

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-Q

QUARTERLY REPORT PURSUANT TO SECTION 17 OF THE SECURITIES REGULATION CODE AND SRC RULE 17(2)(b) THEREUNDER

1. For the quarterly period ended
Sep 30, 2022
2. SEC Identification Number
147584
3. BIR Tax Identification No.
002-727-376-000
4. Exact name of issuer 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 principal office
Unit 1705, East Tower, Philippine Stock Exchange Centre, Exchange Road, Ortigas
Center, Pasig City
Postal Code
1605
8. Issuer's telephone number, including area code
(02) 8635-7715
9. Former name or former address, and former fiscal year, if changed since last report
Not Applicable
10. Securities registered pursuant to Sections 8 and 12 of the SRC or Sections 4 and 8 of the RSA

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

11. Are any or all of registrant's securities listed on a Stock Exchange?
 Yes No
 If yes, state the name of such stock exchange and the classes of securities listed therein:
 Philippine Stock Exchange Common Shares
12. Indicate by check mark whether the registrant:

(a) has filed all reports required to be filed by Section 17 of the SRC and SRC Rule 17 thereunder or Sections 11 of the RSA and RSA Rule 11(a)-1 thereunder, and Sections 26 and 141 of the Corporation Code of the Philippines, during the preceding twelve (12) months (or for such shorter period 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

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



Premiere Horizon Alliance Corporation PHA

PSE Disclosure Form 17-2 - Quarterly Report *References: SRC Rule 17 and Sections 17.2 and 17.8 of the Revised Disclosure Rules*

For the period ended	Sep 30, 2022
Currency (indicate units, if applicable)	Php 000

Balance Sheet

	Period Ended		Fiscal Year Ended (Audited)	
	Sep 30, 2022		Dec 31, 2021	
Current Assets	1,447,842		1,365,508	
Total Assets	3,814,480		3,770,250	
Current Liabilities	1,338,741		1,293,709	
Total Liabilities	1,961,096		2,281,296	
Retained Earnings/(Deficit)	-10,345		135,971	
Stockholders' Equity	1,853,384		1,488,954	
Stockholders' Equity - Parent	1,507,283		1,133,760	
Book Value per Share	0.26		0.22	

Income Statement

	Current Year (3 Months)	Previous Year (3 Months)	Current Year-To-Date	Previous Year-To-Date
Gross Revenue	141,474	82,160	229,849	266,392
Gross Expense	140,646	99,045	312,906	302,401
Non-Operating Income	983	1,675	4,121	19,547
Non-Operating Expense	35,580	18,615	76,473	59,770

Income/(Loss) Before Tax	-33,769	-33,825	-155,409	-76,232
Income Tax Expense	0	1,003	0	0
Net Income/(Loss) After Tax	-33,769	-32,821	-155,409	-76,232
Net Income Attributable to Parent Equity Holder	-79,515	-28,511	-146,317	-66,802
Earnings/(Loss) Per Share (Basic)	-0.01	-0.01	-	-0.01
Earnings/(Loss) Per Share (Diluted)	-0.01	-0.01	-	-0.01

	Current Year (Trailing 12 months)	Previous Year (Trailing 12 months)
Earnings/(Loss) Per Share (Basic)	-0.01	0.03
Earnings/(Loss) Per Share (Diluted)	-0.01	0.03

Other Relevant Information
-

Filed on behalf by:

Name	Raul Ma. Anonas
Designation	Executive Vice President, Chief Operating Officer, Chief Information Officer (CIO) and SEC Compliance Officer

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-Q
Quarterly Report-3rd Qtr

1 2 3 1
Month Day
Fiscal Year
Meeting

FORM TYPE

1 2 1 7
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.

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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: **September 30, 2022**
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 (PHA)
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 and 12 of the Code, or Sections 4 and 8 of the RSA:

Title of Each Class	Number of shares of common stock outstanding and amount of debt outstanding
<u>COMMON STOCK P 0.25 PAR VALUE</u>	<u>5,708,359,504 COMMON SHARES</u> <u>2,254,117,253 issued and listed</u>
11. Are any or all of the securities listed on the Philippine Stock Exchange?
Yes No (Please refer to Item 10)
12. Indicate by check mark whether the registrant:
 - a. Has filed all reports required to be filed by Section 17 of the Code and SRC Rule 17 thereunder or Sections 11 of RSA and RSA Rule 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 Not Applicable - Issuer has less than 100 holders of securities

b. Has been subject to such filing requirements for the past 90 days.

Yes No Not Applicable - Issuer has less than 100 holders of securities

PART I-FINANCIAL INFORMATION

Item 1. Financial Statements

The unaudited financial statements for the three quarters ending on September 30, 2022 are attached to this Report.

1. The unaudited financial statements are prepared in accordance with generally accepted accounting principles in the Philippines.
2. The same accounting policies and computation methods are applied in the unaudited financial statements and the most recent annual financial statements.

Item 2. Management's Discussion and Analysis of Financial Condition and Operating Results

PHA and its subsidiaries, referred to as the Group in this report, use the following key performance indicators:

1. **Revenues**
2. **Gross Profit (Loss)**
3. **Gross Profit Ratio** [Computed as gross profit divided by revenues]
4. **Net Income (Loss)**
5. **Net Profit Ratio** [Computed as net profit divided by revenues]
6. **Net Profit Attributable to Parent**
7. **12-Month Trailing Net Income (Loss)** [Computed by adding net income (loss) in January-September 2022 to net income (loss) for 2021 reduced by net income (loss) in January-September 2021]
8. **12-Month Trailing Net Income (Loss) per Share** [Computed as 12-month 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]
12. **Return on Investment** [Computed as net income (loss) divided by total investment, shown in the balance sheet as total stockholders' equity]

In Philippine Pesos (PHP)

		September 30, 2022	September 30, 2021	Increase (Decrease)
1.	Revenues	229,848,644	266,391,555	(36,542,912)
2.	Gross Profit (Loss)	70,890,341	71,291,190	(400,849)
3.	Gross Profit (Loss) Ratio	31%	27%	4%
4.	Net Profit (Loss)	(155,409,357)	(76,233,290)	(79,176,067)
5.	Net Profit (Loss) Ratio	(68%)	(29%)	(39%)
6.	Net Profit (Loss) Attributed to Parent	(146,316,719)	(66,801,950)	(79,514,769)

7.	12-Month Trailing Net Income (Loss)	(121,363,489)	143,723,710	(265,087,199)
8.	12-Mo Trailing Earnings (Loss) / Share Basic	(0.02)	0.03	(0.05)
9.	Debt-to-Equity Ratio	1.06 : 1	1.53 : 1	(0.47)
10.	Current Ratio	1.08 : 1	1.06 : 1	0.02
11.	Debt Ratio	0.52 : 1	0.61 : 1	(0.09)
12.	Return on Assets	(0.04) : 1	(0.02) : 1	(0.02)

In the first nine months (Jan-Sep) of 2022, the Group generated gross revenues of Php 229.8 Million (M) broken down into Php 141.5M from real estate sales and Php 88.3M from mining-related services.

Gross profit (loss) for Jan-Sep 2022 and 2021 amounted to Php 70.9M and Php 71.3M, respectively, showing a decrease of Php 0.4M or 0.1%.

The Group's net loss attributable to equity holders of PHA for Jan-Sep 2022 and 2021 amounted to Php 146.3M and Php 66.8M, respectively, showing an increase of Php 79.5M or 119%.

The Group's 12-month trailing net income (loss) for the 12 months ended September 30, 2022 and December 31, 2021 amounted to (Php 121.4M) and Php 143.7M, respectively, showing a decrease of Php 265.1M or 185%.

The Group's trailing net income (loss) per share for Jan-Sep 2022 and 2021 amounted to (Php 0.02) and Php 0.03, respectively.

The Debt-to-Equity Ratios are 1.06 : 1 and 1.53 : 1 for the nine months ended September 30, 2022 and the year ended December 31, 2021, respectively.

The Current Ratios are 1.08 : 1 and 1.06 : 1 for the nine months ended September 30, 2022 and the year ended December 31, 2021, respectively.

The Debt Ratios are 0.52 : 1 and 0.61 : 1 for the nine months ended September 30, 2022 and the year ended December 31, 2021, respectively.

The Returns on Assets are (0.04) : 1 and (0.02) : 1 for the nine months ended September 30, 2022 and the year ended December 31, 2021, respectively.

The following are the causes for the material changes between the account balances as of September 30, 2022 and December 31, 2021 (or September 30, 2021), amounting to at least Php 1M and five percent (5%) of the December 31, 2021 balance for balance sheet accounts (or September 30, 2021 balance for income statement accounts):

Financial Position

- **Cash** – As of September 30, 2022 and December 31, 2021, this account amounted to Php 108.2M and Php 89.8M, respectively, showing an increase of Php 18.4M or 20%. Cash used in operating activities amounted to Php 235.1M; cash used in investing activities amounted to Php 6K; while cash provided by financing activities amounted to Php 259.5M.
- **Contract Assets** – As of September 30, 2022 and December 31, 2021, this account amounted to Php 263.3M and Php 207.2M, respectively, showing an increase of Php

56.2M or 27%. The increase is due to the higher percentage of completion of GLCI projects in Jan-Sep 2022 relative to last year.

- **Receivables** –As of September 30, 2022 and December 31, 2021, this account amounted to Php 81.8M and Php 76.6M, respectively, showing a net increase of Php 5.2M or 7%. The net increase primarily came from mining activities, as the mining season is normally from March to October of each year. Hence, most mining-related receivables were already collected by December 2021.
- **Other Current Assets** – On September 30, 2022 and December 31, 2021, this account amounted to Php 243M and Php 226.5 respectively, showing a net increase of Php 16.5 or 7%. The net increase primarily came from increases in creditable withholding taxes and input taxes.
- **Property and Equipment, Net** – On September 30, 2022 and December 31, 2021, this account amounted to Php 95.8M and Php 135.1M, respectively, showing a decrease of Php 39.3M or 29%. The net decrease primarily came from depreciation expense in Jan-Sep 2022.
- **Other Noncurrent Assets** – On September 30, 2022 and December 31, 2021, this account amounted to Php 9.3M and Php 10.7M, respectively, showing a decrease of Php 1.4M or 13%. The net decrease primarily came from reclassification of input taxes.
- **Trade and Other Payables** – On September 30, 2022 and December 31, 2021, this account amounted to Php 497.3M and Php 575.7M, respectively, showing a decrease of Php 78.4M or 13.6%. The decrease came from payments of trade payables.
- **Contract Liabilities** – On September 30, 2022 and December 31, 2021, this account amounted to Php 58.5M and Php 36.9M, respectively, showing an increase of Php 21.7M or 59%. The net increase primarily came from increases in real estate buyers' deposits in the third quarter.
- **Short-Term Debt** – On September 30, 2022 and December 31, 2021, this account amounted to Php 294.3M and Php 254.6M, respectively, showing an increase of Php 39.7M or 16% due to additional short-term borrowings in 2022 used in operations.
- **Loans Payable** – On September 30, 2022 and December 31, 2021, this account amounted to Php 296.9M and Php 231.2M, respectively, showing an increase of Php 65.7M or 28%. The change is due to the additional loans taken by the real estate business to finance its working capital requirements.
- **Deposits for Future Stock Subscription** – On September 30, 2022 and December 31, 2021, this account amounted to Php 100M and Php 465.2M, respectively, showing a decrease of Php 365.2M or 78%. The net decrease came from conversion of deposits to equity.
- **Capital Stock** – On September 30, 2022 and December 31, 2021, this account amounted to Php 1,007.6M and Php 800.7M, respectively, showing an increase of Php 206.9 million or 26%. The net increase came from the conversion of deposits for future subscriptions to equity.
- **Additional Paid-In Capital** – As of September 30, 2022 and December 31, 2021, this account amounted to Php 499.2M and Php 186.2M, respectively, showing an increase of Php 313M or 168%. The net increase came from the conversion of deposits for future subscriptions to equity and from the collections of subscription receivables.

Performance

- **Revenues** – For Jan-Sep 2022 and 2021, revenues amounted to Php 229.9M and Php 266.4M, respectively, posting a decrease of Php 36.5M or 14%.

Revenue from real estate sales in these nine-month periods amounted to Php 141.5M and Php 109.9M, respectively, showing an increase of Php 31.6M or 29%. The increase arose from the higher percentages of completion met for construction projects in 2022 relative to 2021.

Revenue from mining-related services for Jan-Sep 2022 and 2021 amounted to Php 88.3M and Php 156.5M, respectively, showing a decrease of Php 68.2M or 44%. The decrease is primarily due to lower tonnages hauled due to mine facility and equipment destruction by Typhoon Odet and inclement weather at the mine site.

- **Cost of Real Estate Sold** – The Group's cost of real estate sold in Jan-Sep 2022 and 2021 amounted to Php 58.3M and Php 58M, respectively, showing a minimal increase of Php 279K or 0.5%.
- **Cost of Mining Services** – The Group's cost of mining services for Jan-Sep 2022 and 2021 amounted to Php 100.6M and Php 137.1M, respectively, showing a decrease of Php 36.5M or 27%. The decrease is due to the lower operating cost resulting from lower sales.
- **Professional and Legal Fees** – The Group's professional and legal fees in Jan-Sep 2022 and 2021 amounted to Php 37.7M and Php 24M, respectively, showing an increase of Php 13.7M or 57% change. The increase is due to higher fees paid to professionals.
- **Advertising** – The Group's advertising expenses in Jan-Sep 2022 and 2021 amounted to Php 6.5M and Php 5.8M, respectively, showing an increase of Php 676K or 12%. The increase primarily arose from the additional advertising and marketing incurred by the Group in 2022.
- **Taxes and Licenses** – The Group's taxes and licenses in Jan-Sep 2022 and 2021 amounted to Php 24.7M and Php 8.8M, respectively, showing an increase of Php 15.9M or 181%. The increase primarily arose from the higher taxable transactions incurred by the Group in 2022.
- **Transportation and Travel** – The Group's transportation and travel expenses in Jan-Sep 2022 and 2021 amounted to Php 6.8M and Php 5.7M, respectively, showing an increase of Php 1M or 18% from management's travels to subsidiaries in 2022.
- **Entertainment, Amusement and Recreation** – The Group's entertainment, amusement and recreation expenses for Jan-Sep 2022 and 2021 amounted to Php 18.6M and Php 8.5M, respectively, showing an increase of Php 10.1M or 120%. This arose from higher expenses at PGDI in 2022 relative to last year.
- **Repairs and Maintenance** – The Group's repairs and maintenance in Jan-Sep 2022 and 2021 amounted to Php 2.4M and Php 3.7M, respectively, which shows a decrease of Php 1.3M or 34% change. The decrease primarily arose from the lower maintenance costs of the machinery and equipment of PGDI.
- **Other Expenses** – The Group's other expenses for Jan-Sep 2022 and 2021 amounted to Php 19.6M and Php 13.7M, respectively, showing an increase of Php 5.9M or 43%. The increase primarily came from service fees paid to LDA in the first quarter of 2022.

- **Other Income-Net** – The Group's other income-net in Jan-Sep 2022 and 2021 amounted to Php 2.7M and Php 17.4M, respectively, showing a decrease of Php 14.7M or 84%. The decrease arose from PHA charging interest on long outstanding subscription receivables in 2021 already settled in 2022.
- **Interest Expense** – The Group's interest expense for Jan-Sep 2022 and 2021 amounted to Php 76.5M and Php 59.8M, respectively, showing an increase of Php 16.7M, or 28% change. The increase is due to the higher short-term loans obtained in 2022.

For assessing impairment of goodwill, a test of impairment is performed annually or when circumstances indicate that the carrying value may be impaired.

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: November 14, 2022



CYRINE JERAH V. NAMBONG
Controller/Deputy CIO/DPO

Date: November 14, 2022

PREMIERE HORIZON ALLIANCE CORPORATION AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
As of September 30, 2022

(In Php000.00)

	Unaudited 2022	Audited 2021
ASSETS		
Current Assets		
Cash	108,222	89,846
Contract Assets	263,294	207,166
Receivables	81,828	76,619
Real Estate Held for Sale	751,455	765,386
Other current assets	243,043	226,491
Total current assets	1,447,842	1,365,508
Noncurrent Assets		
Investment property	1,692,025	1,692,025
Noncurrent portion of contract assets	108,212	108,212
Deferred exploration costs	416,700	413,813
Intangible assets	18,642	18,946
Property and equipment	95,803	135,110
Deferred tax assets	25,924	25,924
Right of use assets	11	11
Other noncurrent assets	9,321	10,702
Total Noncurrent assets	2,366,638	2,404,742
Total Assets	3,814,480	3,770,250

LIABILITIES AND STOCKHOLDERS' EQUITY

Current Liabilities		
Trade and other payables	497,344	575,652
Contract liabilities	58,523	36,877
Dividend payable	39,800	39,800
Capital gains tax payable	26,940	26,940
Current portion of long term debt:		
Short -term debt	294,255	254,555
Purchased land payable	2,477	5,678
Loans payable	296,909	231,249
Obligation under finance lease	494	715
Convertible loans	100,000	100,000
Installment payable	-	-
Callable loans	22,000	22,000
Lease liability	-	243
Total Current Liabilities	1,338,741	1,293,709
Noncurrent Liabilities		
Pension Liabilities	28,696	28,696
Convertible loans	-	-
Noncurrent portion of long term debt:		
Loans from officers and shareholders	64,042	64,042
Loans from third parties	-	-
Loans payable	-	-
Lease liability	-	-
Callable loans	-	-
Deposit for future stock subscription	100,000	465,231
Deferred tax liabilities	429,618	429,618
Total Noncurrent Liabilities	622,356	987,587
Total Liabilities	1,961,096	2,281,296

STOCKHOLDER'S EQUITY

Equity attributable to equity holders of the parent		
Capital stock	1,007,497	800,651
Additional paid-in capital	499,218	186,225
Retained earnings	10,345	135,971
Cumulative remeasurement gain on pension liability	10,914	10,914
Equity attributable to Parent	1,507,283	1,133,760
Equity attributable to non-controlling interests	346,102	355,194
Total Equity	1,853,384	1,488,954
Total Liabilities and Equity	3,814,480	3,770,250

PREMIERE HORIZON ALLIANCE CORPORATION AND SUBSIDIARIES
Unaudited Consolidated Statements of Comprehensive Income
For the Period Ended, September 30, 2022

(In Php000.00)

	For nine months ended September 30		For three months ended September 30	
	2022	2021	2022	2021
REVENUES				
Real estate sales	141,504	109,910	97,819	9,145
Mining related services	88,345	156,481	43,654	73,014
Total revenue	229,849	266,392	141,474	82,160
Costs of real estate sold	58,325	58,046	43,341	4,512
Costs of services	100,633	137,055	28,839	54,759
Total Cost of Sales and Services	158,958	195,100	72,280	59,272
GROSS PROFIT	70,890	71,291	69,194	22,888
OTHER COSTS AND EXPENSES				
Professional and legal fees	37,742	24,041	18,138	10,429
Personnel costs	28,868	28,189	10,369	10,089
Advertising	6,480	5,804	2,088	2,239
Taxes and licenses	24,655	8,784	17,296	2,834
Depreciation and amortization	3,725	3,970	987	779
Rent and utilities and supplies	5,059	4,913	1,872	2,087
Transportation and travel	6,758	5,737	2,233	1,765
Entertainment, amusement and recreation	18,648	8,487	11,179	2,625
Repairs and maintenance	2,421	3,677	(660)	816
Others	19,593	13,699	6,864	6,110
	153,948	107,301	68,366	39,773
INCOME(LOSS) BEFORE OTHER INCOME AND CHARGES	(83,057)	(36,010)	828	(16,885)
OTHER INCOME(CHARGES)				
Gain on change in FV of investment property				
Interest income	1,375	2,113	520	584
Other income-net	2,746	17,434	463	1,091
Interest expenses	(76,473)	(59,770)	(35,580)	(18,615)
	(72,352)	(40,223)	(34,597)	(16,939)
INCOME (LOSS) BEFORE TAX	(155,409)	(76,233)	(33,769)	(33,825)
	-67.61%	-28.62%	-39.00%	
PROVISION FOR INCOME TAX				
Current	-	-	-	1,003
Deferred	-	-	-	-
INCOME(LOSS) FOR THE PERIOD	(155,409)	(76,233)	(33,769)	(32,821)
INCOME FROM CONTINUING OPERATION				
Equity holders of the parent	(146,317)	(66,802)	(79,515)	(28,511)
Non-controlling interest	(9,093)	(9,431)	338	(4,310)
	(155,409)	(76,233)	(33,769)	(32,821)
NET INCOME (LOSS) FOR THE PERIOD	(155,409)	(76,233)	(33,769)	(32,821)

PREMIERE HORIZON ALLIANCE CORPORATION AND SUBSIDIARIES
STATEMENTS OF CASH FLOWS
As of September 30, 2022

(In Php000.00)

	For Nine Months Ended September 30	
	2022	2021
CASH FLOWS FROM OPERATING ACTIVITIES		
Income (loss) before income tax	(155,409)	(76,233)
Adjustments for:		
Depreciation and Amortization	47,030	63,553
Interest Expenses	76,473	59,770
Impairment Losses		-
Pension cost		-
Unrealized foreign exchange gain		-
Loss on disposal of property plant and equipment		-
Interest Income	(1,375)	(2,113)
Operating income (loss) before working capital changes	(33,282)	44,977
Decrease (increase) in:		
Receivables	(5,209)	(23,752)
Contract Assets	(56,128)	118,886
Real estate held for sale	13,931	(21,660)
Deferred exploration cost	(2,887)	(8,531)
Other current assets	(16,552)	(37,284)
Increase (decrease) in:		
Trade payables	(78,308)	(132,782)
Contract liabilities	21,646	6,131
Purchased land payables	(3,201)	(12,425)
Other noncurrent liabilities	-	-
Net cash flows from (used in) operation	(159,990)	(66,441)
Interest received	1,375	2,113
Interest paid	(76,473)	(59,770)
Income tax paid	-	-
Net cash flows from (used in) operating activities	(235,088)	(124,098)
CASH FLOWS FROM INVESTING ACTIVITIES		
Cash received from sales of investment in associates		
Acquisition of property and equipment	(7,420)	(1,119)
Rights of use assets	0	-
Decrease (Increase) in other noncurrent assets	1,381	1,689
Net cash (used in) provided by investing activities	(6,038)	570
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from:		
Short term loans	39,700	(66,410)
Callable Loans	-	-
Convertible loans	-	(395,007)
Deposit for future stock subscription	(365,231)	295,249
Payment of:		
Convertible loans		-
Installment payable		-
Obligations under finance lease	(465)	(353)
Short term loans		-
Loans payable	65,660	(73,013)
Cash proceeds from subscription receivable	206,846	237,121
Cash proceeds from additional paid in capital	312,993	68,773
Cash flows from financing activities	259,502	66,360
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	18,376	(57,168)
EFFECT ON CHANGES IN FOREIGN EXCHANGE RATE		
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	89,846	124,523
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	108,222	67,355

PREMIERE HORIZON ALLIANCE CORPORATION AND SUBSIDIARIES
UNADITED STATEMENT OF CHANGES IN EQUITY
As of September 30, 2022

(In 000)

	For Nine Months Ended September 30	
	2022	2021
CAPITAL STOCK		
Issued and subscribed shares	1,007,497	800,651
ADDITIONAL PAID-IN CAPITAL		
	499,218	186,225
UNREALIZED GAIN ON AFS FINANCIAL ASSETS		
	-	-
RETAINED EARNINGS		
Beginning	135,971	186,924
Dilution gain		
Declaration of dividends		
Net income(loss)	(146,317)	(66,802)
Balance at end of the period	(10,345)	120,122
ATTRIBUTABLE TO NON-CONTROLLING INTEREST		
Balance at beginning of the period	355,194	345,648
Additional investment for non-controlling interest		
Net income(loss) attributable to non-controlling interest	(9,093)	(9,432)
Balance at end of the period	346,102	336,216
Cumulative remeasurement gain on pension liabilities	10,914	
TOTAL EQUITY	1,853,384	1,443,214

PREMIERE HORIZON ALLIANCE CORPORATION AND SUBSIDIARIES
NOTES TO UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS
(In Php 000)

1. Corporate Information and Status of Operations

Premiere Horizon Alliance Corporation (PHA or the Parent Company), was incorporated in the Philippines 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.

The Parent Company's registered address is Metro Manila, Philippines. Currently, the Parent Company acts as holding company to Premiere Horizon Alliance Corporation and Subsidiaries (the Group).

On December 29, 2011, the Securities and Exchange Commission (SEC) approved the amended articles of incorporation of the Parent Company which include the following:

- a. Change of name of the corporation from Premiere Entertainment Philippines, Inc. to Premiere Horizon Alliance Corporation;
- b. Reduction in deficit amounting 1,236.44 million by decreasing the authorized capital stock from 1,800.00 million to 563.56 million (see Note 16); and
- c. Amendment of secondary purpose clause to include the authority to engage in non-gaming business such as mining and real estate.

On April 26, 2012, the SEC approved the Parent Company's application on the treatment of quasi-reorganization in the consolidated financial statements.

On May 27, 2013 and September 30, 2014, the stockholders and Board of Directors (BOD), respectively, approved the amendments to the Articles of Incorporation (AOI) of the Parent Company to change the Parent Company's principal place of business to Unit E-1705, 17th Floor, East Tower, Philippine Stock Exchange Center, Exchange Road, Ortigas Center, Pasig City. On November 7, 2014, the SEC approved the amendment to the AOI.

2. Cash

This account consists of:

	Unaudited September 30, 2022	Audited 2021
Cash on hand	875,495	618,910
Cash in banks	107,346,450	89,227,003
	108,221,994	89,845,913

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

3. Receivables - net

This account consists of:

	Unaudited September 30, 2022	Audited 2021
Contract receivables	2,214,406	35,186,931
Trade receivables	27,481,477	1,388,982
Advances to officers and employees	26,117,692	63,724,304
Others	54,332,636	4,636,569
	110,146,211	104,936,786
Less allowance for impairment losses	28,318,170	28,318,169
	81,828,041	76,618,617

Aging of Receivables

	Total	0-30	31-60	61-90	over 90
Trade receivables	27,481,477.42		18,707,111.91		8,774,365.52
Contract receivables	2,214,405.81	887,976.64			1,326,429.17
Advances to employees and officers	26,117,691.95	9,984,120.93			16,133,571.02
Others	54,332,635.89		657,348.51		53,675,287.38
Total	110,146,211.07	10,872,097.57	19,364,460.42	-	79,909,653.09

4. Trade and Other Payables

This account consists of:

	Unaudited September 30, 2022	Audited 2021
Trade payables		
Third parties	59,900,944	95,528,750
Related parties	2,825,687	11,771,567
Customers' Deposits and Advances	97,550,000	100,975,000
Advances from shareholders	2,080,947	137,779,737
Advances from others	0.00	37,114,843
Accrued expenses	17,410,759	76,115,256
Customer refunds	52,737,146	48,463,451
Deferred output vat	33,427,445	30,862,206
Output VAT Payable	13,511,454	13,511,454
Vouchers payable	639,212	6,929,987
Retention payable	325,683	222,357
Others	216,934,387	16,377,060
	497,343,665	575,651,668