group has undertaken the following initiatives:

- PHA increased its authorized capital stock from P563.6 million divided into 2,254,224,000 common shares at P0.25 par value a share to P1.5 billion divided into 6,000,000,000 common shares at P0.25 par value share. This was approved by the SEC on May 28, 2021. A new investor group subscribed to 2,803,030,303 shares, equivalent to 55% ownership in PHA at P0.33 a share for a total consideration of P925.0 million, of which, P371.0 million was to be paid for in cash and the balance for a period of two years in either a combination of cash and/or infusion of SquidPay Technology, Inc (SPTI) shares, with the intent of making SPTI a subsidiary. Of the amount to be paid for in cash, P371.0 million was received as at December 31, 2021.
- PHA entered into a Put Option Agreement with LOA Capital Limited (LOA) for an equity financing of P2.5 billion over the next 36 months. Under the Put Option Agreement, PHA may, in its sole discretion issue a Put Option Notice (PON) under certain terms and conditions. LDA agrees to honor Put Option Notices from PHA based on the agreed per share subscription price. On October 15, 2021, LOA subscribed to 70,835,000 new primary shares of PHA at a subscription price of P1.01 per share. The subscription price of P71.5 million was fully paid and recognized as Deposit for Future Subscription as at December 31, 2021.

- Convertible notes holder exercised their rights to convert the principal of P354.0 million and accrued interest aggregating P24.7 million to equity of PHA at a conversion price of P0.70 per share which is equivalent to 540,938,008 shares. These converted notes were reclassified to deposit for future stock subscriptions, pending approval of the SEC of the valuation.

Other initiatives are:

- Negotiate principal payment extensions and deferrals with creditors;
- Secure loans with the Group assets; and

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 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 exists 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.

Management is currently undertaking a combination of initiatives to address the abovementioned going concern issue to wit:

- a. Reduction and efficient management of operating expenses;
- b. Negotiate interest reduction and/or principal payment extensions and deferrals;
- c. Secure all the unsecured loans with the assets of the Group;
- d. Divest a portion of the Group's assets and investments to generate cash;
- e. Abstain financial support from shareholders and/or officers for gap funding of operations; and
- f. Actively seek out partnerships and new investors as a way of generating funds.

Plan of Operations for Year 2024

West Palawan Premiere Development Corp. (WPPDC)

On the tourism and infrastructure side, WPPDC shall embark on the development of its 512.7-has beachfront property and tourism estate. A portion of this land will be converted from agricultural land use to a residential/commercial land use. Of the total land area, 4,297 shall be developed into 10-storey hotel and commercial building. The mobilization and construction period shall be within the period 2023 to 2027.

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

PGDI is terminating the mining service contract with CMC on mutual agreement basis (not yet finalized I suppose?) PGDI has successfully sought a new mining service contract with TMC in 2024. Further to Nickel Asia Corp, the TMC mines in Tagantio have abundant reserve and longer mine life than CMC.

Goshen Land Capital Inc.

For the year 2024, the Stanford Residences Project is expected to be completed and turned over to buyers by the end of the year. The Sta. Cecilia Village Capas is expected to be sold out and together with Sta. Cecilia Village Calasiao will be completed and started to be turned over to buyers in 2024.

Goshen is also planning on starting another vertical condominium project in Baguio and more horizontal projects in Pangasinan and Tarlac as an expansion to current projects there. These projects will enable Goshen to sustain its growth in terms of revenue and income for another three years.

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.

Item 2: PROPERTIES

PHA purchased its present office headquarters at Unit 1705 East Tower, Philippine Stock Exchange Center, Exchange Road, Ortigas Center, Pasig City on August 14, 2014.

The Company has accumulated a total of four hundred thirty-eight (438) titles in its Film Library since December 31, 2003, with a total production and acquisition cost of Php235.8 million.

On May 22, 2014, PHA completed the transfer of the foreclosed 500-hectare property in Brgy. Bacungan, Puerto Princesa, Palawan in its name. PHA sold the land to its 100% subsidiary West Palawan Premiere Development Corp. (WPPDC) and is currently valued at about Php 2.1 billion. The land in Palawan are carried at fair value. The Company through its subsidiary WPPDC has acquired a 5-hectare beachfront property in Nagtabon Puerto Princesa.

As of December 31, 2023, the hauling and mineral extraction operation of PGDI has 30 heavy equipment, 20 dump trucks and 8 service vehicles.

Item 3: LEGAL PROCEEDINGS

Involvement in Certain Legal Proceedings

Premiere Horizon Alliance Corporation (PHA)

- 1) Civil Case No. R-QZN-22-11507-CV, Sps. Cruz v. PGDI, PHA, et al. , RTC Br. 92, Quezon City. Civil case for damages and injunctive relief by Carlos C. Cruz and spouse. – on going case.
- 2) Criminal Case No. R-PSG-23-00208-CR, People v. Serafica and Marvin Dela Cruz, RTC Br. 155, Pasig City. Case for Estafa & led by PHA against Serafica and Marvin Dela Cruz in their capacity as former President and as shareholder, respectively, of the Corporation. – on going case.
- 3) Carlos C. Cruz and Belinda T. Cruz v. Premiere Georesources and Development Inc., Premiere Horizon Alliance Corporation, Roberto B. Ortiz, et. al. docketed as Civil Case No. R-QZN-22-11507-CV pending before Branch 92 of the Regional Trial Court of Quezon City – on going case.

4) “Nuovo Gran CT Inc. vs. Squidpay Technology, Inc., et al.”, docketed as Civil Case No. R-MNL-22-06284-CV, pending before Branch 45 of the Regional Trial Court of the Manila City. – on going case.

Goshen Land Capital, Inc. (GLCI)

A 55% owned subsidiary of the Company, is currently involved in the following cases:

- (a) Petition for Cancellation of Entry No. 328630-36-211, RTC Br. 8, La Trinidad, Benguet. The Case is a petition for cancellation of annotation in a land title, filed by a private person against National Grid Corporation of the Philippines (NGCP), the Registry of Deeds, the Land Registration Authority (LRA), Solicitor General, and GLCI.
- (b) LRC Case Number 10-LRC-0033, RTC Br. 10
LRC Case Number 10-LRC-0036, RTC Br. 8
LRC Case Number 10-LRC- 0034, RTC Br. 10
LRC Case Number 10-LRC-0035, RTC Br. 62

These cases are petitions for judicial titling filed by certain private persons. GLCI is a party-in-interest due to an existing Memorandum of Agreement with the lot-owner of the Blue Ridge Mountains Project. The outcome of these lawsuits or claims cannot be presently determined. In the opinion of Management and its legal counsel, the eventual liability from these lawsuits or claims, if any, will not have a material effect on the consolidated financial statements of the Corporation.

Other than the above mentioned cases, the Corporation is neither aware of any legal proceedings of the nature required to be disclosed under Part I, paragraph (C) of Annex C, SRC Rule 12 nor is it aware of the occurrence of any of the following events, which are material to an evaluation of the ability or integrity of any director, person nominated to become a director, executive officer or control person of the Corporation during the past five (5) years and up to the date of this Information Statement:

1. any bankruptcy petition filed by or against any business of which a director, person nominated to become a director, executive officer, promoter, or control person of the Corporation was a general partner or executive officer either at the time of bankruptcy or within two (2) years prior that time;
2. any conviction by final judgment in a criminal proceeding, domestic or foreign, or being subject to a pending criminal proceeding, domestic or foreign, excluding traffic violations and other offenses of any director, person nominated to become a director, executive officer, promoter, or control person;
3. any order, judgment or decree, not subsequently reversed, suspended or vacated, of any court of competent jurisdiction, domestic or foreign, permanently or temporarily enjoining, barring, suspending or otherwise limiting the involvement in any type of business, securities, commodities or banking activities a director, person nominated to become a director, executive officer, promoter or control person of the Corporation; and
4. judgment against a director, person nominated to become a director, executive officer, promoter, or control person of the Corporation found by a domestic or foreign court of competent jurisdiction (in a civil action), the Philippine Securities and Exchange Commission (SEC) or comparable foreign body, or a domestic or foreign exchange or electronic marketplace or self-regulatory organization, to have violated a securities or commodities law, and the judgment has not been reversed, suspended, or vacated.

Item 4: SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS

Except for matters taken up during the Annual Stockholders’ Meeting there were no other matters submitted to a vote of security holders during the period covered by this report. The last annual stockholders’ meeting of the corporation was held on September 12, 2023.

PART II – OPERATION AND FINANCIAL INFORMATION

Item 5: MARKET FOR ISSUER'S COMMON EQUITY AND RELATED STOCKHOLDER MATTERS

Market Information

The common shares of the Company are traded on the Philippine Stock Exchange (“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 two fiscal years:

Quarter	2023		2022	
	High	Low	High	Low
First	0.420	0.280	0.910	0.480
Second	0.305	0.236	0.580	0.390
Third	0.242	0.186	0.445	0.350
Fourth	0.208	0.160	0.355	0.255

Stock Prices as of the latest trading date:

December 29, 2023 - Common share Php 0.162

Stock prices as of the latest practicable date in 2024

March 27, 2024 - Common share Php 0.209

Holder

The Company has an authorized capital stocks 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 March 31, 2024 and December 31, 2023, the Company has 145 stockholders.

The top 20 stockholders as of March 31, 2024 are as follows:

	Name of Stockholder	Number of Shares	Percentage Ownership
1	PCD NOMINEE CORPORATION	2,009,589,519	35.20%
2	ERNEST SZE LOK YEUNG	1,389,802,353	24.35%
3	MARIAN PENA	864,214,976	15.14%
4	PCD NOMINEE CORPORATION (NON-FILIPINO)	200,460,821	3.51%
5	AUGUSTO ANTONIO C. SERAFICA, JR.	200,000,000	3.50%
6	UNITED COCONUT PLANTERS LIFE ASSURANCE CORPORATION	142,857,142	2.50%
7	RAUL MA. F. ANONAS	109,631,319	1.92%
8	KENNETH SEE	101,930,830	1.79%
9	ASIAN ALLIANCE INVESTMENT CORPORATION	96,171,578	1.68%
10	PBB TRUST AND INVESTMENT CENTER	86,184,126	1.51%
11	S. J. ROXAS & CO. INC.	78,667,710	1.38%
12	LDA CAPITAL LIMITED	70,835,000	1.24%
13	CHRISTINA PENA LEONG	69,734,519	1.22%
14	S CAPITAL CORP.	36,000,000	0.63%
15	ROBERTO B. ORTIZ	33,986,943	0.60%

16	AUGUSTO M. COSIO, JR.	33,976,943	0.60%
17	CHARMAINE N. COBANKIAT	25,757,575	0.45%
18	ANDRES A. DEL ROSARIO	25,303,030	0.44%
19	KATHRYN YU CHENG SEE	25,303,030	0.44%
20	LESLIE SZE TAN	20,000,000	0.35%

Dividends

PHA did not declare dividends in the years 2021, 2022 and 2023.

PHA has declared a 22.1 % property dividend of its Redstone Construction and Development Corp. (PGDI) to stockholders of record as of May 15, 2018 equivalent of 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 will come 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.

Under the By-Laws of the Company, dividends shall be declared only from surplus profits and shall be payable at such time and in such amounts as the Board of Directors 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 Company or at a special meeting called for the purpose. No dividends shall be declared that impair the capital of the Company. 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.

Recent Sales of Unregistered or Exempt Securities, Including Recent Issuance of Securities Constituting an Exempt Transaction

On October 29, 2020, the Company and an investor group signed a Memorandum of Agreement for the infusion of equity through the subscription of 2,803,030,303 shares for Php 925 million, or 55% ownership in the Company, at a price of Php0.33 per share. The shares consist of 263,636,363 shares from the current unissued capital in 2020 and 2,539,393,939 from the increase in authorized capital stock of the Company approved by SEC on May 28, 2021.

PHA increased its authorized capital stock from Php563.6 million divided into 2,254,224,000 common shares at Php0.25 par value a share to P1.5 billion divided into 6,000,000,000 common shares at P0.25 par value share. This was approved by the SEC on May 28, 2021.

On October 15, 2021, LDA subscribed to 70,835,000 new primary shares of PHA at a subscription price of Php1.01 per share. The subscription price of P=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 which was converted as equity in 2022.

On March 2022 SEC approved the conversion of loans from certain creditors to subscribed shares of 540,983,008 with par value of Php0.25 per share and at a subscription price of Php0.70 per share. Following this subscription, the outstanding shares of PHA was at 5,708,359,504 shares.

In February 2023, the BOD approved a call for payment on the remaining unpaid shares and on April 11, 2023, the BOD 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.

Item 6. MANAGEMENT'S DISCUSSION AND ANALYSIS OR PLAN OF OPERATION

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, uses the following key performance indicators:

		Formula	For the year ended December 31	
			2023	2022
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 Operations

December 31, 2023

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

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 cost 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 increased 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 is Php420.00, while the price per square meter in 2022 is Php393.00.

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

Interest expense decreased by Php11.57 million primarily came from the lower interest charges due to repayment of 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.

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 cost 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 is Php393, while the price per square meter in 2021 is 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.

December 31, 2021

The Group reported a revenue of Php349.12 million and a net loss of Php42.19 million for the year 2021.

Material Changes - Increase/ Decrease of 5% or more (2021 versus 2020)

Real estate sales posted a decrease of Php305.37 million or 63.71% brought by the significant number of new sales generated in 2020 as compared to 2021. The majority of the sales in 2020 pertain to the sale of lots only, while the rest are attributable to residential dwellings.

Revenue from mining related services decreased by Php67.57 million or 27.95% primarily due to lower tonnage hauled in 2021 relative to 2020.

Cost of real estate sales posted a decrease of Php227.18 million or 75% brought by the significant number of new sales generated in 2020 as compared to 2021.

Cost of services decreased by Php17.50 million due to lower operating cost resulting from production volume.

Unrealized gain on fair valuation of investment properties decreased by Php342.28 million or 93.03% primarily due to the yearly changes in the fair valuation of the Group's investment properties in Palawan. Price per square meter in 2021 is Php330, while the price per square meter in 2020 is Php330.

Impairment losses. No impairment was recognized in the year 2021 as against the Php11.67 million incurred in 2020.

Interest expense decreased by Php58.31 million primarily came from the lower interest charges due to repayment of principal and debt restructuring.

Others under other income and expenses for the year 2021 mainly pertain to the share in distributive profit amounting to Php54.34 million.

Financial Condition

December 31, 2023

The financial position of the Company as of December 31, 2023, shows total assets of P 4,678,546,931. Noncurrent assets were P 2,702,555,380. 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 P 1,975,991,551.

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.

Receivable increased by Php81.51 million mainly because of the upward movement in 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%.

Contract assets (current portion) posted an increase of Php349.51 million. 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 is 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 as a result 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 loan 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 loans availment and increase in deferred tax liabilities.

Capital stock increased by Php406.85 million or 40.38% as a result of the collection of subscription receivable.

Additional paid-in capital increased by Php130.19 million brought by the collection of subscription receivable.

Retained earnings decreased by 19.97% as a result of the net loss attributable to equity holders of the parent company.

December 31, 2022

The financial position of the Company as of December 31, 2022, shows total assets of P 4,175,921,375. Noncurrent assets were P 2,637,496,132. 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 P 1,538,425,243.

The total liabilities of the Company as of December 31, 2022 is P 2,120,332,616 while current liabilities stood at P 1,328,897,556. Non-current liabilities is P 791,435,060 which includes the 518,195,465 deferred tax liability and P 127,986,999 noncurrent portion of long-term loans. Total stockholders' equity as of December 31, 2022 is P 2,055,588,759.

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.

Receivable increased by Php365.71 million as a result of increase in sold real estate 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 project 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 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 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 as a 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.

December 31, 2021

The financial position of the Company as of December 31, 2021, shows total assets of P 3,770,249,977. Noncurrent assets were P 2,404,742,180. The noncurrent assets consist of investment properties, deferred exploration costs, property and equipment, contract assets (net of current portion), deferred tax assets, intangible assets and other assets. Current assets as of December 31, 2021 stood at P 1,365,507,797.

The total liabilities of the Company as of December 31, 2021 is P 2,281,295,522 while current liabilities stood at P 1,293,708,557. Non-current liabilities is P 987,586,965 which includes the 429,617,606 deferred tax liability and P 465,231,457 deposit for future subscription. Total stockholders' equity as of December 31, 2021 is P 1,488,954,455.

Material Changes - Increase/ Decrease of 5% or more (2021 versus 2020)

Cash decreased by Php34.68 million from Php124.52 million of 2020. Net cash used in operating activities amounted to Php205.34 million while cash flow provided by investing activities amounted to Php2.38 million. Cash flows generated by financing activities amounted to Php168.28 million.

Receivable increased by Php9.99 million brought by the additional contract receivables and advances, which was countered by lower trade receivables balance due to better collections.

Contract assets (current portion) posted a decrease of Php43.38 million or 17.32% primarily due to the reclassifications from noncurrent to current.

Real estate for sale decreased by Php66.35 million primarily due to the additional sales made in 2021.

Other current assets increased by 21.39% primarily came from higher nontrade receivables and creditable withholding taxes.

Noncurrent assets decreased by Php32.04 million from Php2.44 billion in 2020 primarily due to the material downward movement in property and equipment by Php96.08 million as a result of the depreciation and disposals of certain heavy equipment, transportation equipment, office and other equipment in 2021. However, contract assets (net of current portion) increased by 64.09% from Php65.95 million in 2020 which countered the material decrease of property and equipment.

Short-term loans (current) increased by 12.65% from Php225.96 million of prior year as a result of the additional loan availment made in 2021.

Loans payable decreased by Php56.07 million or 15.96% mainly brought by principal repayment in 2021.

Convertible loans decreased by Php395.01 million or 79.80%. The reduction pertains to convertible note holders that opted to convert their loans to equity in 2021.

Purchase land payable decreased by Php12.43 million as a result of payment made in 2021.

Installment payable shows 100% decrease brought by the full payment of made in 2021.

Trade and other payable decreased by Php173.28 million or 23.14%. The net decrease primarily came from converting customer's deposits and advances to real estate sales, reduction in advances from third parties, output vat payable, customer's refunds, deferred output VAT, retention payables, and voucher's payable. In contrast, trade payables, shareholder advances, and other payables increased.

Contract liabilities increased by Php29.06 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.

Loans from officers and shareholders show 100% decreased mainly brought by the payment and reclassification made in 2021.

Pension liabilities decreased by 15.66% from Php34.02 million in 2020. The net decrease primarily came from the remeasurement gain on defined benefit obligation incurred in 2021.

Deferred tax liabilities decreased by Php79.73 million caused by the change in tax rates due to the CREATE law.

Deposit for future stock subscription increased by Php352.23 million from Php113 million in 2020 which primarily came from the convertible note holders who opted to convert their convertible loans to equity, pending approval from SEC.

Capital stock increased by Php237.12 million or 42% brought by the additional subscription in 2021.

Additional paid-in capital increased by Php68.77 million brought by the additional subscription in 2021.

Retained earnings decreased by 21.42% as a result of the net loss incurred by the Group in 2021.

Item 7: FINANCIAL STATEMENTS

The Company's Consolidated Financial Statements are duly filed and annexed as part of this Annual Report.

Item 8: INFORMATION ON INDEPENDENT AUDITOR AND OTHER RELATED MATTERS

(1) External Auditor's Fees and Services

a) Audit Fees

The Company engaged Reyes Tacandong & Co. (RTC) 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 billing for the service of the auditors are Php2.24, Php2.11 million, and Php2.96 million, VAT exclusive, for the years 2023, 2022, and 2021, respectively.

b) Tax Fees

Aside from the aforementioned activities, the Company or any of its subsidiaries has not engaged Reyes Tacandong & Co. for any tax-related service.

c) All Other Fees

There were no other professional services rendered by the external auditors during the period.

d) Audit Committee's Approval Policies and Procedures

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

(2) Changes in and Disagreements with Independent Auditors on Accounting and Financial Disclosure

During the course of the audit, the Company and Reyes Tacandong & Co. did not have any material disagreements on any matter of accounting principles or practices, financial statement disclosure, or auditing scope or procedure.

PART III – CONTROL AND COMPENSATION INFORMATION

Item 9: DIRECTORS, EXECUTIVE OFFICERS AND CONTROL PERSONS

The Company's Board of Directors is responsible for the overall management and direction of the Company. There are nine (9) members of the Company's Board of Directors, two (2) of whom are independent directors. All directors were elected during the annual meeting of stockholders held on September 12, 2023 for the term 2023-2024.

1. Directors

Name	Age	Citizenship	Position
Emmanuel G. Hebosa	71	Filipino	Chairman/ Independent Director
Eugenio T. Tan	61	Filipino	President & CEO/ Regular Director
Raul Ma. F. Anonas	61	Filipino	EVP/COO/CIO/SEC Comp/Regular Director
Marian Pena	74	Filipino	EVP/Regular Director
Brandon Benito P. Leong	39	Filipino	Treasurer/Regular Director
Ernest Sze Lok Yeung	56	British	CFA/ Regular Director
Esteban G. Pena Sy	76	Filipino	Regular Director
Geronimo B. Halili	54	Filipino	Regular Director
Arvin Eduard H. Cruz	32	Filipino	Independent Director

Following is a brief profile of the incumbent directors and executive officers of the Company, indicating their respective business experience for the past five (5) years:

Emmanuel G. Herbosa

Chairman/Independent Director

Mr. Emmanuel Herbosa (age 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.

Eugenio T. Tan

Director

Mr. Tan (age 61) was elected as a Regular Director of PHA last October 7, 2021 and President & CEO of PHA in August 03, 2023. He is currently the CoCEO of the Oriental Patron Asia Limited where he manages the corporate finance, capital markets, M&A, sales and distribution businesses and private investment business lines of 28-year-old Greater China firm. He was previously the Co-CEO of Shanxi Securities International, where he was responsible for building the ECM/DCM/M&A and primary distribution for Shanxi Securities internationally.

Mr. Tan 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), 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.

Raul Ma. F. Anonas

Director

Mr. Anonas (age 61) 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.

Marian Pena

Director

Ms. Pena (age 74) was appointed as a Regular Director of Premiere Horizon Alliance Corporation on August 03, 2023 and also as the Company's Executive Vice President. She is the Chairperson and Chief Executive Officer of Eastern Securities Development Corporation ("ESDC") and Nouvo Gran CT. She is an entrepreneur with more than 20 years of business experience in China, HK and the Philippines. She received her Bachelor's Degree Major in Business Administration from St. Theresa's College.

Brandon Benito P. Leong

Director

Mr. Leong (age 39) was elected as a Regular Director of PHA on December 2020 and Treasurer of PHA. 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 Company in navigating its industry's increasingly complex regulatory landscape while maintaining a high level of business efficiency. He ensures financial innovation provides optimal shareholder value while never compromising core principles of the Company, investor protections and values of the Philippine capital markets. Mr. Leong provides market education, financial literacy and fintech consultation for teams and organizations seeking to create their digital footprint in Philippines' financial landscape. Mr. Leong brings 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. Mr. Leong is a graduate of the University of California Irvine with a degree in Sociology and Business.

Ernest Sze Lok Yeung

Director

Mr. Ernest Yeung (age 55) was elected as Regular Director of PHA on August 3, 2023. He is a veteran in corporate strategy, project finance, private equity, and asset management whereby he held key positions at Changsheng Fund Management, Manulife Asset Management, DBS Bank, PSEG, HSBC, Nomura Securities, JP Morgan and the Swire Group in Hong Kong, Singapore and China. He 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.

Atty. Geronimo B. Halili

Director

Atty. Halili (age 54) was elected as a Regular Director of PHA in January 26, 2023. An established lawyer, he is currently the Proprietor at G. B. Halili Law Office since 2015. Atty. Halili began his career as a law intern in the Office of Supreme Court Justice Jose A. R. Melo in 1993. Three years later, he passed the Philippine Bar Examinations in the Top 16. He went on to become a Senior Associate at Y. F. Busmente & Associates Law Offices, and then a Partner at Halili Certeza Matibag Law Offices.

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

Esteban Peña Sy

Director

Mr. Peña Sy (age 75) was elected as a Regular Director of PHA in January 2023. He is currently a Director and the President of Philippine Plaza Holdings Inc., the company behind Sofitel Philippine Plaza, and Mabuhay Holdings Corp., a publicly-listed company. Throughout his storied career, he has held key positions in various companies, including the Ayala Group of Companies. There, he was Assistant Vice President for the Bank of the Philippine Islands; Head of the Business Development Group for the Island Development Bank of Brunei; and Assistant Director for Ayala International Finance Ltd. (Hong Kong) and Ayala International (Hong Kong) Ltd.

Mr. Peña Sy was also the Assistant Secretary General of the Federation of Filipino-Chinese Chambers of Commerce and Industry from 1972-79, before becoming its Executive Director from 1980-86. Shortly after, Esteban co-founded the Pan Asian Management Group (Hong Kong). Over

the next 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 Philippine InfraDev Holdings, Inc. (formerly IRC Properties, Inc.) Esteban graduated from the University of the Philippines with a degree in Economics and completed the 43rd Program for Management Development at Harvard Business School.

Atty. Arvin Eduard H. Cruz

Independent Director

Atty. Arvin Eduard H. Cruz (age 32) is a nominee for Independent Director of Premiere Horizon Alliance Corporation (PHA). He is currently engaged in private practice, being a Senior Partner at Gimenez, Eubank, Cruz, and Ocampo Law Offices. Prior to joining Gimenez Eubank Law firm, he served in the Presidential Communications Operations Office, providing legal assistance GOCC privatization, as well as other matters under the said office. He also previously worked as Corporate Counsel for Malayan Insurance Company, Inc., an Associate Lawyer at Adarlo Caoile & Associates Law Offices, and as a Senior Associate in SGV & Co. He graduated from the De La Salle University with a degree in Political Science. He obtained his Law Degree from the San Beda College.

Atty. Jess Raymund M. Lopez

Corporate Secretary

Atty. Jess Raymund M. Lopez (age 41) obtained his Juris Doctor Degree from the Ateneo de Manila College of Law in 2009, where he ranked fourth in his class, and obtained a silver medal for academic excellence. He joined C&G Law in October 2009, and was promoted as one of the firm's senior associates effective January 1, 2013. He was then admitted as a Partner effective January 1, 2017. He is also a part-time lecturer at the Ateneo de Manila School of Law, where he teaches Obligations and Contracts, Succession, and Torts and Damages. He also previously taught Transportation and Public Utilities Law and Credit Transactions at the Far Eastern University – De La Salle University J.D., MBA Consortium.

During his undergraduate years, Atty. Lopez was ranked and recognized as among the top speakers in various intercollegiate debate competitions held in the Philippines, Singapore, Thailand, Malaysia, and the United Kingdom, which were attended by students from the University of Oxford, the University of Cambridge, the National University of Singapore, the University of Harvard, the University of Toronto, and the University of Sydney, among others. He was twice recognized as Asia's top speaker in debate competitions held in the region in 2004 and 2005.

Atty. Andrea E. Katipunan

Assistant Corporate Secretary

Atty. Andrea E. Katipunan (age 37) obtained her Juris Doctor degree from the Ateneo de Manila Law School in 2012, where she ranked thirteenth in her class. She thereafter obtained her master's degree in business administration from Instituto de Empresa in 2019. Atty. Katipunan became a partner of C&G Law in October 2020. She is a key member of the firm's General Corporate Practice Group, Energy, Construction & Infrastructure Sector Group, and TMT & Fintech Sector Group. Her practice areas include competition and antitrust, construction, corporate services, energy, fintech, foreign investments, infrastructure, and mergers & acquisitions.

Atty. Katipunan also has experience working abroad. In 2017, she was seconded to the Competition and Trade Department of Rajah & Tann Singapore LLP. In 2019, as part of a team of post-graduate students from the Master of Business Administration program of Instituto de Empresa, Andrea worked in South Africa for a socially oriented enterprise.

2. Executive Officers

The officers of the company are as follows:

Emmanuel G. Herbosa	-	Chairman
Eugenio T. Tan	-	President & CEO
Raul Ma. F. Anonas	-	Executive Vice President/COO & Corporate Information Officer
Marian G. Peña	-	Executive Vice President
Brandon P. Leong	-	Treasurer
Ernest Sze Lok Yeung	-	Group Chief Financial Adviser
Jess Raymund M. Lopez	-	Corporate Secretary
Andrea E. Katipunan	-	Assistant Corporate Secretary
Andres A. Del Rosario	-	Senior Vice President & Assistant Treasurer
Ana Liza G. Aquino	-	First Vice President & Investor Relations Officer/ CFO, GLCI
Joseph Jeeben R. Segui	-	First Vice President & Corporate Finance Head/ CFO, PGDI
Christina P. Leong	-	Chief Investment Officer

Significant Employees

No single employee is expected to make a significant contribution to the business since the employees of the company are expected to work together as a team in order to achieve the corporation's set goals. All of the Company's employees are considered significant in their own particular way.

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 Pena, Director, her son, Mr. Brandon Benito P. Leong, Director and her daughter, Ms. Christina P. Leong, Chief Investment Officer.

Involvement in Certain Legal Proceedings

The Company is not aware of the occurrence, as of the date hereof and during the past five (5) years preceding this date, of any of the following events which it believes to be material to the evaluation of the ability or integrity of any of its directors, nominees for election as director, or executive officers:

1. Any bankruptcy petition filed by or against any business of which such person was a general partner or executive officer either at the time of the bankruptcy or within two years prior to that time;
2. Any conviction by final judgment, including the nature of the offense, in a criminal proceeding, domestic or foreign, or being subject to a pending criminal proceeding, domestic or foreign, excluding traffic violations and other minor offenses;
3. Being subject to any order, judgment, or decree, not subsequently reversed, suspended or vacated, of any court of competent jurisdiction, domestic or foreign, permanently or temporarily enjoining, barring, suspending or otherwise limiting his involvement in any type of business, securities, commodities or banking activities; and
4. Being found by a domestic or foreign court of competent jurisdiction (in a civil action), the

Commission or comparable foreign body, or a domestic or foreign Exchange or other organized trading market or self-regulatory organization, to have violated a securities or commodities law or regulation, and the judgment has not been reversed, suspended, or vacated.

Item 10: 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 2024 (estimate) are as follows:

Name	Position	Year	Salary/ Bonus/ Fees
Augusto M. Cosio Jr. <i>(Resigned August 3, 2023)</i>	Chairman		
Emmanuel G. Herbosa <i>(Elected September 12, 2023)</i>	Chairman		
Roberto B. Ortiz <i>(Resigned August 3, 2023)</i>	President & CEO		
Eugenio T. Tan <i>(Elected September 12, 2023)</i>	President & CEO		
Raul Ma. F. Anonas	EVP/COO/CIO		
Brandon Benito P. Leong	Treasurer		
Andres A. Del Rosario	SVP/ Assistant Treasurer		
CEO and most highly compensated Executive Officers		Actual 2022	8.40 million
		Actual 2023	5.00 million
		Projected 2024	9.70 million
All other officers and directors as a group unnamed		Actual 2022	4.20 million
		Actual 2023	3.80 million
		Projected 2024	5.20 million

Item 11: SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

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 March 31, 2024:

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 Corporation has no information of any beneficial owner holding more than 5% interest in shares lodged under PCD Nominee Corp. The Corporation has not been informed of the identities of the designated proxies authorized to vote the shares.	Filipino	2,009,979,307	35.20%
Common		Ernest Sze Lok Yeung	British	1,389,802,353	24.35%
Common		Marian Pena	Filipino	864,214,976	15.14%

(2) Security Ownership of Management

The following are the security ownership of the directors and executive officers of the Company as of March 31, 2024:

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)	Filipino	24.35%
Common	Marian Pena Director	864,214,976 (D)	Filipino	15.14%
Common	Raul Ma. F. Anonas, Director	109,631,319 (D)	Filipino	1.92%
Common	Brandon Benito P. Leong, Director	2 (D)	Filipino	0.00%
Common	Eugenio T. Tan, Director	2 (D)	Filipino	0.00%
Common	Geronimo B. Halili Director	10,000 (D)	Filipino	0.00%
Common	Esteban G. Pena Sy, Director	10,000 (D)	Filipino	0.00%
Common	Emmanuel G. Herbosa, Director	10,000 (I)	Filipino	0.00%
Common	Arvin Eduard H. Cruz, Director	10,000 (I)	Filipino	0.00%
Common	Andres A. Del Rosario, SVP/CFO	25,303,030 (D)	Filipino	0.44%
TOTAL				41.85%

(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 as of the date of this Information Statement

Item 12: CERTAIN RELATIONSHIPS AND RELATED TRANSACTION

Certain Relationships and Related 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 board of directors.

See Note 16, Related Party Transaction disclosure, of the notes to the Consolidated Financial Statements.

PART IV: CORPORATE GOVERNANCE

Item 13: COMPLIANCE WITH LEADING PRACTICE ON CORPORATE GOVERNANCE

The Company recognizes good corporate governance as essential in performing its obligations to the company's stockholders. To this end, the Company aims to strengthen its corporate governance to accomplish the corporate goals along with its guarantee to increase stockholder value.

The original Manual of Corporate Governance was adopted on 1 July 2002. Pursuant to SEC Memorandum No. 6, the Company revised its Manual of Corporate Governance on 16 September 2009. The Company accomplished and submitted its Corporate Governance Scorecard Survey for Publicly Listed Companies. In compliance, the Board of Directors and Key Management officers of the Corporation have attended Corporate Governance seminars and will continue to do so on an annual basis.

The Company established an evaluation system to measure or determine the level of compliance of the Board of Directors and top-level management with its Revised Manual of Corporate Governance that included the continuous monitoring of the Board members' attendance in its board meetings and various committee meetings.

Corporate governance refers to the structures and processes for the direction and control of the company. Corporate governance concerns the relationships among the management, Board of Directors, shareholders and other stakeholders.

The Board of Directors 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 create awareness within the organization as soon as possible.

The Company's Integrated Annual Corporate Governance Report (I-ACGR) shall be submitted on or before May 31, 2024, in compliance with SEC Memorandum Circular No. 15 series of 2017.

PART V: EXHIBITS AND SCHEDULES

Item 14: EXHIBITS AND REPORTS ON SEC FORM 17-C

(a) Exhibits: None

(b) Reports on SEC Form 17-C,

The Company filed reports with the following dates under SEC Form 17-C within the calendar year ending December 31, 2023 and during the last six-month period covered by this report.

April 1, 2024	Change in Directors and/or Officers (Resignation/Removal or Appointment/Election)
February 8, 2024	Change in Directors and/or Officers
February 7, 2024	Result of the Special Board Meeting
September 12, 2023	Results of Organizational Meeting
September 12, 2023	Results of Annual or Special Stockholders' Meeting
August 31, 2023	Mr. Augusto Antonio Serafica, Jr. Complaint
August 30, 2023	Augusto Serafica, Jr. Complaint
August 18, 2023	Change in Directors and/or Officers (Resignation/Removal or Appointment/Election)
August 18, 2023	Result of the Special Board Meeting
August 11, 2023	Change in Directors and/or Officers (Resignation/Removal or Appointment/Election)
August 7, 2023	Updates on the Legal Proceedings against Marvin C. Dela Cruz and Augusto Antonio C. Serafica, Jr.
August 3, 2023	Change in Directors and/or Officers (Resignation/Removal or Appointment/Election)
August 3, 2023	Result of the Special Board Meeting
July 7, 2023	Full Payment of Auction Shares
June 21, 2023	Notice of Annual or Special Stockholders' Meeting
June 21, 2023	Result of the June 21, 2023 Special BOD Meeting
May 31, 2023	I-ACGR - Integrated Annual Corporate Governance Report
May 24, 2023	Auction of Delinquent Shares
May 15, 2023	Result of the Special Board Meeting
May 15, 2023	Notice of Annual or Special Stockholders' Meeting
May 15, 2023	Result of the Annual Stockholders' Meeting (ASM)
May 12, 2023	Auction of Delinquent Shares
May 4, 2023	Auction Rules and Procedures
April 18, 2023	Legal Proceedings

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, in the City of PASIG CITY on 12 APR 2024, 2024

PREMIERE HORIZON ALLIANCE CORPORATION

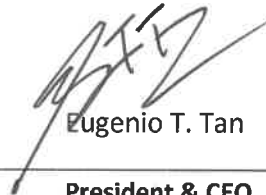
Issuer

SIGNATURES



Emmanuel G. Herbosa

Chairman of the Board



Eugenio T. Tan

President & CEO



Ernest Sze Lok Yeung

Group Financial Adviser



Brandon Benito P. Leong

Treasurer



Jess Raymund M. Lopez

Corporate Secretary

12 APR 2024

SUBSCRIBED AND SWORN to before me this _____ day of _____ 2024, affiant(s) exhibiting to me his _____, as follows:

NAME	COMPETENT IDENTIFICATION NO.
EMMANUEL G. HERBOSA	03-3646192-8
EUGENIO T. TAN	N02-22-002154
ERNEST SZE LOK YEUNG	M-069945
BRANDON BENITO P. LEONG	411-869-368
JESS RAYMUND M. LOPEZ	288-170-267

FERDINAND D. AZAHAO
Notary Public

For and in Pasig City an **NOTARY PUBLIC** Pateros
Appointment No. 96 (2024-2025) valid until 12/31/2025
MCLF Exemption No. VII-BEP003234, until 04/14/28
Roll No. 46377; IBF LRN 02459; OR 535886; 06/21/2001
TIN 123-011-785; PTR 1634583AA; 01/03/24; Pasig City
Unit 5, West Tower: PSE, Exchange Road
Ortigas Center, Pasig City Tel. +632-86314090

Doc No. 105
Page No. 22
Book No. 32
Series of 2024



SEC eFast Initial Acceptance

noreply-cifssost@sec.gov.ph <noreply-cifssost@sec.gov.ph>

Mon, Apr 15, 2024 at 11:14 PM

Greetings!

SEC Registration No: 0000147584**Company Name:** PREMIERE HORIZON ALLIANCE CORPORATION**Document Code:** AFS

This serves as temporary receipt of your submission.
Subject to verification of form and quality of files of the submitted report.
Another email will be sent as proof of review and acceptance.

Thank you.

REMINDER: TO ALL FILERS OF REPORTS IN THE e-FAST Please strictly follow the instruction stated in the form. Filings not in accordance with the prescribed template for the following reports will be automatically reverted by the system to the filer. 1. General Information Sheet (GIS-Stock) 2. General Information Sheet (GIS-Non-stock) 3. General Information Sheet (GIS- Foreign stock & non-stock) 4. Broker Dealer Financial Statements (BDFS) 5. Financing Company Financial Statements (FCFS) 6. Investment Houses Financial Statements (IHFS) 7. Publicly – Held Company Financial Statement 8. General Form for Financial Statements 9. Financing Companies Interim Financial Statements (FCIF) 10. Lending Companies Interim Financial Statements (LCIF) Per Section 18 of SEC Memorandum Circular No. 3 series of 2021, the reckoning date of receipt of reports is the date the report was initially submitted to the eFast, if the filed report is compliant with the existing requirements. A report, which was reverted or rejected, is considered not filed or not received. A notification will be sent to the filer, stating the reason for the reports rejection in the remarks box.

SECURITIES AND EXCHANGE COMMISSION

SEC Headquarters, 7907 Makati Avenue,
Salcedo Village, Barangay Bel-Air, Makati City,
1209, Metro Manila, Philippines

THIS IS AN AUTOMATED MESSAGE - PLEASE DO NOT REPLY DIRECTLY TO THIS EMAIL



**STATEMENT OF MANAGEMENT'S RESPONSIBILITY
FOR CONSOLIDATED FINANCIAL STATEMENTS**

The management of **Premiere Horizon Alliance Corporation and 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, 2023, 2022 and 2021 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 and using the going concern basis of accounting unless management either intends to liquidate the Group to cease operations, or has no realistic alternative 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.

Reyes Tacandong & Co., the independent auditor appointed by the stockholders, have audited the consolidated financial statements for the years 2023, 2022 and 2021 of the Group 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.

Emmanuel G. Herbosa
Chairman of the Board

07-3646192

Eugenio T. Tan
President & CEO

NO2-22-002154

Brandon Benito P. Leong
Treasurer

411 86A 358

SUBSCRIBED AND SWORN to before me
this APR 12 day of 2024 at Marikina City
Affiant exhibits to me her/his _____
with No. _____ as strong proof of
her/his identity.

Signed this 12th day of April 2024

DOC. NO: 16
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ATTY. JAMES KLABUGAN
Notary Public
APPT. NO. 0442-23 Until 12-31, 2024
IBP No. 400022 Jan. 04, 2024 Rizal Chapter
Roll No. 28986 Lifetime
MCLE No. 2023-2024-184 until 4/14/2025
LHA No. 116-230-93C
PTR No. 5420022 01/03/2024
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INDEPENDENT AUDITORS' 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 at December 31, 2023 and 2022, and the consolidated statements of comprehensive income, consolidated statements of changes in equity and consolidated statements of cash flows for the years ended December 31, 2023, 2022, and 2021, and notes to consolidated financial statements, including a summary of material accounting policy information.

In our opinion, the consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at December 31, 2023 and 2022, and its consolidated financial performance and its consolidated cash flows for the years ended December 31, 2023, 2022, and 2021 in accordance with Philippine Financial Reporting Standards (PFRS), as modified by the application of financial reporting relief issued and approved by the Philippine Securities and Exchange Commission (SEC).

Basis for Opinion

We conducted our audits in accordance with Philippine Standards on Auditing (PSA). Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with the Code of Ethics for Professional Accountants in the Philippines (Code of Ethics) together with the ethical requirements that are relevant to our audits of the consolidated financial statements in the Philippines, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. 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.



Valuation of Investment Properties Measured at Fair Value

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, 2023 of ₱2,162.0 million represents 46.3 % of the total consolidated assets and the resulting unrealized gain on fair valuation of investment properties of ₱138.4 million in 2023 is significant to the Group's net income. Moreover, the determination of the fair values of these properties involves significant management judgment and estimations and requires the assistance of external appraisers whose calculations depend on assumptions such as sales and listings of comparable properties within the vicinity and value adjustments based on relevant internal and external factors.

Our audit procedures include, among others, the evaluation of the competence and capabilities of the external appraisers by considering their 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 also checked the adequacy of the related disclosures in Note 3, *Significant Judgments, Accounting Estimates and Assumptions*, and Note 10, *Investment Properties*, to the consolidated financial statements.

Recoverability of Deferred Exploration Costs

At each reporting date, 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 ₱426.3 million represents 9.1% of the consolidated total assets and is material to the consolidated financial statements as at December 31, 2023. 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.

Our audit procedures include, among others, obtaining and reviewing management's assessment on whether there is any indication that deferred exploration costs may be impaired. We reviewed the status of the exploration projects as at December 31, 2023 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. Moreover, we reviewed the contracts and agreements, budget for exploration and development costs and the most recent financial projections of the Group. We also checked the adequacy of the related disclosures in Note 3 and Note 9, *Deferred Exploration Costs*, to the consolidated financial statements.

Revenue Recognition - Real Estate Sales

For the year ended December 31, 2023, the Group recognized revenue of ₱472.5 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 the revenue and recognition process involve the application of significant judgments and estimates pertaining to (a) the assessment of the probability that the entity will collect the consideration from the buyer, (b) the application of the input method as the measure of progress of the projects in determining real estate revenue; (c) the determination of the actual costs incurred as cost of real estate sales, among others.



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. On a sample basis, we conducted ocular inspections of selected project sites and traced accumulated costs incurred to the supporting documents and invoices. We also obtained the details of the percentage-of-completion and tested the calculation. We also checked the adequacy of the related disclosures in Note 3, Note 4, *Segment Information*, and Note 7, *Real Estate Held for Sale*, to the consolidated financial statements.

Other Information

Management is responsible for the other information. The other information comprises the information included in the SEC Form 20-IS (Definitive Information Statement), SEC Form 17-A and Annual Report for the year ended December 31, 2023, but does not include the consolidated financial statements and our auditors' report thereon. The SEC Form 20-IS (Definitive Information Statement), SEC Form 17-A and Annual Report for the year ended December 31, 2023 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 or 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 the consolidated financial statements in accordance with PFRS, 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.

Auditors' 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 auditors' 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 PSA 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, these 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 PSA, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of the auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may 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 auditors' 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.

The engagement partner on the audit resulting in this independent auditors' report is Emmanuel V. Clarino.

REYES TACANDONG & Co.

EMMANUEL V. CLARINO

Partner

CPA Certificate No. 27455

Tax Identification No. 102-084-004-000

BOA Accreditation No. 4782; Valid until April 13, 2024

BIR Accreditation No. 08-005144-005-2022

Valid until October 16, 2025

PTR No. 10072405

Issued January 2, 2024, Makati City

April 12, 2024

Makati City, Metro Manila

PREMIERE HORIZON ALLIANCE CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

		December 31	
	Note	2023	2022
ASSETS			
Current Assets			
Cash	5	₱136,418,577	₱69,729,594
Receivables	6	523,833,045	442,327,680
Current portion of contract assets	6	384,356,917	34,842,065
Real estate for sale	7	739,020,978	811,694,228
Creditable withholding taxes		122,072,660	117,005,107
Other current assets	8	71,561,643	62,826,569
Total Current Assets		1,977,263,820	1,538,425,243
Noncurrent Assets			
Contract assets - net of current portion	6	3,615,315	69,581,924
Investment properties	10	2,161,998,400	2,023,560,400
Property and equipment	11	28,341,348	71,903,816
Deferred exploration costs	9	426,268,084	418,042,647
Deferred tax assets	23	71,818,005	27,580,919
Other noncurrent assets	12	19,499,567	26,826,426
Total Noncurrent Assets		2,711,540,719	2,637,496,132
		₱4,688,804,539	₱4,175,921,375
LIABILITIES AND EQUITY			
Current Liabilities			
Short-term loans	13	₱240,468,862	₱428,754,632
Current portion of long-term loans	13	95,862,137	251,892,401
Trade and other payables	14	572,965,390	583,342,905
Contract liabilities	6	10,722,842	25,107,618
Dividend payable	18	39,800,000	39,800,000
Total Current Liabilities		959,819,231	1,328,897,556
Noncurrent Liabilities			
Noncurrent portion of:			
Long-term loans	13	389,033,460	127,986,999
Lease liabilities	27	-	192,720
Advances from third parties	15	100,000,000	100,000,000
Retirement liability	17	10,421,135	45,059,876
Deferred tax liabilities	23	599,283,878	518,195,465
Total Noncurrent Liabilities		1,098,738,473	791,435,060
Total Liabilities		2,058,557,704	2,120,332,616

(Forward)

		December 31	
	Note	2023	2022
Equity Attributable to Equity Holders of the Parent Company			
Capital stock	18	₱1,414,348,522	₱1,007,496,826
Additional paid-in capital	18	629,410,181	499,217,638
Retained earnings	18	132,711,701	165,473,971
Cumulative remeasurement gains on retirement liability	17	31,265,998	9,792,086
		2,207,736,402	1,681,980,521
Noncontrolling Interests	18	422,510,433	373,608,238
Total Equity		2,630,246,835	2,055,588,759
		₱4,688,804,539	₱4,175,921,375

See accompanying Notes to Consolidated Financial Statements.

PREMIERE HORIZON ALLIANCE CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

		Years Ended December 31		
	Note	2023	2022	2021
REVENUES				
Real estate sales	4	₱472,498,374	₱332,947,784	₱173,933,534
Mining-related services	30	61,848,643	112,144,168	174,681,141
Service income		–	445,030	502,880
		534,347,017	445,536,982	349,117,555
COSTS OF SALES AND SERVICES				
Cost of real estate sales	7	226,704,988	147,183,575	74,080,684
Cost of services	19	100,983,786	149,473,632	193,095,545
		327,688,774	296,657,207	267,176,229
GROSS PROFIT		206,658,243	148,879,775	81,941,326
GENERAL AND ADMINISTRATIVE EXPENSES		191,112,441	219,283,140	179,336,260
OTHER INCOME (CHARGES)				
Unrealized gain on fair valuation of investment properties	10	138,438,000	323,022,000	25,637,000
Interest expense	24	(102,027,886)	(113,595,767)	(114,156,340)
Impairment losses	21	(3,448,203)	(29,587,319)	(405,501)
Interest income	5, 6	1,139,126	1,711,089	2,680,377
Others - net	6, 22, 30	(14,436,731)	26,871,322	72,359,093
		19,664,306	208,421,325	(13,885,371)
INCOME (LOSS) BEFORE INCOME TAX		35,210,108	138,017,960	(111,280,305)
PROVISION FOR (BENEFIT FROM) INCOME TAX		28,281,635	89,183,676	(69,093,173)
NET INCOME (LOSS)		6,928,473	48,834,284	(42,187,132)
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	17	30,685,364	(2,039,063)	11,694,300
TOTAL COMPREHENSIVE INCOME (LOSS)		₱37,613,837	₱46,795,221	(₱30,492,832)
Net income (loss) attributable to:				
Equity holders of the Parent Company		(₱32,762,270)	₱29,502,668	(₱47,826,957)
Noncontrolling interests	18	39,690,743	19,331,616	5,639,825
		₱6,928,473	₱48,834,284	(₱42,187,132)
Total comprehensive income (loss) attributable to:				
Equity holders of the Parent Company		(₱11,288,358)	₱28,381,183	(₱40,039,287)
Noncontrolling interests		48,902,195	18,414,038	9,546,455
		₱37,613,837	₱46,795,221	(₱30,492,832)
Basic and Diluted Earnings (Loss) Per Share				
Attributable to Equity Holders of the Parent Company				
	26	(₱0.0063)	₱0.0063	(₱0.0185)

See accompanying Notes to Consolidated Financial Statements.

PREMIERE HORIZON ALLIANCE CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

	Note	Years Ended December 31		
		2023	2022	2021
EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT COMPANY				
CAPITAL STOCK - ₱0.25 par value				
	18			
Balance at beginning of year		₱1,007,496,826	₱800,650,526	₱563,529,313
Collection of subscription receivable		406,851,696	53,891,798	–
Additional subscription		–	152,954,502	237,121,213
Balance at end of year		1,414,348,522	1,007,496,826	800,650,526
ADDITIONAL PAID-IN CAPITAL				
	18			
Balance at beginning of year		499,217,638	186,224,855	117,452,141
Collection of subscription receivable		130,192,543	17,245,376	–
Additions		–	297,099,865	75,878,790
Stock issuance costs		–	(1,352,458)	(7,106,076)
Balance at end of year		629,410,181	499,217,638	186,224,855
RETAINED EARNINGS				
	18			
Balance at beginning of year		165,473,971	135,971,303	183,798,260
Net income (loss)		(32,762,270)	29,502,668	(47,826,957)
Balance at end of year		132,711,701	165,473,971	135,971,303
CUMULATIVE REMEASUREMENT GAINS ON RETIREMENT LIABILITY				
	17			
Balance at beginning of year		9,792,086	10,913,571	3,125,901
Net remeasurement gains (losses)		21,473,912	(1,121,485)	7,787,670
Balance at end of year		31,265,998	9,792,086	10,913,571
		2,207,736,402	1,681,980,521	1,133,760,255
NONCONTROLLING INTERESTS				
	18			
Balance at beginning of year		373,608,238	355,194,200	345,647,745
Net income		39,690,743	19,331,616	5,639,825
Other comprehensive income (loss)	19	9,211,452	(917,578)	3,906,630
Balance at end of year		422,510,433	373,608,238	355,194,200
		₱2,630,246,835	₱2,055,588,759	₱1,488,954,455

See accompanying Notes to Consolidated Financial Statements.

PREMIERE HORIZON ALLIANCE CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS

	Note	Years Ended December 31		
		2023	2022	2021
CASH FLOWS FROM OPERATING ACTIVITIES				
Income (loss) before income tax		₱35,210,108	₱138,017,960	(₱111,280,305)
Adjustments for:				
Unrealized gain on fair valuation of investment properties	10	(138,438,000)	(323,022,000)	(25,637,000)
Interest expense	24	102,027,886	113,595,767	114,156,340
Depreciation and amortization	11	51,582,738	71,326,436	87,393,146
Retirement benefits cost	17	6,275,079	13,925,272	6,861,768
Impairment losses	21	3,448,203	29,587,319	405,501
Interest income	5, 6	(1,139,126)	(1,711,089)	(2,680,377)
Reversal of allowance for impairment losses	6	–	(20,734,364)	(2,998,581)
Loss on disposal of property and equipment	11	–	–	417,573
Operating income before working capital changes		58,966,888	20,985,301	66,638,065
Decrease (increase) in:				
Receivables and contract assets		(365,053,608)	(163,202,470)	4,939,174
Real estate for sale		72,673,250	(46,308,170)	66,348,101
Other current assets		(7,076,310)	46,659,612	(39,908,400)
Increase (decrease) in:				
Trade and other payables		(64,299,197)	(104,103,945)	(293,376,062)
Contract liabilities		(14,384,776)	(11,769,088)	29,057,083
Net cash used for operations		(319,173,753)	(257,738,760)	(166,302,039)
Interest paid		(54,231,231)	(50,509,868)	(121,705,551)
Income taxes paid		(1,658,764)	(1,582,757)	(95,221)
Interest received		1,139,126	1,711,089	2,680,377
Retirement benefits paid	17	–	(279,700)	–
Net cash used in operating activities		(373,924,622)	(308,399,996)	(285,422,434)
CASH FLOWS FROM INVESTING ACTIVITIES				
Additions to:				
Deferred exploration costs	9	(8,225,437)	(4,230,044)	(10,061,103)
Property and equipment	11	(7,256,114)	(7,539,442)	(1,830,181)
Investment properties	10	–	(8,513,400)	–
Decrease in other noncurrent assets		3,114,500	3,366,666	3,107,775
Proceeds from sale of property and equipment	11	–	–	10,757,625
Net cash provided by (used in) investing activities		(12,367,051)	(16,916,220)	1,974,116

(Forward)

		Years Ended December 31		
	Note	2023	2022	2021
CASH FLOWS FROM FINANCING ACTIVITIES				
Proceeds from:				
Collection of subscriptions receivable	18	₱537,044,239	₱71,137,174	₱–
Availments of long-term loans	13	253,312,684	160,322,826	–
Availments of short-term loans	29	15,000,000	120,700,000	34,154,632
Advances from third parties	15	–	100,000,000	–
Issuances of capital stock	18	–	–	313,000,003
Deposits for future stock subscriptions	18	–	–	86,543,350
Stock issuance costs		–	(1,352,458)	(7,106,076)
Payments of:				
Short-term loans	29	(181,285,770)	(68,500,000)	(5,562,500)
Long-term loans	13	(148,296,487)	(75,735,173)	(128,573,346)
Callable loans	29	(22,000,000)	–	–
Lease liabilities	27	(794,010)	(845,826)	(685,000)
Obligation under finance lease		–	(526,646)	–
Convertible loans		–	–	(42,999,999)
Net cash provided by financing activities		452,980,656	305,199,897	248,771,064
NET INCREASE (DECREASE) IN CASH		66,688,983	(20,116,319)	(34,677,254)
CASH AT BEGINNING OF YEAR		69,729,594	89,845,913	124,523,167
CASH AT END OF YEAR	5	₱136,418,577	₱69,729,594	₱89,845,913

See accompanying Notes to Consolidated Financial Statements.

PREMIERE HORIZON ALLIANCE CORPORATION AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2023 AND 2022

AND FOR THE YEARS ENDED DECEMBER 31, 2023, 2022 AND 2021

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, 2023, 2022 and 2021, 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)	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

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, 2023 and 2022 and for the years ended December 31, 2023, 2022 and 2021 were approved and authorized for issuance by the Board of Directors (BOD) on April 12, 2024, as recommended for approval by the Audit Committee on the same date.

2. Summary of Material Accounting Policy Information

Basis of Preparation and Statement of Compliance

The consolidated financial statements of the Group have been prepared in compliance with Philippine Financial Reporting Standards (PFRS), as modified by the application of financial reporting relief issued and approved by the Philippine SEC in response to the COVID-19 pandemic. This financial reporting framework includes PFRS, Philippine Accounting Standards (PAS), and Philippine Interpretations from International Financial Reporting Interpretations Committee (IFRIC).

In December 2020, the SEC issued Memorandum Circular (MC) No. 34, Series of 2020, which further extended the deferral of the application of the provisions of Philippine Interpretations Committee (PIC) Question & Answer (Q&A) No. 2018-12 with respect to accounting for significant financing component and exclusion of land in the calculation of percentage of completion (POC) and IFRIC Agenda Discussion on over time transfers of constructed goods under PAS 23, *Borrowing Cost*, for another period of three years or until December 31, 2023.

The Group opted to avail the relief in connection with the accounting for significant financing component and exclusion of land in the calculation of POC. The impact of the application of such financial reporting relief is discussed in the "Adoption of Amendments to PFRS and PIC Issuances Issued but Not Yet Effective or Adopted" section of the notes to the consolidated financial statements.

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 10, *Investment Properties*, and 28, *Financial Assets and Liabilities*.

Adoption of Amendments to PFRS

The accounting policies adopted are consistent with those of the previous financial year, except for the adoption of the following amendments to PFRS effective January 1, 2023:

- Amendments to PAS 1, *Presentation of Financial Statements*, and PFRS Practice Statement 2, *Making Materiality Judgments - Disclosure Initiative - Accounting Policies* – The amendments require an entity to disclose its material accounting policies, instead of its significant accounting policies and provide guidance on how an entity applies the concept of materiality in making decisions about accounting policy disclosures. In assessing the materiality of accounting policy information, entities need to consider both the size of the transactions, other events or conditions and its nature. The amendments clarify (1) that accounting policy information may be material because of its nature, even if the related amounts are immaterial, (2) that accounting policy information is material if users of an entity’s financial statements would need it to understand other material information in the financial statements, and (3) if an entity discloses immaterial accounting policy information, such information should not obscure material accounting policy information. In addition, PFRS Practice Statement 2 is amended by adding guidance and examples to explain and demonstrate the application of the ‘four-step materiality process’ to accounting policy information. The amendments should be applied prospectively. Earlier application is permitted.
- Amendments to PAS 8, *Accounting Policies, Changes in Accounting Estimates and Errors - Definition of Accounting Estimates* – The amendments clarify the distinction between changes in accounting estimates and changes in accounting policies, and the correction of errors. Under the new definition, accounting estimates are “monetary amounts in financial statements that are subject to measurement uncertainty.” An entity develops an accounting estimate if an accounting policy requires an item in the financial statements to be measured in a way that involves measurement uncertainty. The amendments clarify that a change in accounting estimate that results from new information or new developments is not a correction of an error, and that the effects of a change in an input or a measurement technique used to develop an accounting estimate are changes in accounting estimates if they do not result from the correction of

prior period errors. A change in an accounting estimate may affect only the profit or loss in the current period, or the profit or loss of both the current and future periods. Earlier application is permitted.

- Amendments to PAS 12, *Income Taxes - Deferred Tax Related Assets and Liabilities from a Single Transaction* – The amendments require companies to recognize deferred tax on transactions that, on initial recognition, give rise to equal amounts of taxable and deductible temporary differences. The amendments should be applied on a modified retrospective basis. Earlier application is permitted.
- Amendments to PAS 1, *Classification of Liabilities as Current or Noncurrent* – The amendments clarify the requirements for an entity to have the right to defer settlement of the liability for at least 12 months after the reporting period. The amendments also specify and clarify the following: (i) an entity's right to defer settlement must exist at the end of the reporting period, (ii) the classification is unaffected by management's intentions or expectations about whether the entity will exercise its right to defer settlement, (iii) how lending conditions affect classification, and (iv) requirements for classifying liabilities where an entity will or may settle by issuing its own equity instruments. The amendments must be applied retrospectively. Earlier application is permitted. If applied in earlier period, the Group shall also apply Amendments to PAS 1 - *Noncurrent Liabilities with Covenants* for that period.

The adoption of the foregoing amendments to PFRS did not have any material effect on the consolidated financial statements. Additional disclosures were included in the notes to consolidated financial statements, as applicable.

Amendments to PFRS and PIC Issuances in Issue But Not Yet Effective or Adopted

Relevant amendments to PFRS and PIC issuances which are not yet effective and have not been applied in preparing the consolidated financial statements are summarized below.

Effective for annual periods beginning on or after January 1, 2024:

- Amendments to PFRS 16, *Lease Liability in a Sale and Leaseback* – The amendments clarify that the liability that arises from a sale and leaseback transaction, that satisfies the requirements in PFRS 15, *Revenue from Contracts with Customers*, to be accounted for as a sale, is a lease liability to which PFRS 16 applies and give rise to a right-of-use (ROU) asset. For the subsequent measurement, the seller-lessee shall determine 'lease payments' or 'revised lease payments' in a way that the seller-lessee would not recognize any amount of the gain or loss that relates to the right of use retained by the seller-lessee. Applying this subsequent measurement does not prevent the seller-lessee from recognizing any gain or loss relating to the partial or full termination of a lease. Any gain or loss relating to the partial or full termination of the lease does not relate to the right of use retained but to the right of use terminated. The amendments must be applied retrospectively. Earlier application is permitted.
- Amendments to PAS 1, *Noncurrent Liabilities with Covenants* – The amendments clarified that covenants to be complied with after the reporting date do not affect the classification of debt as current or noncurrent at the reporting date. Instead, the amendments require the entity to disclose information about these covenants in the notes to the financial statements. The amendments must be applied retrospectively. Earlier application is permitted.

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 a conflicting provision under the two standards. It clarifies that a gain or loss shall be recognized fully when the transaction involves a business, and partially if it involves assets that do not constitute a business. The effective date of the amendments, initially set for annual periods beginning on or after January 1, 2016, was deferred indefinitely in December 2015 but earlier application is still permitted.
- PIC Q&A 2018-12-D, *PFRS 15 Implementing Issues Affecting the Real Estate Industry (as amended by PIC Q&A 2020-04)*. On December 15, 2020, the SEC issued SEC MC No. 34-2020 providing relief to the real estate industry by deferring the application of “assessing if the transaction price includes a significant financing component as discussed in PIC Q&A 2018-12-D (as amended by PIC Q&A 2020-04)” until December 31, 2023.
- PIC Q&A 2018-12-E, *Treatment of Land in the Determination of the POC* – The PIC Q&A clarified that the cost of the land should be excluded in measuring the POC of performance obligation and should be accounted for as fulfillment cost.

On December 15, 2020, the SEC issued SEC MC No. 34-2020 providing relief to the real estate industry by deferring the application of “exclusion of land in calculation of POC as discussed in PIC Q&A 2018-12-E” until December 31, 2023.

The Group availed of the SEC relief with respect to accounting for significant financing component and exclusion of land in determining the POC. The adoption of this guidance would have an impact to the interest income (expense), revenue from real estate sales, contract assets, income tax and the opening balance of retained earnings in the year of adoption. The Group is still assessing if the mismatch between the POC and right to an amount of consideration constitutes a significant financing component.

Under prevailing circumstances, the adoption of the foregoing amendments to PFRS and PIC issuances, except for the potential impact of assessing if the transaction price includes a significant financing component and the exclusion of land in determining the POC, is not expected to have any material effect on the consolidated financial statements of the Group. Additional disclosures will be included in the consolidated financial statements, as applicable.

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 forecast 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.

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 Group recognizes a financial asset or a financial liability in the consolidated statement 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. 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.

“Day 1” Difference. Where the transaction in a non-active market is different from the fair value of other observable current market transactions in the same instrument or based on a valuation technique whose variables include only data from observable market, the Group recognizes the difference between the transaction price and fair value (a “Day 1” difference) in profit or loss. In cases where there is no observable data on inception, the Group deems the transactions price as the best estimate of fair value and recognizes “Day 1” difference in profit or loss when the inputs become observable or when the instrument is derecognized. For each transaction, the Group determines the appropriate method of recognizing the “Day 1” difference.

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 2023 and 2022.

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

As at December 31, 2023 and 2022, 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, security deposits and receivable from Philippine Amusement and Gaming Corporation (PAGCOR) (presented as part of “Other noncurrent 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 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, 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.

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.

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. Land is stated at cost less accumulated impairment loss, 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:

<u>Asset Type</u>	<u>Number of Years</u>
Office space building and office space improvements	5 - 10 years
Heavy equipment	5 - 8 years
Leasehold improvements	5 years or the 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.

Construction in progress, which includes cost of construction and other direct costs, is stated at cost and is not depreciated until such time as the relevant assets are completed and put into operational use. Assets under construction are reclassified to a specific category of property and equipment when the construction and other related activities necessary to prepare the assets for their intended use are completed and the assets are available for use.

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.

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 redemptions 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.

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 pertain to the uncollected portion of the subscribed shares.

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 costs to complete the contract. The ability to accurately forecast such costs involves estimates around cost savings to be achieved over time, anticipated profitability of the contract, as well as future performance against any contract-specific performance indicators that could trigger variable consideration, or service credits.

Where a contract is anticipated to make a loss, judgments are also relevant in determining whether or not an onerous contract provision is required and how this is to be measured.

Mining-related Services. Revenue from mining-related services represents earnings from the operation of the Group’s hauling services and equipment rental which are recognized over time as the services are rendered. The Group bills a fixed amount for every output delivered and recognizes revenue in the amount for which it has the right to invoice.

Service Income. Revenue from service income is recognized over time as the services are rendered.

Penalty. Penalty pertains to income from surcharges for buyers’ default and late payments. Income is recognized when buyers have defaulted in paying their dues and the collectability is reasonably assessed. This is recognized by the Group as part of “Other income” account in the consolidated statement of comprehensive income.

Interest Income. Interest income is recognized as the interest accrues using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount. Interest income from bank deposits is recognized as it accrues.

Cost and Expense Recognition

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

Cost of Real Estate Sale. Cost of real estate sale is recognized consistent with the revenue recognition method applied. Cost of real estate sold includes all direct materials and labor costs, and those indirect costs related to contract performance. Cost of real estate sold before the completion of the development includes estimated costs for future development work, all estimated by the Parent Company's project engineers. When it is probable that the labor contract cost will exceed total contract revenue, the expected loss is recognized immediately. Changes in job performance, job conditions and estimated profitability, including those arising from contract penalty provisions and final contract settlements which may result in revisions to estimated costs and gross margins, are recognized in the year in which the revisions are determined. The cost of inventory recognized in profit or loss in the consolidated statement of comprehensive income upon sale is determined with reference to the specific costs incurred on the property, allocated to the saleable area based on relative size and takes into account the percentage of completion used for revenue recognition purposes.

Cost of Services. Cost of services is recognized as expense when services are rendered.

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

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

Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified assets for a period of time, the Group assesses whether, throughout the period of use, it has both of the following:

- a) the right to obtain substantially all of the economic benefits from the use of the identified asset;
and
- b) the right to direct the use of the identified asset.

At the commencement date, the Group recognizes right-of-use (ROU) assets and lease liabilities for all leases, except for leases with lease terms of 12 months or less (short-term leases) and leases for which the underlying asset is of low value, in which case the lease payments associated with those leases are recognized as an expense in profit or loss on a straight-line basis. For leases with lease terms of 12 months or less but with an option to extend the lease, the management assesses whether there is reasonable certainty that the Group will extend the lease, by considering all relevant facts and circumstances that create an economic incentive for the lessee to extend or terminate the lease, to determine the appropriate lease term.

ROU Assets. At commencement date, the Group measures ROU assets at cost which is comprised of the following:

- a) the amount of the initial measurement of lease liabilities;
- b) any lease payments made at or before the commencement date less any lease incentives received;
- c) any initial direct costs; and
- d) an estimation of costs to be incurred by the Group in dismantling and removing the underlying asset, when applicable.

After the commencement date, the ROU assets are carried at cost less any accumulated amortization and accumulated impairment losses, and adjusted for any remeasurement of the related lease liabilities. Unless the Group is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the ROU assets are amortized over the shorter of the lease terms or the useful lives of the underlying assets

Lease Liabilities. At commencement date, the Group measures a lease liability at the present value of future lease payments using the interest rate implicit in the lease, if that rate can be readily determined. Otherwise, the Group uses its incremental borrowing rate.

Lease payments included in the measurement of a lease liability consist of the following:

- a) fixed payments, including in-substance fixed payments;
- b) variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- c) amounts expected to be payable by the lessee under residual value guarantees; and
- d) the exercise price under a purchase option that the Group is reasonably certain to exercise; lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option; and penalties for early termination of a lease unless the Group is reasonably certain not to terminate early.

A lease liability is subsequently measured at amortized cost. Interest on the lease liability and any variable lease payments not included in the measurement of lease liability are recognized in profit or loss unless these are capitalized as costs of another asset. Variable lease payments not included in the measurement of the lease liability are recognized in profit or loss when the event or condition that triggers those payments occurs.

If there is a change in the lease term or if there is a change in the assessment of an option to purchase the underlying asset, the lease liability is remeasured using a revised discount rate considering the revised lease payments on the basis of the revised lease term or reflecting the change in amounts payable under the purchase option. The lease liability is also remeasured using the revised lease payments if there is a change in the amounts expected to be payable under a residual value guarantee or a change in future lease payments resulting from a change in an index or a rate used to determine those payments.

Group as a Lessor. Leases in which the Group does not transfer substantially all the risks and benefits of ownership of the asset are classified as operating leases. Rental income under operating leases is recognized on a straight-line basis over the lease terms. Initial direct costs incurred in negotiating an operating lease are added to the carrying amount of the leased asset and recognized over the lease term on the same bases as rent income. Contingent rents are recognized as revenue in the period in which these are earned.

Employee Benefits

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

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

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

Retirement Benefits. The net defined benefit liability is the aggregate of the present value of the defined benefit obligation at the end of the reporting period reduced by the fair value of plan assets adjusted for any effect of limiting a net defined benefit asset to the asset ceiling. The asset ceiling is the present value of any economic benefits available in the form of refunds from the plan or reductions in future contributions to the plan.

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

Defined benefit costs comprise the following:

- Service cost
- Net interest on the net defined benefit liability or asset
- Remeasurements of net defined benefit liability or asset

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

Net interest on the net defined benefit liability or asset is the change during the period in the net defined benefit liability or asset that arises from the passage of time which is determined by applying the discount rate based on government bonds to the net defined benefit liability or asset. Net interest on the net defined benefit liability or asset is recognized as expense or income in profit or loss.

Remeasurements comprising actuarial gains and losses, difference between interest income and return on plan assets and any change in the effect of the asset ceiling (excluding net interest on defined benefit liability) are recognized immediately in other comprehensive income (OCI) in the period in which they arise. Remeasurements are not reclassified to profit or loss in subsequent periods.

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

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

Actuarial valuations are made with sufficient regularity that the amounts recognized in the consolidated financial statements do not differ materially from the amounts that would be determined at the reporting period.

Income Taxes

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

Current income tax relating to item recognized directly in equity is recognized in equity and not in the profit or loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

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

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

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

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient future taxable profit will be available to allow all or part of the deferred tax assets to be utilized. Unrecognized deferred tax assets are re-assessed at the end of each reporting period and are recognized to the extent that it has become probable that sufficient future taxable profit will allow the deferred tax asset to be recovered.

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

Tax benefits acquired as part of a business combination, but not satisfying the criteria for separate recognition at that date, are recognized subsequently if new information about facts and circumstances change. The adjustment is either treated as a reduction in goodwill (as long as it does not exceed goodwill) if it was incurred during the measurement period or recognized in profit or loss.

Deferred tax assets and liabilities are offset if a legally enforceable right exists to offset the current tax assets against the current tax liabilities and the deferred income taxes relate to the same taxable entity and the same taxation authority.

Related Parties and Transactions

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions or a member of the key management personnel of the reporting entity. Parties are also considered to be related if they are subject to common control or common significant influence.

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

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

Earnings Per Share (EPS)

Basic EPS is computed by dividing net profit or loss for the year attributable to common equity holders of the Parent Company, after recognition of the dividend requirement of preferred shares, as applicable, by the weighted average number of issued and outstanding common shares during the year, after giving retroactive effect to any stock dividends declared during the year.

Diluted EPS is computed by dividing net profit or loss for the year attributable to common equity holders of the Parent Company by the weighted average number of issued and outstanding common shares during the year plus the weighted average number of common shares that would be issued on conversion of all the dilutive potential common shares into common shares. The calculation of diluted EPS does not assume conversion, exercise, or other issue of potential common shares that would have an anti-dilutive effect on EPS.

Operating Segments

The Group is organized into business units wherein operating results are regularly monitored by the chief operating decision maker (CODM) for the purpose of making decisions about resource allocation and performance assessment. As permitted by PFRS 8, the Group has aggregated these segments into a single operating segment to which it derives its revenues and incurs expenses as these segments have the same economic characteristics and are similar in the following respects:

- the nature of products and services;
- the nature of production processes;
- the type or class of customer for the products and services; and
- the methods used to distribute their products and services.

Provisions

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

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

Contingencies

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

Events after the Reporting Date

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

3. 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.

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 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 7 and 10.

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 ₱472.5 million, ₱332.9 million and ₱173.9 million in 2023, 2022 and 2021, respectively (see Note 4).

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 10 (see Note 10).

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 2022 and 2021, the Group reversed allowance for impairment losses amounting to ₱20.7 million and ₱3.0 million, respectively.

In 2023 and 2022, the Group provided impairment losses on receivable from PAGCOR and other receivables, respectively, amounting to ₱3.0 million and ₱29.2 million, respectively, which were written off in the same year (see Notes 6, 12 and 21).

The Group did not recognize provision for ECL in 2021. Allowance for ECL amounted to ₱7.6 million as at December 31, 2023 and 2022. The carrying amounts of receivables and contract assets are disclosed in Notes 6 and 7.

Determining the NRV of Real Estate for Sale and Supplies Inventory. Real estate for sale and supplies inventory are stated at lower of cost and NRV. The Group writes down the carrying amount of real estate for sale and supplies inventory whenever the NRV becomes lower than cost due to changes in estimated selling prices less cost to sell. The carrying amount is reviewed at least annually for any decline in value.

No provision was recognized in 2023, 2022, and 2021. The carrying amounts of inventories and supplies inventory carried at lower of cost and NRV are disclosed in Notes 7 and 8.

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 2023, 2022, and 2021. The carrying amount of deferred exploration costs amounted to ₱426.3 million and ₱418.0 million as at December 31, 2023 and 2022, respectively (see Note 9).

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 2023, 2022 and, 2021. The carrying amount of goodwill amounted to ₱15.7 million as at December 31, 2023 and 2022 (see Note 12). 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 2023, 2022, and 2021. The carrying amounts of property and equipment and ROU assets are disclosed in Notes 11, 12 and 27.

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. 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 2023, 2022 and 2021. The carrying amounts of nonfinancial assets are disclosed in Notes 11, 12, and 27.

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 and ₱45.1 million as at December 31, 2023 and 2022, respectively (see Note 17).

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 ₱71.8 million and ₱27.6 million as at December 31, 2023 and 2022, respectively. As at December 31, 2023 and 2022, no deferred tax assets were recognized for NOLCO and other deductible temporary differences (see Note 23). Management believes that it is not probable that sufficient taxable income will be available to allow these deferred tax assets to be utilized.

4. 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, 2023 and 2022 are as follows:

	2023					Total
	Mining	Real Estate	Service Contracts	Others	Eliminations	
ASSETS						
Cash	₱30,175,595	₱42,479,458	₱-	₱63,763,524	₱-	₱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
	₱653,161,939	₱1,340,956,039	₱5,496	₱3,574,381,704	(₱879,730,639)	₱4,688,774,539
LIABILITIES						
Loans payable	₱-	₱484,895,597	₱-	₱240,468,862	₱-	₱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
	₱121,296,306	₱793,179,492	₱5,454,437	₱1,584,464,595	(₱866,670,565)	₱2,058,557,704
	2022					Total
	Mining	Real Estate	Service Contracts	Others	Eliminations	Total
ASSETS						
Cash	₱21,564,750	₱45,424,499	₱-	₱2,740,345	₱-	₱69,729,594
Contract assets	-	104,423,989	-	-	-	104,423,989
Receivables	140,154,721	326,784,639	5,496	1,024,741,871	(1,049,359,047)	442,327,680
Real estate held for sale	-	456,209,175	-	348,550,961	6,934,092	811,694,228
Investment properties	-	8,513,400	-	2,015,047,000	-	2,023,560,400
Deferred exploration costs	418,042,647	-	-	-	-	418,042,647
Intangible assets	-	-	-	2,838,511	-	2,838,511
Property and equipment	63,260,778	3,472,716	-	5,170,322	-	71,903,816
Deferred tax assets	-	-	-	-	27,580,919	27,580,919
Other assets	54,097,812	112,205,204	-	21,814,771	15,701,804	203,819,591
	₱697,120,708	₱1,057,033,622	₱5,496	₱3,420,903,781	(₱999,142,232)	₱4,175,921,375
LIABILITIES						
Loans payable	₱-	₱379,879,400	₱-	₱428,754,632	₱-	₱808,634,032
Trade and other payables	132,890,350	161,790,879	5,308,615	1,376,384,311	(1,092,838,530)	583,535,625
Contract liabilities	-	25,107,618	-	-	-	25,107,618
Dividend payable	-	-	-	45,250,000	(5,450,000)	39,800,000
Retirement liability	37,435,352	5,738,478	-	1,886,046	-	45,059,876
Deposit for future stock subscription	-	-	-	100,000,000	-	100,000,000
Deferred tax liabilities	-	53,395,117	-	383,280,742	81,519,606	518,195,465
	₱170,325,702	₱625,911,492	₱5,308,615	₱2,335,555,731	(₱1,016,768,924)	₱2,120,332,616

The revenue and profit information of the business segments for the years ended December 31, 2023, 2022 and 2021 are as follows:

	2023					Total
	Mining	Real Estate	Service Contracts	Others	Eliminations	
Revenues	₱61,848,643	₱472,498,374	₱-	₱-	₱-	₱534,347,017
Costs and expenses	(124,011,195)	(288,755,112)	(145,822)	(105,889,086)	-	(518,801,215)
Operating income (loss)	(62,162,552)	183,743,262	(145,822)	(105,889,086)	-	15,545,802
Interest expense	(2,284,842)	(41,807,979)	-	(57,935,065)	-	(102,027,886)
Impairment losses - net	-	-	-	(3,448,203)	-	(3,448,203)
Interest income	20,164	1,007,044	-	111,918	-	1,139,126
Other income (charges) - net	195,384	2,555,989	-	121,249,896	-	124,001,269
Provision for income tax	(38,760,539)	39,664,372	-	27,377,802	-	28,281,635
	(₱25,471,307)	₱105,833,944	(₱145,822)	(₱73,288,342)	₱-	₱6,928,473

2022						
	Mining	Real Estate	Service Contracts	Others	Eliminations	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)	-	349,893,322
Provision for income tax	-	94,528,677	-	(5,345,001)	-	89,183,676
	(₱36,529,614)	₱570,734,062	₱174,937	(₱485,545,101)	₱-	₱48,834,284

2021						
	Mining	Real Estate	Service Contracts	Others	Eliminations	Total
Revenues	₱174,681,141	₱173,933,534	₱502,880	₱-	₱-	₱349,117,555
Costs and expenses	(180,568,345)	(147,299,561)	(1,744,113)	(117,305,971)	-	(446,917,990)
Operating income (loss)	(5,887,204)	26,633,973	(1,241,233)	(117,305,971)	-	(97,800,435)
Interest expense	(2,753,478)	(47,573,517)	-	(63,829,345)	-	(114,156,340)
Interest income	21,235	24,335	-	2,634,807	-	2,680,377
Other income (charges) - net	(3,149,816)	66,656,561	60,000	34,429,348	-	97,996,093
Provision for income tax	(246,588)	(46,460,236)	-	(22,386,349)	-	(69,093,173)
	(₱11,522,675)	₱92,201,588	(₱1,181,233)	(₱121,684,812)	₱-	(₱42,187,132)

Disaggregated Revenue Information

The Group's disaggregation of each source of revenue from contracts with customers in 2023, 2022 and 2021 are presented below:

	2023	2022	2021
By type of goods or services			
Real estate			
Residential dwellings	₱349,066,820	₱207,137,308	₱104,014,495
Lots	123,431,554	125,810,476	69,919,039
Mining			
Service contracts	61,848,643	112,144,168	174,681,141
Service income	-	445,030	502,880
	₱534,347,017	₱445,536,982	₱349,117,555

5. Cash

This account consists of:

	2023	2022
Cash on hand	₱16,741,033	₱16,027,072
Cash in banks	119,677,544	53,702,522
	₱136,418,577	₱69,729,594

Cash in banks earn interest at the prevailing bank deposit rates. Interest income earned from cash in banks amounted to ₱0.2 million, ₱0.05 million and ₱0.07 million in 2023, 2022 and 2021, respectively.

6. Receivables

This account consists of:

	Note	2023	2022
Contract receivables		₱403,009,914	₱316,621,402
Advances to officers and employees	16	114,926,556	104,226,695
Trade receivables		8,843,811	24,426,819
Others		4,636,569	4,636,569
		531,416,850	449,911,485
Less allowance for ECL		7,583,805	7,583,805
		₱523,833,045	₱442,327,680

Contract receivables arise from sale of real estate properties. These receivables are collectible in monthly installment over a period of one to 10 years and bear annual effective interest rates ranging from 8.00% to 16.00%. Titles to real estate properties are not transferred to the buyers until full payment is made. Interest income from contracts receivable amounted to ₱1.0 million, ₱1.7 million and ₱2.6 million in 2023, 2022 and 2021, respectively.

Advances to officers and employees represent unsecured, noninterest-bearing cash advances for business-related expenditures that are liquidated 30 days from the date the cash advances are made.

Trade receivables, net of allowance for ECL, include short-term and noninterest-bearing receivable arising from hauling services operations. Credit terms for trade receivables are 30 to 60 days.

Other receivables mainly consist of nontrade receivables from various individuals, which are noninterest-bearing and are due and demandable.

Contract Balances

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

	2023	2022
Due within one year	₱384,356,917	₱34,842,065
Due after one year	3,615,315	69,581,924
	₱387,972,232	₱104,423,989

Contract liabilities amounted to ₱10.7 million and ₱25.1 million as at December 31, 2023 and 2022, respectively.

Contract receivables and contract assets with a total amount of ₱216.0 million and ₱58.6 million as at December 31, 2023 and 2022, 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 13).

Movements in the allowance for ECL during 2022 are as follows:

	Note	Contract Receivables and Contract Assets	Trade Receivables	Others	Total
Balance at beginning of year		₱23,681,600	₱-	₱4,636,569	₱28,318,169
Provision	21	-	-	29,181,818	29,181,818
Write-off		-	-	(29,181,818)	(29,181,818)
Reversal	22	(20,734,364)	-	-	(20,734,364)
Balance at end of year		₱2,947,236	₱-	₱4,636,569	₱7,583,805

7. Real Estate Held for Sale

This account consists of:

	2023	2022
Real estate under development and subdivided lots held for sale	₱652,429,791	₱730,094,443
Land and land development	86,591,187	81,599,785
	₱739,020,978	₱811,694,228

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

	2023	2022
Balance at beginning of year	₱730,094,443	₱580,960,307
Cost of real estate sales	(226,704,988)	(147,183,575)
Construction development costs incurred	149,040,336	296,317,711
Balance at end of year	₱652,429,791	₱730,094,443

Real estate under development and subdivided lots held for sale include on-going residential projects of the Group. The estimated cost to complete the projects amounted to ₱132.0 million and ₱217.1 million as at December 31, 2023 and 2022, respectively.

Certain lots and units with carrying amount of ₱52.7 million as at December 31, 2023 and 2022 are held as collateral for the Group's bank loans (see Note 13).

8. Other Current Assets

This account consists of:

	2023	2022
Input VAT	₱56,638,743	₱47,808,320
Advances to suppliers and contractors	15,998,477	16,734,933
Security deposits	1,380,592	1,191,592
Supplies	1,014,277	1,014,278
Prepayments	215,080	433,780
Others	816,504	145,696
	76,063,673	67,328,599
Less allowance for impairment losses	4,502,030	4,502,030
	₱71,561,643	₱62,826,569

Details of input VAT as at December 31, 2023 and 2022 are as follows:

	2023		2022	
	Current	Noncurrent (see Note 12)	Current	Noncurrent (see Note 12)
Input VAT	₱56,638,743	₱4,893,381	₱47,808,320	₱8,007,881
Less allowance for impairment losses	4,502,030	4,377,303	4,502,030	4,377,303
	₱52,136,713	₱516,078	₱43,306,290	₱3,630,578

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.

9. 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, 2023.

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, 2023, 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 ₱426.3 million and ₱418.0 million as at December 31, 2023 and 2022, respectively. Additions to deferred exploration costs amounted to ₱8.2 million, ₱4.2 million and ₱10.1 million in 2023, 2022 and 2021, respectively.

No impairment loss was recognized in 2023, 2022 and 2021.

10. Investment Properties

Below are the investment properties of the Group per location as at December 31:

	2023	2022
Puerto Princesa City, Palawan		
Site I	₱2,099,754,000	₱1,964,770,000
Site II	53,731,000	50,277,000
	2,153,485,000	2,015,047,000
Cabanatuan City, Nueva Ecija	8,513,400	8,513,400
	₱2,161,998,400	₱2,023,560,400

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:

	2023	
	Site I	Site II
Land area (square meter)	4,999,414	127,932
Price per square meter	₱420	₱420
Fair value	₱2,099.75 million	₱53.73million
	2022	
	Site I	Site II
Land area (square meter)	4,999,414	127,932
Price per square meter	₱393	₱393
Fair value	₱1,964.77 million	₱50.28 million

The investment property located in Cabanatuan City, Nueva Ecija approximates its fair value as at December 31, 2023 and 2022.

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 ₱138.4 million, ₱323.0 million and ₱25.6 million 2023, 2022 and 2021, respectively.

As at December 31, 2023 and 2022, investment properties amounting to ₱68.1 million were used as collateral for convertible loans and callable loans (see Note 13).

11. Property and Equipment

The movements of this account are as follows:

	2023							Total
	Office Space Building and Office Space Improvements	Heavy Equipment	Leasehold Improvements	Furniture and Fixtures	Transportation Equipment	Office and Other Equipment		
Cost								
Balance at beginning of year	₱20,491,323	₱437,036,842	₱9,173,965	₱3,249,579	₱69,822,638	₱65,812,311		₱605,586,658
Additions	222,009	2,681,616	163,735	651,597	2,695,000	842,157		7,256,114
Balance at end of year	20,713,332	439,718,458	9,337,700	3,901,176	72,517,638	66,654,468		612,842,772
Accumulated Depreciation and Amortization								
Balance at beginning of year	12,908,567	356,664,311	9,173,965	3,189,671	56,918,560	55,348,477		494,203,551
Depreciation and amortization	2,789,405	39,279,531	119,335	554,636	6,232,317	1,843,358		50,818,582
Balance at end of year	15,697,972	395,943,842	9,293,300	3,744,307	63,150,877	57,191,835		545,022,133
Accumulated Impairment								
Balance at beginning and end of year	3,645,404	34,515,607	–	–	1,318,280	–		39,479,291
Net Carrying Amount	₱1,369,956	₱9,259,009	₱44,400	₱156,869	₱8,048,481	₱9,462,633		₱28,341,348

	2022							Total
	Office Space Building and Office Space Improvements	Heavy Equipment	Leasehold Improvements	Furniture and Fixtures	Transportation Equipment	Office and Other Equipment		
Cost								
Balance at beginning of year	₱20,384,323	₱437,036,842	₱9,173,965	₱3,295,271	₱67,744,489	₱60,667,409		₱598,302,299
Additions	107,000	–	–	–	2,078,149	5,354,293		7,539,442
Disposal	–	–	–	(45,692)	–	(209,391)		(255,083)
Balance at end of year	20,491,323	437,036,842	9,173,965	3,249,579	69,822,638	65,812,311		605,586,658
Accumulated Depreciation and Amortization								
Balance at beginning of year	12,704,626	294,653,218	9,012,508	3,181,704	51,777,189	52,384,062		423,713,307
Depreciation and amortization	203,941	62,011,093	161,457	53,659	5,141,371	3,173,806		70,745,327
Disposal	–	–	–	(45,692)	–	(209,391)		(255,083)
Balance at end of year	12,908,567	356,664,311	9,173,965	3,189,671	56,918,560	55,348,477		494,203,551
Accumulated Impairment								
Balance at beginning and end of year	3,645,404	34,515,607	–	–	1,318,280	–		39,479,291
Net Carrying Amount	₱3,937,352	₱45,856,924	₱–	₱59,908	₱11,585,798	₱10,463,834		₱71,903,816

As at December 31, 2023 and 2022, transportation equipment with a carrying amount of ₱1.8 million and ₱2.5 million, respectively, were used as collateral for mortgage loans (see Note 13).

In 2021, the Group disposed property and equipment with carrying amount of ₱11.2 million resulting to a loss of ₱417,573.

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

	Note	2023	2022	2021
Cost of services -	19			
Property and equipment		₱45,298,511	₱64,031,465	₱79,439,916
General and administrative expenses:	20			
Property and equipment		5,520,071	6,713,862	7,283,350
ROU assets	27	764,156	581,109	669,880
		6,284,227	7,294,971	7,953,230
		₱51,582,738	₱71,326,436	₱87,393,146

12. Other Noncurrent Assets

This account consists of:

	Note	2023	2022
Intangible assets		₱210,135,521	₱210,135,521
Goodwill		15,701,804	15,701,804
Deferred input VAT	8	4,893,381	8,007,881
ROU assets	27	186,614	950,770
Receivable from PAGCOR		–	3,042,702
Others		662,061	662,061
		231,579,381	238,500,739
Less allowance for impairment losses on:			
Intangible assets		207,702,511	207,297,010
Deferred input VAT	8	4,377,303	4,377,303
		212,079,814	211,674,313
		₱19,499,567	₱26,826,426

Intangible Assets

Intangible assets include CUBES's exclusive right to distribute specific types of thermo chillers in the Philippines with a cost of ₱150.5 million.

As at December 31, 2023 and 2022, 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 ₱59.6 million and a related allowance for impairment losses of ₱57.2 million and ₱56.8 million as at December 31, 2023 and 2022, respectively. Provision for impairment loss recognized in 2023, 2022 and 2021 amounted to ₱405,501 (see Note 21).

Goodwill

The Group's goodwill pertains to: (a) the acquisition of PGDI in April 2012 amounting to ₱9.5 million, (b) the acquisition of additional interest in CUBES in February 2015 amounting to ₱2.6 million and (c) the acquisition of GLCI in June 2015 amounting to ₱6.2 million.

As at December 31, 2023 and 2022, goodwill pertaining to CUBES is fully provided with allowance for impairment.

As at December 31, 2023 and 2022, no allowance for impairment was recognized on goodwill related to PGDI and GLCI. The recoverable amounts of goodwill were determined based on value-in-use calculations using cash flow projections from financial budgets approved by management.

The pre-tax discount rate applied to the cash flow projection is 6.0%. The growth rate used to extrapolate the cash flows of until beyond the five-year period is 5.0%. Management believes that no reasonably possible change in any of the above key assumptions would cause the carrying amounts to exceed the recoverable amounts.

Receivable from PAGCOR

In 2011, the Group received a notice of garnishment amounting to ₱3.0 million in connection with a complaint filed against Blue Sky Philko, wherein the Group was made as a co-defendant. The Group's commission from PhilWeb for the same amount was placed under the custody of PAGCOR.

In 2023, the Group provided impairment loss amounting to ₱3.0 million, which was also written off in the same year when Blue Sky Philko lost the legal case in 2023 (see Note 21).

13. Loans Payable

Short-term Loans

Short-term loans of the Group consist of:

	2023	2022
Unsecured	₱140,468,862	₱306,754,632
Convertible	100,000,000	100,000,000
Callable	–	22,000,000
	₱240,468,862	₱428,754,632

Unsecured

Unsecured short-term loans consist of:

	2023			
	Banks	Officers and Shareholders	Third Parties	Total
Balance at beginning of year	₱9,500,000	₱34,025,000	₱263,229,632	₱306,754,632
Availments (payments)	(9,500,000)	3,375,000	(160,160,770)	(166,285,770)
Balance at end of year	₱–	₱37,400,000	₱103,068,862	₱140,468,862

	2022			
	Banks	Officers and Shareholders	Third Parties	Total
Balance at beginning of year	₱6,000,000	₱34,025,000	₱214,529,632	₱254,554,632
Availments	3,500,000	–	48,700,000	52,200,000
Balance at end of year	₱9,500,000	₱34,025,000	₱263,229,632	₱306,754,632

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:

Banks	6.50% to 6.75%
Officers and shareholders	6.00%
<u>Third parties</u>	<u>7.50% to 12.00%</u>

Interest expense on unsecured short-term loans amounted to ₱21.0 million, ₱27.8 million and ₱35.9 million in 2023, 2022 and 2021, respectively (see Note 24).

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 16).

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 7).

Interest expense on convertible loans recognized in profit or loss amounted to ₱9.2 million, ₱12.0 million and ₱24.7 million in 2023, 2022 and 2021, respectively (see Note 24).

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.

Callable

The callable loan pertains to a ₱22.0 million loan from Kapatiran sa Kasaganaan Service & Multi-Purpose Cooperative (KSK), subject to 8% interest. The loan was fully settled in 2023.

The loan proceeds were used to finance the Group's land developments in Nagtabon beach property and to finance the purchase of certain properties.

No interest expense was capitalized as part of land development under "Real estate held for sale" in 2023, 2022 and 2021.

Long-term Loans

Long-term loans consist of:

	Note	2023	2022
Secured by:			
Contract receivables and contract assets	6	₱215,973,554	₱58,563,490
Real estate mortgage		142,623,320	169,120,682
Unsecured			
Mortgaged - car loans		3,309,523	2,096,774
		484,895,597	379,879,400
Less noncurrent portion			
		389,033,460	127,986,999
Current portion			
		₱95,862,137	₱251,892,401

Details of long-term loans as at December 31, 2023 and 2022 are as follows:

Party	Terms	2023		2022	
		Principal	Outstanding Balance	Principal	Outstanding Balance
Secured by Contract Assets and Receivables					
Bank of the Philippine Islands (BPI)					
	Five years; 3.08% per annum	₱165,990,000	₱121,790,759	₱42,220,000	₱42,220,000
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	8,004,111	200,000,000	16,343,490
		452,168,684	215,973,554	242,220,000	58,563,490
Secured by Real Estate Mortgage					
Philippine Veterans Bank (PVB)					
	Five years; 9.65% to 10.99% per annum	314,000,000	80,285,537	314,000,000	107,127,019
Rang-ay Bank	Three years; 8.87% per annum	47,500,000	45,000,000	47,500,000	47,500,000
Sterling Bank of Asia, Inc.	Three years; 8.00% per annum	10,000,000	10,000,000	–	–
Tanay Rural Bank	Two years; 18.00% per annum	20,000,000	7,337,783	20,000,000	14,376,212
Maybank Philippines, Inc.	Five years; 8.00% to 9.00% per annum	–	–	150,000,000	117,451
		391,500,000	142,623,320	531,500,000	169,120,682
Unsecured					
Individuals					
	Two to three years; 11.60% to 20.60% per annum	178,022,058	99,000,000	178,022,058	118,229,254
Zambales Bank	Five to 10 years; 8.00% per annum	32,000,000	23,989,200	32,000,000	31,869,200
		210,022,058	122,989,200	210,022,058	150,098,454
Mortgaged - Car Loans					
Security Bank					
	Five years; 9.93% per annum	6,076,000	3,309,523	1,956,000	1,827,366
Union Bank of the Philippines					
	Five years; 9.40% to 9.70% per annum	–	–	2,548,000	269,408
		6,076,000	3,309,523	4,504,000	2,096,774
		₱1,059,766,742	₱484,895,597	₱988,246,058	₱379,879,400

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 6).

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 33.0% 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 11).

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, 2023, the Group was able to meet the required debt covenants. As at December 31, 2022, the Group was able to meet the required debt covenants, except for debt-to-equity ratio, debt-to-service coverage ratio and cross default covenant, resulting to the reclassification of loans payable amounting to ₱75.0 million from noncurrent liabilities to current liabilities as at December 31, 2022. Total outstanding balance of loans payable with breached debt covenants amounted to ₱107.2 million as at December 31, 2022 under current liabilities.

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

	2023	2022
Less than one year	₱95,862,137	₱251,892,401
One to two years	389,033,460	127,986,999
	₱484,895,597	₱379,879,400

Interest expense on long-term loans recognized in the consolidated statements of comprehensive income amounted to ₱41.8 million, ₱42.7 million and ₱36.3 million in 2023, 2022 and 2021, respectively (see Note 24).

14. Trade and Other Payables

This account consists of:

	Note	2023	2022
Trade payables		₱95,769,560	₱106,754,071
Accrued expenses		235,003,960	199,806,927
Customers' deposits and advances		81,000,000	81,000,000
Customer's refunds		48,596,068	55,791,003
Deferred output VAT		41,305,572	34,319,631
Capital gains tax payable		26,940,000	26,940,000
Voucher's payable		6,126,456	7,375,293
Output VAT payable		463,648	10,233,373
Current portion of lease liabilities	27	239,478	799,331
Advances from shareholders	16	-	22,053,982
Purchased land payable		-	5,677,930
Others		37,520,648	32,591,364
		₱572,965,390	₱583,342,905

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.

Advances from shareholders pertain to the outstanding advances from PHA's shareholders in relation to the expenses incurred on the development activities of Panitian Limestone Project.

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

Purchased land payable pertains to noninterest-bearing payable to a real estate property seller under the terms of agreement executed by the Group for the purchase of land.

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.

15. Advances from Third Parties

As at December 31, 2023 and 2022, the Group has noninterest-bearing advances from third parties aggregating ₱100.0 million for future equity interest to the Group.

16. 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, 2023, 2022, and 2021, 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:

	Relationship	Note	Year	Transaction Amounts	Outstanding Balance	Terms	Conditions
Receivables							
Advances	Officers	6	2023	₱10,702,385	₱115,099,078	Due and demandable; non-interest bearing	Unsecured
			2022	40,502,391	104,226,695		
Loans from officers and shareholders							
Short-term loans	Officers and shareholders	13	2023	₱3,375,000	₱37,400,000	180 days to 360 days; 6.00% interest rate	Unsecured
			2022	–	34,025,000		
Convertible loans							
	Related party	13	2023	₱–	₱100,000,000	3 years; 6.50% interest rate; convertible to WPP shares or lots of WPP real estate properties	Secured by real estate properties
			2022	–	100,000,000		
Trade and other payables							
Management fees	Officers	14	2023	₱6,765,500	₱–	Due and demandable; non-interest bearing	Unsecured
			2022	4,907,121	–		
Payments on behalf	Officers		2023	–	–	Due and demandable; non-interest bearing	Unsecured
			2022	11,771,567	–		
Advances from shareholders	Shareholders		2023	22,053,982	–	Due and demandable; non-interest bearing	Unsecured
			2022	115,725,755	22,053,982		
			2023		₱–		
			2022		22,053,982		

Compensation of Group's Key Management Personnel

Compensation of the Group's key management personnel consists of short-term employee benefits amounting to ₱51.6 million, ₱38.8 million and ₱39.8 million in 2023, 2022, and 2021, respectively. There are no post-employment benefits in 2023, 2022 and 2021. 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.

17. 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:

	2023	2022	2021
Interest expense on defined benefit obligation	₱3,175,522	₱1,486,500	1,401,535
Service cost	3,099,557	12,438,772	₱5,460,233
	₱6,275,079	₱13,925,272	₱6,861,768

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

	2023	2022	2021
Actuarial gains (losses) due to:			
Experience adjustments	₱41,301,665	(₱3,589,199)	₱6,144,152
Changes in:			
Financial assumptions	(387,845)	870,448	5,648,029
Demographic assumptions	-	-	396,139
Remeasurement gains (losses) on defined benefit obligation	40,913,820	(2,718,751)	12,188,320
Income tax effect	(10,228,456)	679,688	(494,020)
Remeasurement gains (losses)	₱30,685,364	(₱2,039,063)	₱11,694,300

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

	2023	2022
Equity attributable to equity holders of the Parent		
Balance at beginning of year	₱9,792,086	₱10,913,571
Actuarial gain (loss)	28,631,883	(1,495,313)
Total	38,423,969	9,418,258
Income tax effect	(7,157,971)	373,828
Balance at end of year	31,265,998	9,792,086
Equity attributable to noncontrolling interests		
Balance at beginning of year	(368,246)	549,333
Actuarial gain (loss)	12,281,937	(1,223,438)
Total	11,913,691	(674,105)
Income tax effect	(3,070,485)	305,859
Balance at end of year	8,843,206	(368,246)
	₱40,109,204	₱9,423,840

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

	2023	2022
Balance at beginning of year	₱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 on defined benefit obligation	3,175,522	1,486,500
Service cost	3,099,557	12,438,772
Benefits paid	-	(279,700)
	₱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:

	Discount Rate		Future Salary Increase Rate	
	2023	2022	2023	2022
PHA	6.06%	7.14%	5.00%	5.00%
PGDI	6.11%	7.03%	10.00%	10.00%
GLC	6.03%	7.13%	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:

	2023			
	Increase (Decrease)	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)	(266,376)

	2022			
	Increase (Decrease)	Effect on the retirement benefit obligation		
		PHA	PGDI	GLC
Discount rate	+100bps	(₱312,525)	(₱5,115,566)	(₱6,137,876)
	-100bps	378,442	5,985,105	5,387,073
Salary increase	+100bps	286,443	4,467,900	6,166,334
	-100bps	(243,508)	(3,949,569)	(5,355,995)

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:

	2023	2022
More than one year to five years	₱8,321,450	₱11,619,395
More than five years to 10 years	5,240,930	12,963,724
More than 10 years to 15 years	4,059,798	1,661,955
More than 15 years to 20 years	1,525,575	1,457,797
More than 20 years	13,736,123	9,933,531
Total	₱32,883,876	₱37,636,402

18. Equity

Capital Stock

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

	2023		2022		2021	
	Number of Shares	Amount	Number of Shares	Amount	Number of Shares	Amount
Authorized - ₱0.25 par value per share						
Balance at beginning of year	6,000,000,000	₱1,500,000,000	6,000,000,000	₱1,500,000,000	2,254,224,000	₱563,556,000
Increase	-	-	-	-	3,745,776,000	936,444,000
	6,000,000,000	₱1,500,000,000	6,000,000,000	₱1,500,000,000	6,000,000,000	₱1,500,000,000
Issued and Fully Paid						
Balance at beginning of year	3,456,388,489	₱864,097,122	2,557,147,557	₱639,286,889	2,254,117,253	₱563,529,313
Shares fully paid during the year	2,184,017,129	546,004,282	287,422,924	71,855,731	-	-
Additional subscription	-	-	611,818,008	152,954,502	303,030,304	75,757,576
Balance at end of year	5,640,405,618	1,410,101,404	3,456,388,489	864,097,122	2,557,147,557	639,286,889
Subscribed but not Yet Fully Paid						
Balance at beginning of year	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	-	-	-	-	2,539,393,939	634,848,485
Balance at end of year	67,953,886	16,988,472	2,251,971,015	562,992,754	2,539,393,939	634,848,485
Less subscriptions receivable						
Balance at beginning of year		419,593,050		473,484,848		-
Collections		(406,851,696)		(53,891,798)		-
Additional subscription		-		-		473,484,848
Balance at end of year		12,741,354		419,593,050		473,484,848
	67,953,886	4,247,118	2,251,971,015	143,399,704	2,539,393,939	161,363,637
Issued and Subscribed	5,708,359,504	₱1,414,348,522	5,708,359,504	₱1,007,496,826	5,096,541,496	₱800,650,526

On May 2, 1997, the Parent Company had 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 and 141 existing shareholders as at December 31, 2023 and 2022, 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 shares 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 ₱625.00 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 subscriptions.

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 and ₱480.5 million as at December 31, 2023 and 2022, respectively, and the equity component of the issued convertible loans amounting to ₱18.7 million as at December 31, 2023 and 2022.

Subscriptions Receivable

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

	2023			2022		
	Capital Stock	APIC	Total	Capital Stock	APIC	Total
Balance at beginning of year	₱419,593,050	₱134,269,776	₱553,862,826	₱473,484,848	₱151,515,152	₱625,000,000
Collection	(406,851,696)	(130,292,543)	(537,144,239)	(53,891,798)	(17,245,376)	(71,137,174)
Balance at end of year	₱12,741,354	₱3,977,233	₱16,718,587	₱419,593,050	₱134,269,776	₱553,862,826

In 2021, the Company received an interest for late payment of subscriptions amounting to ₱12.4 million (see Note 22).

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 ₱30.0 million, ₱31.0 million and ₱14.3 million in 2023, 2022 and 2021, respectively (see Note 24).

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 2023 and 2022, the Group recognized commitment fees to LDA amounting to ₱12.5 million and ₱18.4 million, respectively (see Note 20).

Deposit for Future Stock Subscription

Deposit for future stock subscription of ₱113.0 million was applied against the increase in PHA’s authorized capital stock in 2021. The increase in authorized capital to ₱1.5 billion, divided into 6,000,000,000 common shares at ₱0.25 par value was approved by the Philippine SEC on August 23, 2021.

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 PHA 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.

On November 17, 2021, the BOD approved the increase in PHA’s increase in authorized capital stock from ₱1.5 billion, divided into 6,000,000,000 common shares at ₱0.25 par value a share to ₱2.5 billion, divided into 10,000,000,000 shares at ₱0.25 par value a share. This was ratified by the shareholders on December 17, 2021.

As at 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, 2023 and 2022 include accumulated earnings of the subsidiaries aggregating ₱1.2 billion and ₱1.1 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, 2023 and 2022.

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. As at reporting date, the SEC’s approval on the property and cash dividends is still pending.

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 13).

No changes were made in the Group's capital management objectives, policies or processes in 2023, 2022, and 2021.

Noncontrolling Interests

Noncontrolling interests consist of the following:

Name of Subsidiary	Percentage of Ownership			Equity Attributable to Noncontrolling Interest		
	2023	2022	2021	2023	2022	2021
PGDI	69.22%	69.22%	69.22%	₱167,583,718	₱166,146,541	₱188,440,308
PHMIC	68.44%	68.44%	68.44%	1,698,484	1,714,422	1,730,360
PSMVI	68.22%	68.22%	68.22%	1,849,444	1,865,493	1,881,542
GLCI	55.00%	55.00%	55.00%	225,904,741	178,090,950	137,324,226
CUBES	51.00%	51.00%	51.00%	25,753,082	25,790,832	25,817,764
				₱422,789,469	₱373,608,238	₱355,194,200

Net income (loss) attributable to noncontrolling interest follows:

Name of Subsidiary	Percentage of Ownership			Net Income (Loss) Attributable to Noncontrolling Interest		
	2023	2021	2020	2023	2022	2021
PGDI	69.22%	69.22%	69.22%	(₱8,040,122)	(₱22,293,767)	(₱14,749,311)
PHMIC	68.44%	68.44%	68.44%	(15,938)	(15,938)	(15,780)
PSMVI	68.22%	68.22%	68.22%	(16,049)	(16,049)	(15,890)
GLCI	55.00%	55.00%	55.00%	48,079,638	41,684,302	20,445,551
CUBES	51.00%	51.00%	51.00%	(37,750)	(26,932)	(24,745)
				₱39,969,779	₱19,331,616	₱5,639,825

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

Statements of Income:

	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 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 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)
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	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 expense	13,707,426	-	-	-	-
Net income (loss)	₱92,631,785	(₱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)
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	2021				
	GLCI	PGDI	PHMIC	PSMVI	CUBES
Revenues	₱116,076,391	₱174,681,141	₱-	₱-	₱-
Cost and expenses	(91,029,199)	(219,356,335)	(50,000)	(50,000)	(50,500)
Other income (charges)	26,583,888	(3,149,816)	-	-	-
Income (loss) before income tax	51,631,080	(47,825,010)	(50,000)	(50,000)	(50,500)
Benefit from income tax	(6,280,011)	(246,588)	-	-	-
Net income (loss)	₱57,911,091	(₱47,578,422)	(₱50,000)	(₱50,000)	(₱50,500)
Net income (loss) attributable to noncontrolling interest	₱20,445,551	(₱15,488,045)	(₱15,890)	(₱15,890)	(₱24,745)

Statements of Financial Position:

	2023				
	GLCI	PGDI	CUBES	PHMIC	PSMVI
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)	(52,713,217)	(22,489,583)	(18,290,997)
Noncurrent liabilities	(491,100,545)	(1,841,000)	-	-	-
Equity (capital deficiency)	₱547,776,547	₱531,528,129	(₱52,713,217)	₱219,918,752	₱170,418,752
Equity (capital deficiency) attributable to:					
Equity holders of the Parent	₱322,326,169	₱363,799,084	(₱78,466,299)	₱218,220,268	₱168,569,308
Noncontrolling interest	225,450,378	167,759,045	25,753,082	1,698,484	1,849,444

	2022				
	GLCI	PGDI	CUBES	PHMIC	PSMVI
Current assets	₱983,978,982	₱206,674,644	₱-	₱2,400,000	₱2,450,000
Noncurrent assets	73,054,640	457,553,417	-	235,781,982	182,260,665
Current liabilities	(438,790,898)	(100,436,207)	(52,636,177)	(18,212,730)	(14,241,413)
Noncurrent liabilities	(187,120,594)	(37,435,352)	-	-	-
Equity (capital deficiency)	₱431,122,130	₱526,356,502	(₱52,636,177)	₱219,969,252	₱170,469,252
Equity (capital deficiency) attributable to:					
Equity holders of the Parent	₱253,031,179	₱360,209,961	(₱78,427,009)	₱218,254,830	₱168,603,759
Noncontrolling interest	178,090,951	166,146,541	25,790,832	1,714,422	1,865,493

Statements of Cash Flows:

	2023				
	GLCI	PGDI	CUBES	PHMIC	PSMVI
Operating	(₱107,933,445)	₱62,203,816	(₱134,286)	(₱500)	₱-
Investing	(1,561,170)	(3,375,348)	134,286	500	1,872
Financing	106,549,574	(50,217,623)	-	-	-
Net increase (decrease) in cash	(₱2,945,041)	₱8,610,845	₱-	₱-	₱1,872

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

	2021				
	GLCI	PGDI	CUBES	PHMIC	PSMVI
Operating	₱88,585,484	₱9,235,958	₱-	(₱5,675,871)	(₱4,385,232)
Investing	(407,192)	10,819,281	-	-	-
Financing	(92,398,444)	-	-	5,675,871	4,385,232
Net increase (decrease) in cash	(₱4,220,152)	₱20,055,239	₱-	₱-	₱-

19. Cost of Services

This account consists of:

	Note	2023	2022	2021
Depreciation	11	₱45,298,511	₱64,031,465	₱79,439,916
Personnel cost	25	34,715,612	57,566,230	67,201,593
Repairs and maintenance		15,476,574	20,173,074	23,759,550
Transportation and travel		1,383,594	1,894,015	4,003,640
Fuel and oil		806,940	3,718,532	4,432,306
Utilities		52,166	60,651	152,545
Others		3,250,389	2,029,665	14,105,995
		₱100,983,786	₱149,473,632	₱193,095,545

20. General and Administrative Expenses

This account consists of:

	Note	2023	2022	2021
Professional and legal fees		₱76,252,631	₱57,426,092	₱61,484,495
Personnel cost	25	28,267,741	38,825,770	39,173,799
Taxes and licenses		13,921,621	27,696,120	6,348,475
Commitment fees	18	12,500,000	18,420,003	–
Commissions		11,264,693	8,448,019	9,886,510
Entertainment, amusement and recreation		6,716,698	17,746,630	9,205,178
Depreciation and amortization	11	6,284,227	7,294,971	7,953,230
Rentals and utilities	27	5,544,559	6,784,242	8,271,498
Transportation and travel		5,201,805	6,463,551	5,951,312
Repairs and maintenance		1,657,304	2,417,105	4,196,600
Outside services		1,308,165	2,811,593	5,384,242
Supplies and materials		1,236,721	761,217	577,230
Freight and handling		1,230,124	1,230,124	1,268,121
Advertising and promotions		618,214	1,048,616	1,016,304
Others		19,107,938	21,909,087	18,619,266
		₱191,112,441	₱219,283,140	₱179,336,260

Others pertains to penalties, surcharges, bank charges, printing and stationery and other expenses which are not individually significant amounts.

21. Impairment Losses

This account consists of:

	Note	2023	2022	2021
Provision for impairment loss	6, 12	₱3,042,702	₱29,181,818	₱–
Intangible assets	12	405,501	405,501	405,501
		₱3,448,203	₱29,587,319	₱405,501

22. Other Income (Charges)

This account consists of:

	Note	2023	2022	2021
Loss on a stock transaction		(P17,200,000)	P-	P-
Reversal of impairment on receivables	6	-	20,734,364	-
Share in distributive profit	30	-	2,000,000	54,360,268
Interest on late payment of subscriptions	18	-	-	12,393,692
Others		2,763,269	4,136,958	5,605,133
		(P14,436,731)	P26,871,322	P72,359,093

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 P17.2 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.

23. Income Taxes

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

	2023	2022	2021
Current	P1,658,764	P1,582,757	P95,221
Deferred	26,622,871	87,600,919	(69,188,394)
	P28,281,635	P89,183,676	(P69,093,173)

Provision for current income tax pertains to MCIT in 2023, 2022 and 2021.

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

	2023	2022	2021
Provision for (benefit from) income tax expense at statutory tax rate	P8,802,527	P34,504,490	(P24,052,227)
Tax effects of:			
Nondeductible expense	10,064,670	2,379,892	1,693,791
Expired excess MCIT over RCIT	5,494,750	423,436	471,700
Income subject to final tax	(41,395)	(13,124)	(12,594)
Expired NOLCO	-	29,873,151	19,484,045
Effect of change in income tax rate	-	-	(76,665,640)
Interest expense - accretion (redemption)	-	-	493,149
Change in unrecognized deferred tax assets	3,961,083	22,015,831	9,494,603
	P28,281,635	P89,183,676	(P69,093,173)

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

	2023	2022
Deferred tax assets recognized in profit or loss:		
NOLCO	₱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	4,916,847
Excess of MCIT over RCIT	3,708,097	8,987,200
Allowance for impairment losses on receivables	736,809	736,809
Lease liabilities	59,870	248,013
Unrealized foreign exchange loss	86	7,890
Provisions for administrative fines	–	172,335
	₱71,818,005	₱27,580,919

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

	2023	2022
Deferred tax liabilities recognized in profit or loss:		
Unrealized gain on fair valuation of investment property	₱417,875,500	₱383,266,000
Gross profit on real estate sales	100,716,782	64,339,559
Increase in fair value due to purchase price allocation	66,450,512	66,450,512
Commission - PFRS 15	266,182	201,909
Right-of-use asset	46,654	237,693
	585,355,630	514,495,673
Deferred tax liability recognized in OCI -		
Remeasurement gain on defined benefit obligation	13,928,248	3,699,792
	₱599,283,878	₱518,195,465

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:

	2023	2022
NOLCO	₱556,474,417	₱545,795,998
Allowance for impairment losses	177,723,623	177,318,122
Retirement liability	44,850,751	40,191,656
Excess of MCIT over RCIT	433,419	332,102
	₱779,482,210	₱763,637,878

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	Beginning Balance	Incurred	Applied/Expired	Ending Balance	Valid Until
2023	–	₱208,600,316	₱–	₱208,600,316	2026
2022	218,184,232	–	–	218,184,232	2025
2021	167,502,963	–	–	167,502,963	2026
2020	160,108,803	–	–	160,108,803	2025
	₱545,795,998	₱208,600,316	₱–	₱754,396,314	

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.

The details of the Group’s MCIT which can be claimed as deduction against income tax liability during the stated validity are as follows:

Year Incurred	Beginning Balance	Incurred	Applied/Expired	Ending Balance	Valid Until
2023	₱–	₱649,066	₱–	₱649,066	2026
2022	1,689,199	–	–	1,689,199	2025
2021	1,803,251	–	–	1,803,251	2024
2020	5,494,750	–	(5,494,750)	–	2023
	₱8,987,200	₱1,542,844	(₱5,494,750)	₱4,141,516	

NOLCO and MCIT presented in the above tables include the amount of NOLCO and MCIT of GLCI.

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.

24. Interest Expense

This account consists of:

	Note	2023	2022	2021
Loans payable:	13			
Long-term loans		₱41,807,979	₱42,710,384	₱36,325,097
Unsecured short-term loans		21,048,268	27,830,312	35,884,846
Convertible loans		9,160,022	11,975,187	24,688,107
Share lending agreement	18	29,970,180	31,006,694	14,325,178
Lease liabilities	27	41,437	73,190	63,317
Installment payable		–	–	2,753,478
Others		–	–	116,317
		₱102,027,886	₱113,595,767	₱114,156,340

Interest expense on installment payable was due to a liability arising from the purchase of heavy equipment, which was fully settled during 2021

25. Personnel Costs

This account consists of:

	Note	2023	2022	2021
Cost of services:	19			
Salaries and wages		₱20,140,036	₱35,200,488	₱46,300,688
Retirement benefit cost	17	4,392,993	11,297,717	5,181,334
Other employee benefits		10,182,583	11,068,025	15,719,571
		34,715,612	57,566,230	67,201,593
General and administrative expenses:	20			
Salaries and wages		14,180,538	22,931,782	29,671,546
Retirement benefit cost	17	1,882,086	2,627,556	1,680,434
Other employee benefits		12,205,117	13,266,432	7,821,819
		28,267,741	38,825,770	39,173,799
		₱62,983,353	₱96,392,000	₱106,375,392

26. 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

	2023	2022	2021
Net income (loss) attributable to equity holders of the Parent Company	(₱32,762,270)	₱29,502,668	(₱47,826,957)
Weighted average number of outstanding common shares*	5,162,222,637	4,703,359,131	2,587,197,970
Basic and Diluted Earnings (Loss) Per Share	(₱0.0063)	₱0.0063	(₱0.0185)

*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:

	2023	2022	2021
Number of shares at beginning of year	4,703,359,131	2,587,197,970	2,012,450,586
Weighted average number of Parent Company shares issued during the year	458,863,506	2,116,161,161	574,747,384
	5,162,222,637	4,703,359,131	2,587,197,970

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 2023, 2022 and 2021. Thus, the basic and diluted EPS are the same in 2023 and 2022.

27. 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:

	Note	2023	2022
Cost			
Balance at beginning of year		₱1,521,233	₱1,968,707
Derecognition		–	(1,968,707)
Additions		–	1,521,233
		1,521,233	1,521,233
Accumulated Depreciation			
Balance at beginning of year		570,463	1,958,061
Depreciation	11	764,156	581,109
Derecognition		–	(1,968,707)
Balance at end of year		1,334,619	570,463
Net Carrying Amount		₱186,614	₱950,770

Movements of lease liabilities are as follows:

	Note	2023	2022
Balance at beginning of year		₱992,051	₱243,454
Payments		(794,010)	(845,826)
Interest expense	24	41,437	73,190
Additions		–	1,521,233
Balance at end of year		239,478	992,051
Current portion		(239,478)	(799,331)
Noncurrent portion		₱–	₱192,720

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

	Note	2023	2022	2021
Expenses relating to short-term leases	20	₱3,519,616	₱2,684,388	₱2,865,151
Depreciation expense of ROU assets	11	764,156	581,109	669,880
Interest expense on lease liabilities	24	41,437	73,190	63,317
		₱4,325,209	₱3,338,687	₱3,598,348

28. Financial Assets and Financial Liabilities

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.

To manage its liquidity risk from maturing liabilities, the Group has undertaken various initiatives as discussed in Note 1.

The following table summarizes the maturity profile of the Group's financial liabilities as at December 31, 2023 and 2022 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.

	2023			Total
	120 days	121-360 days	>360 days	
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	142,116,720	-	-	142,116,720
Convertible loan	100,000,000	-	-	100,000,000
Lease liabilities	239,478	-	-	239,478
	₱667,794,799	₱55,919,580	₱389,033,460	₱1,112,747,839

* Excluding lease liabilities, statutory and other nonfinancial liabilities aggregating ₱187.5 million.

	2022			Total
	120 days	121-361 days	>360 days	
Financial Liabilities				
Trade and other payables*	₱374,259,567	₱-	₱-	₱374,259,567
Loans payable:				
Long-term loans	46,495,347	127,695,252	205,688,801	379,879,400
Short-term loans	306,754,632	-	-	306,754,632
Convertible loan	100,000,000	-	-	100,000,000
Callable loans	22,000,000	-	-	22,000,000
Lease liabilities	239,889	559,442	192,720	992,051
	₱849,749,435	₱128,254,694	₱205,881,521	₱1,183,885,650

* Excluding lease liabilities, statutory and other nonfinancial liabilities aggregating ₱181.3 million.

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:

	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	-	2,947,236	403,009,914
Trade	-	8,843,811	8,843,811	-	-	8,843,811
Others	-	-	-	-	4,636,569	4,636,569
Other assets						
Security deposits	-	1,380,592	1,380,592	-	-	1,380,592
	₱519,740,222	₱10,224,403	₱529,964,625	₱-	₱7,583,805	₱537,548,430

	2022					
	Neither Past Due nor Impaired			Past Due but not Impaired	Impaired	Total
	High Grade	Medium Grade	Total			
Cash in banks	₱53,702,522	₱-	₱53,702,522	₱-	₱-	₱53,702,522
Receivables						
Contract receivables	313,674,166	-	313,674,166	-	2,947,236	316,621,402
Trade	-	24,426,819	24,426,819	-	-	24,426,819
Others	-	-	-	-	4,636,569	4,636,569
Other assets						
Receivable from PAGCOR	-	-	-	3,042,702	-	3,042,702
Security deposits	-	1,191,592	1,191,592	-	-	1,191,592
	₱367,376,688	₱25,618,411	₱392,995,099	₱3,042,702	₱7,583,805	₱403,621,606

The Group has determined that the credit quality of all neither past nor impaired financial assets as at December 31, 2023 and 2022 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.

2023						
	Neither Past Due nor Impaired	Past Due but not Impaired			Impaired	Total
		120 days	121-360 days	>360 days		
Cash in banks	P119,677,544	P-	P-	P-	P-	P119,677,544
Receivables:						
Contract receivables	400,062,678	-	-	-	2,947,236	403,009,914
Trade	8,843,811	-	-	-	-	8,843,811
Others	-	-	-	-	4,636,569	4,636,569
Other assets						
Security deposits	1,380,592	-	-	-	-	1,380,592
	P529,964,625	P-	P-	P-	P7,583,805	P537,548,430

2022						
	Neither Past Due nor Impaired	Past Due but not Impaired			Impaired	Total
		120 days	121-360 days	>360 days		
Cash in banks	P53,702,522	P-	P-	P-	P-	P53,702,522
Receivables:						
Contract receivables	313,674,166	-	-	-	2,947,236	316,621,402
Trade	24,426,819	-	-	-	-	24,426,819
Others	-	-	-	-	4,636,569	4,636,569
Other assets						
Receivable from PAGCOR	-	-	-	3,042,702	-	3,042,702
Security deposits	1,191,592	-	-	-	-	1,191,592
	P392,995,099	P-	P-	P3,042,702	P7,583,805	P403,621,606

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 P296.3 million and P165.8 million as at December 31, 2023 and 2022, respectively.

The re-pricing of these instruments is done on intervals of three months.

The following table demonstrates the sensitivity to a reasonably possible change in interest rates with other variables held constant of the Group's income before income tax.

	Increase (Decrease)	Effect on Income Before Income Tax
2023	4.03%	P8,877,687
	(4.03%)	(8,877,687)
2022	2.43%	4,029,133
	(2.43%)	(4,029,133)

29. Supplemental Disclosure of Cash Flow Information

Changes in Liabilities Arising from Financing Activities

	2023						Balance at end of year
	Balance at beginning of year	Noncash Transactions			Cash Transactions		
		Conversion	Interest Accretion	Addition	Proceeds	Payments	
Long-term loans	₱379,879,400	₱-	₱-	₱-	₱253,312,684	(₱148,296,487)	₱484,895,597
Short-term loans	306,754,632	-	-	-	15,000,000	(181,285,770)	140,468,862
Convertible loans	100,000,000	-	-	-	-	-	100,000,000
Lease liabilities	992,051	-	41,437	-	-	(794,010)	239,478
Callable loans	22,000,000	-	-	-	-	(22,000,000)	-
	₱809,626,083	₱-	₱41,437	₱-	₱268,312,684	(₱352,376,267)	₱725,603,937

	2022						Balance at end of year
	Balance at beginning of year	Noncash Transactions			Cash Transactions		
		Conversion	Interest Accretion	Addition	Proceeds	Payments	
Long-term loans	₱295,291,747	₱-	₱-	₱-	₱160,322,826	(₱75,735,173)	₱379,879,400
Short-term loans	254,554,632	-	-	-	120,700,000	(68,500,000)	306,754,632
Convertible loans	100,000,000	-	-	-	-	-	100,000,000
Callable loans	22,000,000	-	-	-	-	-	22,000,000
Lease liabilities	243,454	-	73,190	1,521,233	-	(845,826)	992,051
Deposit for future stock subscription	465,231,457	(465,231,457)	-	-	-	-	-
	₱1,138,036,059	(₱465,231,457)	₱73,190	₱1,521,233	₱281,022,826	(₱145,607,645)	₱809,814,206

	2021						Balance at end of year
	Balance at beginning of year	Noncash Transactions			Cash Transactions		
		Conversion	Interest Accretion	Addition	Proceeds	Payments	
Deposit for future stock subscription	₱113,000,000	(₱113,000,000)	₱-	₱378,688,107	₱86,543,350	₱-	₱465,231,457
Long-term loans	423,865,093	-	-	-	-	(128,573,346)	295,291,747
Short-term loans	225,962,500	-	-	-	34,154,632	(5,562,500)	254,554,632
Convertible loans	495,006,168	(354,000,000)	1,993,831	-	-	(42,999,999)	100,000,000
Callable loans	22,000,000	-	-	-	-	-	22,000,000
Lease liabilities	865,137	-	63,317	-	-	(685,000)	243,454
	₱1,280,698,898	(₱467,000,000)	₱2,057,148	₱378,688,107	₱120,697,982	(₱177,820,845)	₱1,138,036,059

30. Commitments and Contingencies

Service Contract with Cagdianao Mining Corporation (CMC)

The Group has a Saprolite Mining Contract (the Contract) with CMC for the hauling and extraction of mineral ores in the Municipality of Cagdianao, Province of Dinagat Islands. The Contract has been yearly extended by both parties since 2014, with the Group rendering services to CMC starting March 1 until October 31 of each year.

If the Group fails to deliver the required tonnage, CMC shall impose a penalty computed based on the required WMT multiplied by \$0.50 per WMT of materials not delivered.

The Group renders mining services that include loading and hauling, road and bench maintenance, barge loading services and rental of heavy equipment.

Mining-related services revenue recognized by the Group amounted to ₱61.8 million, ₱112.1 million and ₱174.7 million in 2023, 2022 and 2021, respectively. This includes equipment rental amounting to ₱666,830 and ₱518,314 in 2023 and 2021, respectively.

Agreement with Home Trenz Realty Corp. (Home Trenz)

In October 2021, GLCI and Home Trenz entered into an agreement wherein: (a) GLCI will provide ₱25.2 million to acquire certain properties which Home Trenz will subdivide, market and sell under its name; and (b) GLCI is entitled to 300% of its contribution as its share of the profits and return of contribution while Home Trenz is entitled to any surplus profits and proceeds on the sale of the properties.

In 2022 and 2021, the Group recognized its share on the project amounting to ₱2.0 million and ₱54.3 million, respectively. This was included under “Other income (charges)” in the consolidated statements of comprehensive income.

The agreement with Home Trenz ended in 2022.

Contingencies

The Group is involved in legal proceedings relating to transactions with stockholders and former officers and compliance with corporate rules and regulations. Management, in consultation with its legal counsels, believes that the outcome of these proceedings will not have material adverse effect on the financial position and performance of the Group.



**REPORT OF INDEPENDENT AUDITORS'
ON SUPPLEMENTARY SCHEDULE
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 audited in accordance with Philippine Standards on Auditing, the consolidated financial statements of Premiere Horizon Alliance Corporation and Subsidiaries (the Group) as at December 31, 2023 and 2022 and for the years ended December 31, 2023, 2022 and 2021, and have issued our report thereon dated April 12, 2024. Our audits were made for the purpose of forming an opinion on the basic consolidated financial statements taken as a whole. The Supplementary Schedule on Financial Soundness Indicators, including their definitions, formulas, calculation, and their appropriateness or usefulness to the intended users, are the responsibility of the Group's management. These financial soundness indicators are not measures of operating performance defined by Philippine Financial Reporting Standards (PFRS) and may not be comparable to similarly titled measures presented by other companies. This schedule is presented for purposes 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 basic consolidated financial statements prepared in accordance with PFRS. The components of these financial soundness indicators have been traced to the Group's consolidated financial statements as at December 31, 2023 and 2022 and for the years ended December 31, 2023, 2022 and 2021, and no material exceptions were noted.

REYES TACANDONG & Co.

EMMANUEL V. CLARINO

Partner

CPA Certificate No. 27455

Tax Identification No. 102-084-004-000

BOA Accreditation No. 4782; Valid until April 13, 2024

BIR Accreditation No. 08-005144-005-2022

Valid until October 16, 2025

PTR No. 10072405

Issued January 2, 2024, Makati City

April 12, 2024

Makati City, Metro Manila

PREMIERE HORIZON ALLIANCE CORPORATION AND SUBSIDIARIES

SCHEDULE OF FINANCIAL SOUNDNESS INDICATORS

DECEMBER 31, 2023 and 2022

Ratio	Formula	2023	2022
Current Ratio	Total Current Assets divided by Total Current Liabilities	2.06	1.16
	Total Current Assets	₱1,977,263,820	
	Divide by: Total Current Liabilities	959,819,231	
	Current Ratio	2.06	
Acid Test Ratio	Quick assets (Total Current Assets less Inventories and Other Current Assets) divided by Total Current Liabilities	1.09	0.41
	Total Current Assets	₱1,977,263,820	
	Less: Inventories	739,020,978	
	Other Current Assets	71,561,643	
	Quick Assets	1,044,608,539	
	Divide by: Total Current Liabilities	959,819,231	
	Acid Test Ratio	1.09	
Debt-to-Equity Ratio	Total Interest-Bearing Debt divided by Total Equity	0.28	0.67
	Total Interest-bearing Debt	₱725,364,459	
	Total Equity	2,630,246,835	
	Debt to Equity Ratio	0.28	
Asset-to-Equity Ratio	Total Assets divided by Total Equity	1.78	2.03
	Total Assets	₱4,688,804,539	
	Total Equity	2,630,246,835	
	Asset to Equity Ratio	1.78	
Interest Rate Coverage Ratio	Earnings Before Interest and Taxes divided by Total Interest Expense	1.33	2.20
	Net Income Before Income Tax	₱35,210,108	
	Less: Interest Income	1,139,126	
	Add: Interest Expense	102,027,886	
	Earnings Before Interest and Taxes	136,098,868	
	Divide by: Interest Expense	102,027,886	
	Interest Rate Coverage Ratio	1.33	

Ratio	Formula	2023	2022
Return on Equity	Net Income divided by Average Total Equity	0.30%	2.76%
	Net Income	₱6,928,473	
	Average Total Equity	2,342,917,797	
	Return on Equity	0.30%	
Return on Assets	Net Income divided by Average Total Assets	0.16%	3.33%
	Net Income	₱6,928,473	
	Average Total Assets	4,432,362,957	
	Return on Assets	0.16%	
Solvency Ratio	Net Income Before Non-cash Expenses divided by Total Liabilities	3.01%	6.74%
	Net Income	₱ 6,928,473	
	Add: Non-cash Expenses	55,030,941	
	Net Income Before Non-cash Expenses	61,959,414	
	Total Liabilities	2,058,557,704	
	Solvency Ratio	3.01%	
Net Profit Margin	Net Income divided by Total Revenue	1.30%	10.96%
	Net Income	₱6,928,473	
	Total Revenue	534,347,017	
	Net Profit Margin	1.30%	



REPORT OF INDEPENDENT AUDITORS' ON SUPPLEMENTARY SCHEDULES

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 audited in accordance with Philippine Standards on Auditing, the consolidated financial statements of Premiere Horizon Alliance Corporation and Subsidiaries (the Group) as at December 31, 2023 and 2022 and for the years ended December 31, 2023, 2022 and 2021, and have issued our report thereon dated April 12, 2024. Our audits were made for the purpose of forming an opinion on the consolidated financial statements taken as a whole. The accompanying supplementary schedules are the responsibility of the Group's management. These supplementary schedules include the following:

- Schedules required by paragraph 6 Part II of the Revised Securities Regulation Code (SRC) Rule 68
- Parent Company's Reconciliation of Retained Earnings Available for Dividend Declaration
- Map of Group Structure

These supplementary schedules are presented for purposes of complying with the Revised SRC Rule 68, and are not part of the consolidated financial statements. The supplementary information have been subjected to the auditing procedures applied in the audit of the consolidated financial statements, including comparing such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves. In our opinion, the supplementary information is fairly stated in all material respect in relation to the consolidated financial statements taken as a whole.

REYES TACANDONG & Co.

EMMANUEL V. CLARINO

Partner

CPA Certificate No. 27455

Tax Identification No. 102-084-004-000

BOA Accreditation No. 4782; Valid until April 13, 2024

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Valid until October 16, 2025

PTR No. 10072405

Issued January 2, 2024, Makati City

April 12, 2024
Makati City, Metro Manila

PREMIERE HORIZON ALLIANCE CORPORATION AND SUBSIDIARIES
PARENT COMPANY'S RECONCILIATION OF RETAINED EARNINGS AVAILABLE FOR
DIVIDEND DECLARATION
DECEMBER 31, 2023

	Amount
Unappropriated retained earnings, beginning of reporting period	(P519,900,337)
Net loss for the current year	(118,988,829)
Total retained earnings, end of the reporting period available for dividend	(P638,889,166)

**PREMIERE HORIZON ALLIANCE CORPORATION
AND SUBSIDIARIES**

**SEC SUPPLEMENTARY SCHEDULES AS REQUIRED BY
PAR. 6 PART II OF REVISED SRC RULE 68
DECEMBER 31, 2023**

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Schedule B. Amounts Receivable from Directors, Officers, Employees, and Principal Stockholders (Other than Related Parties)

Name and Designation of Debtor	Balance at Beginning of Period	Additions	Amounts Collected	Amounts Written off	Current	Not Current	Balance at End of Period
Officers and employees	₱104,226,695	₱10,699,861	₱-	₱-	₱114,926,556	₱-	₱114,926,556

Schedule C. Amounts Receivable from Related Parties which are eliminated during the Consolidation of Financial Statements

Name and Designation of Debtor	Balance of Beginning of Period	Additions	Amounts Collected	Amounts Written Off	Current	Not Current	Balance at End of Period
Premiere Georesources and Development Inc.	₱-	₱58,053,142	₱-	₱-	₱58,053,142	₱-	₱58,053,142
Pyramid Hill Mining & Industrial Corp.	14,988,045	1,127,422	-	-	16,115,467	-	16,115,467
PH Mining and Development Corporation	14,490,750	147,658	-	-	14,638,408	-	14,638,408
Palawan Star Mining and Ventures, Inc.	11,533,427	874,835	-	-	12,408,262	-	12,408,262
Concepts Unplugged Business Environment Solutions (CUBES), Inc.	1,089,577	134,285	-	-	1,223,862	-	1,223,862
PH Agriforest Corporation	18,022	139,900	-	-	157,922	-	157,922
PH Big Bounty Entertainment, Inc.	2,500	134,534	-	-	137,034	-	137,034
Digiwave Solutions Incorporated	-	8,134	-	-	8,134	-	8,134
	₱42,122,321	₱60,619,910	₱-	₱-	₱102,742,231	₱-	₱102,742,231

Schedule D. Long-term Debt

Title of Issue and Type of Obligation	Amount Authorized by Indenture	Amount Shown Under Caption "Current Portion of Long-term Debt" in Related Balance Sheet	Amount Shown Under Caption "Long-term Debt" in Related Balance Sheet"
Loans Payable:			
Bank of the Philippine Islands (BPI)	₱165,990,000	₱-	₱121,790,759
BPI Family Savings Bank	86,178,684	17,235,737	68,942,947
Philippine Veterans Bank	314,000,000	32,167,936	48,117,601
Rang-ay Bank	47,500,000	3,758,036	41,241,964
Zambales Bank	32,000,000	4,920,000	19,069,200
Sterling Bank of Asia, Inc.	10,000,000	10,000,000	-
Security Bank	200,000,000	1,594,256	6,409,855
Tanay Rural Bank	20,000,000	3,284,804	4,052,979
Security Bank	6,076,000	901,368	2,408,155
Other Financing Institutions	178,022,058	22,000,000	77,000,000
	₱1,059,766,742	₱95,862,137	₱389,033,460

Schedule G. Capital Stock

Title of Issue	Number of shares authorized	Number of shares issued and outstanding as shown under statement of financial position	Number of shares reserved for options, warrants, conversion and other rights	Number of shares held by related parties	Directors, officers and employees	Others
Common stock	6,000,000,000	5,708,359,504	-	-	2,500,087,998	3,208,271,506

PREMIERE HORIZON ALLIANCE CORPORATION AND SUBSIDIARIES

MAP OF GROUP STRUCTURE

DECEMBER 31, 2023 and 2022

