

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, 2017
2. SEC Identification Number
147584
3. BIR Tax Identification No.
043-002-727-376
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) 632-7715
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	1,990,480,889

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
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, 2017
Currency (indicate units, if applicable)	PHP 000.00

Balance Sheet

	Period Ended	Fiscal Year Ended (Audited)
	Sep 30, 2017	Dec 31, 2016
Current Assets	3,344,264	2,176,606
Total Assets	4,469,046	3,723,636
Current Liabilities	2,523,758	1,761,566
Total Liabilities	3,574,582	2,790,006
Retained Earnings/(Deficit)	81,808	150,958
Stockholders' Equity	894,465	933,630
Stockholders' Equity - Parent	486,849	533,993
Book Value per Share	0.24	0.3

Income Statement

	Current Year (3 Months)	Previous Year (3 Months)	Current Year-To-Date	Previous Year-To-Date
Gross Revenue	240,089	276,980	575,226	706,817
Gross Expense	238,364	152,140	555,650	554,794
Non-Operating Income	6,786	2,939	14,720	172,604
Non-Operating Expense	30,869	44,525	89,310	77,198

Income/(Loss) Before Tax	-22,358	83,254	-55,014	247,429
Income Tax Expense	255	32,063	6,157	97,070
Net Income/(Loss) After Tax	-22,613	51,191	-61,171	150,359
Net Income Attributable to Parent Equity Holder	-21,267	28,861	-69,150	109,449
Earnings/(Loss) Per Share (Basic)	-0.03	0.05	-0.03	0.07
Earnings/(Loss) Per Share (Diluted)	-0.03	0.05	-0.03	0.06

	Current Year (Trailing 12 months)	Previous Year (Trailing 12 months)
Earnings/(Loss) Per Share (Basic)	-0.08	0.06
Earnings/(Loss) Per Share (Diluted)	-0.08	0.06

Other Relevant Information

No material things to be disclosed.

Filed on behalf by:

Name	Raul Ma. Anonas
Designation	CIO/ COO

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

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

642-0119

Company Telephone Number

SEC FORM 17-Q

1 2 3 1

Month Day

Calendar Year

FORM TYPE

0 5

Month Day

Annual Meeting

Secondary License Type, If Applicable

Dept Requiring this Doc

Amended Articles Number / Section

Total Amount of Borrowings

123

Total No. of Stockholders

Domestic

Foreign

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, 2017**

2. Commission identification number: **147584**

3. BIR Tax Identification No.: **043-002-727-376**

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 Center,
Exchange Road, Ortigas Center, Pasig City. 1605**

8. Registrant's telephone number, including area code: **(02) 632-77-14 to 15**

9. Former name, former address and former fiscal year, if changed since last report:

NOT APPLICABLE

10. Securities registered pursuant to Sections 8 & 12 of the Code, or Sections 4 & 8 of the RSA:

Title of each Class	Number of shares of common stock outstanding and amount of debt outstanding
<u>COMMON STOCK P 0.25 PAR VALUE</u>	<u>1,990,889,480 COMMON SHARES</u> 1,648,592,000 issued and listed

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 as of and for the nine-month period ended September 30, 2017 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 investment** (computed as net income divided by investment).

		September 30, 2017	September 30, 2016	Inc/(Dec)
1.	Revenues	P 575,226	706,817	(131,591)
2.	Gross Profit / Loss	P 192,859	315,169	(122,310)
3.	Gross Profit/Loss Ratio	34%	45%	-11%
4.	Net Profit / Loss	(P61,171)	P 150,359	(P211,530)
5.	Net Profit / Loss Ratio	-11%	21%	-32%
6.	Net Profit / Loss attributable to Parent	(P69,150)	P 109,449	(P178,599)
7.	12 months trailing net income (loss)	(P164,169)	P123,103	(P287,272)
8.	Trailing 12months earnings(loss) per share basic	(0.08)	P0.06	(P0.14)
		September 30, 2017	December 31, 2016	Inc/(Dec)
9.	Debt -to- Equity Ratio	4: 1	2.99 : 1	1.01
10.	Current Ratio	1.33: 1	1.24 : 1	0.09
11.	Debt Ratio	0.80 : 1	.75 : 1	0.05
12.	Return on Assets	-0.01: 1	0.01 : 1	(0.03)

Premiere Horizon Alliance Corporation's group revenues for the nine-month period ended September 30, 2017, amounted to Php 575.22 million which represents Php 378.01 million from real estate sales and Php 197.21 million from mining related services. Gross Revenue is 18.6% lower than the same period last year due to lower sales from both real estate and mining related services. For PHA's real estate subsidiary, it was due to delayed revenue recognition because most of the vertical projects will be completed by year-end and first half of next year. For the mining related services, bad weather hampered extraction activities which led to reduced tonnages.

Gross profit for the nine-month period ended September 30, 2017 amounted to Php 192.86 million. However, the Group incurred a net loss amounting to Php 61.17 million, which is Php 211.53 million lower than 2016 of the same period. This is due mostly to the lower revenues as discussed above.

Total Assets increased by 20% from Php 3,723.64 million as of December 31, 2016 to Php 4,469.05 million as of September 30, 2017. However, the Group's retained earnings showed a decrease of 46% from Php 150.96 million to Php 81.81 million due to the loss attributable to the equity holder of the parent for the reporting period.

The Group's 12 months trailing net income (loss) for the period ended September 30, 2017 and 2016 amounted to Php(164.17) million and Php 123.10 million, respectively, which shows a decrease of Php 287.27 or 233%. The Group computed trailing net income (loss) per share as of September 30, 2017 and 2016 amounted to (Php0.08) and Php .06, respectively, which shows a decrease of Php0.14 or 233%.

The Debt-to-Equity ratio is 4.0 as of September 30, 2017 and 2.99 as of December 31, 2016.

The Current Ratio is 1.33 as of September 30, 2017, slightly higher compared to the 1.24 ratio as of December 31, 2016.

The Debt Ratio is 0.80 as of September 30, 2017 and 0.75 as of December 31, 2016.

The Return on Assets (ROA) is 0.80 as of September 30, 2017 and 0.75 as of December 31, 2016.

There were no events that triggered direct or contingent financial obligation that is material to the Company, including any default or acceleration of an obligation.

Moreover, there were no material off-balance sheet transactions, arrangements, obligations (including contingent obligations), and other relationships of the Company with unconsolidated entities or other persons created during the reporting period.

The following are the causes for the material changes, i.e. those amounting five percent (5%) of the relevant accounts or such lower amount, between this period versus the previous, on a vertical and horizontal basis of analyses:

Financial Position

- **Cash** –The balance of this account as of September 30, 2017 and December 31, 2016 amounted to Php 60.71 million and Php 90.31 million, respectively, which shows a decrease of Php 29.60 million or 33%. Cash provided by financing

activities amounted to Php 183.25million and the cash used in operating and investing activities amounted to Php175.24million and Php37.61million, respectively.

- **Receivables, net**–The balance of this account as of September 30, 2017 and December 31, 2016 amounted to Php 2,076.51 million and Php1,532.52million, respectively, which shows an increase of Php544.00 million or35%. This balance includes the non-current portion of installment contracts receivable. The increase was due to the uncollected revenue recognized from real estate and mining related services.
- **Real estate held for sale** – The balance of this account as of September 30, 2017 and December 31, 2016 amounted to Php 819.12 million and Php 723.29million, respectively, which shows an increase of Php 95.84 million or 13%. The increase was due to the construction costs incurred by the real estate subsidiary.
- **Unused supplies and spare parts** – The balance of this account as of September 30, 2017 and December 31, 2016 amounted to Php18.41 million and Php 12.20million, respectively, which shows an increase of Php6.21 million or 51%. The increase was mainly due to the purchases of additional spare parts and supplies.
- **Other current assets**–The balance of this account as of September 30, 2017 and December 31, 2016 amounted toPhp 369.51 million and Php 205.50million, respectively, which shows an increase of Php 164.02 million or 80%. The increase was mainly due to the increase in advances and input tax.
- **Land and land development**–The balance of this account as of September 30, 2017 and December 31, 2016 amounted toPhp164.20million andPhp123.28million, respectively, which shows an increase of Php40.93 million or33%. The increase was mainly due to the costs incurred in land development.
- **Property and equipment, net**– The balance of this account as of September 30, 2017 and December 31, 2016 amounted toPhp326.26million and Php391.10million, respectively, which shows a decrease of Php64.84 million or17%. The decreased was mainly due to the depreciation recognized during the period.
- **Other non-current assets**–The balance of this account as of September 30, 2017 and December 31, 2016 amounted to Php 75.04 million and Php 86.18million, respectively, which shows a decrease of Php 11.14 million or 13%. The decrease was due to the amortization of the non-current portion of input vat.
- **Trade and other payables** –The balance of this account as of September 30, 2017 and December 31, 2016 amounted toPhp 1,676.09 million and Php 1,090.23million, respectively, which shows an increase of Php 585.86 million or 54%. The increase was mainly due to the increase in the payables to suppliers, contractors, and lot owners of Goshen Land Capital, Inc, Redstone Construction and Development Corporation and West Palawan Development Corp.
- **Short-term debt** –The balance of this account as of September 30, 2017 and December 31, 2016 amounted toPhp 190.95 million and Php 211.05million, respectively, which shows a decrease of Php 20.10 million or 10%. The decrease was due to the payment of short-term loans amounting toPhp20.1 million during 2017.

- **Income tax payable** –The balance of this account as of September 30, 2017 and December 31, 2016 amounted to Php –nil- and Php 0.88million, respectively, which shows a decrease of Php 0.88 million or 100%. The decrease was due to the payment of income tax during 2017.
- **Installment payable**– The balance of this account as of September 30, 2017 and December 31, 2016 amounted to Php –nil- and Php 27.99million, respectively, which shows a decrease of Php 27.99 million or 10%. The decrease was due to the payment of installment payable amounting toPhp 27.99 million during 2017.
- **Loans payable current and non-current portion**–The balance of this account as of September 30, 2017 and December 31, 2016 amounted to Php 878.35 million and Php 631.45 million, respectively, which shows an increase of Php 246.90 million or 39%. The increase was mainly due to the additional loans obtained during 2017.
- **Obligations under finance lease**–The balance of this account as of September 30, 2017 and December 31, 2016 amounted to Php 39.68 million and Php 57.09 million, respectively, which shows a decrease of Php 17.14 million or 30%. The decrease was mainly due to the payments made during 2017.
- **Deferred tax liabilities, net**–The balance of this account as of September 30, 2017 and December 31, 2016 amounted to Php 346.98 million and Php 327.25 million, respectively, which shows an increase of Php 19.73 million or 6%. The decrease was mainly due to the reversals made during 2017.
- **Other non-current liabilities**–The balance of this account as of September 30, 2017 and December 31, 2016 amounted to Php –nil- and Php 1.53 million, respectively, which shows a decrease of Php 1.53 million or 100%. The decrease was mainly due to the reversals and payments made during 2017.

Performance

- **Revenues**–Revenues for the period ended September 30, 2017 and 2016 amounted to Php575.23millionand Php 706.82 million, respectively, which shows a decrease of Php 131.59 million or 19%.

Revenue from the real estate for the period ended September 30, 2017 and 2016 amounted to Php 378.13 million and Php 450.19 million, respectively, which shows a decrease of Php 72.18 million or 16%. This is due to the slowdown in constructing real estate for sale.

Revenue from mining related services for the period ended September 30, 2017 and 2016 amounted to Php 197.21 million and Php 252.15 million, respectively, which shows a decrease of Php 54.94 million or 22%. This is due to the reduced revenue from mining services due to the suspension of one of RCDC's clients.

Revenue from service contracts for the period ended September 30, 2017 and 2016 amounted to Php –nil-and Php 4.48 million, respectively, which shows a decrease of Php 4.48 million or 100%. There is no service contracts revenue for 2017.

- **Cost of services** –Cost of services for the period ended September 30, 2017 and 2016 amounted to Php 165.84 million and Php 180.46 million, respectively,

which shows a decrease of Php 14.65 million or 8%. The decrease was due to lower personnel costs and other overhead costs.

- **Personnel costs**– Personnel costs for the period ended September 30, 2017 and 2016 amounted to Php 43.81 million and Php 34.75 million, respectively, which shows an increase of Php 9.06 million or 26%. The increase was due to the inclusion of personnel costs of West Palawan Premiere Development Corp. (WPPDC).
- **Advertising** –Advertising for the period ended September 30, 2017 and 2016 amounted to Php 21.49 million and Php 35.71 million, respectively, which shows a decrease of Php 14.22 million or 40%. This is due to lesser advertising campaigns incurred for the sales of real estate.
- **Taxes and licenses** –Taxes and licenses for the period ended September 30, 2017 and 2016 amounted to Php 23.68 million and Php 13.22 million, respectively, which shows an increase of Php 10.46 million or 79%. The increase was due to the documentary stamp taxes incurred and additional taxes and licenses incurred by WPPDC.
- **Transportation and travel** – Transportation and travel for the period ended September 30, 2017 and 2016 amounted to Php 5.48 million and Php 7.23 million, respectively, which shows a decrease of Php 1.75 million or 24%. The decrease was due to the lesser transportation and travel costs required by WPPDC.
- **Entertainment, amusement, and recreation** –Entertainment, amusement, and recreation for the period ended September 30, 2017 and 2016 amounted to Php 3.99 million and Php 3.70 million, respectively, which shows an increase of Php 0.282 million or 8%. The increase was due mainly to the addition of WPPDC related expenses.
- **Repairs and maintenance**–Repairs and maintenance for the period ended September 30, 2017 and 2016 amounted to Php 1.88 million and Php 0.99 million, respectively, which shows an increase of Php 0.878 million or 89%. The increase was due to the increase in costs required to maintain and repair the company assets.
- **Other Expenses** –Other expenses for the period ended September 30, 2017 and 2016 amounted to Php 23.12 million and Php 17.90 million, respectively, which shows an increase of Php 5.22 million or 29%. The increase is due to the additional expenses from other activities.

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

There were no seasonal aspects that had any material effect on the financial condition or results of operation.

During the third quarter of 2017 the Group posted Php575.2 million and Php61.17 million in gross revenues and net loss, respectively, while, in 2016 of the same period the Group posted a Php706.82 million and Php150.36 million in revenues and net income, respectively. The result of operation of the Group gave the equity holder of the Parent Php69.15 million net loss and Php109.4 million net income in 2017 and 2016, respectively.

The Group posted Php4.47 billion and Php3.72 billion total assets in the third quarter of 2017 and as of 2016 year end, respectively. Likewise, the Group posted

Php3.6billion and Php2.79 billion total liabilities in the third quarter of 2017 and as of 2016 year end, respectively.

The Parent Company incorporated West Palawan Premiere Development Corp. as a 100% owned subsidiary.

The Parent Company increased its ownership interest in Redstone Construction and Development Corporation to 80%. The increase took effect in the 1st half of 2015.

In the 1st half of 2015, the Company acquired Goshen Land Capital, Inc. and obtained a 55% ownership thus gaining control.

In 1st half of 2015, the Parent Company increased its ownership to the Concepts Unplugged: Business Environment Solutions, Inc. (CUBES) an affiliate in 2014. The increase in ownership gave the parent the power to control.

Item 3. No relevant disclosure covered by this Item was made since there is no event that triggered any direct or contingent financial obligation that is material to the company. Likewise, no material off-balance sheet transactions, arrangements, obligations (including contingent obligations), and other relationships of the company with unconsolidated entities or other persons was created during the reported period.

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



TEOFILO HENSON
Chairman

Date: November 17, 2017



AUGUSTO ANTONIO C. SERAFICA, JR.
President

Date: November 17, 2017



MANOLO B. TUASON
Chief Financial Officer

Date: November 17, 2017

PREMIERE HORIZON ALLIANCE CORPORATION AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
(In Php000.00)

	Unaudited September 30, 2017	Audited December 31, 2016
ASSETS		
Current Assets		
Cash	60,712	90,310
Receivables, net	2,076,513	1,145,322
Real estate held for sale	819,119	723,282
Unused supplies spare parts	18,406	12,198
Other current assets	369,514	205,496
Total Current Assets	3,344,264	2,176,606
Non-Current Assets		
Noncurrent portion of installment contracts receivable	-	387,193
Land and land development	164,201	123,275
Investment property	399,953	399,953
Intangible assets	159,329	159,329
Property and equipment, net	326,257	391,096
Other noncurrent assets	75,043	86,184
Total Non-Current Assets	1,124,783	1,547,030
Total Assets	4,469,047	3,723,636
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current Liabilities		
Trade and other payables	1,676,085	1,090,227
Short -term debt	190,950	211,050
Income tax payable	-	884
Current portion of long term debt:		-
Installment payable	-	27,992
Loans payable	631,063	384,163
Obligation under finance lease	25,660	47,249
Total Current Liabilities	2,523,758	1,761,566
Non-Current Liabilities		
Pension Liabilities	19,125	19,125
Convertible loans	423,409	423,409
Noncurrent portion of long term debt:		-
Obligation under finance lease	14,021	9,842
Loans payable	247,287	247,287
Deferred tax liabilities-Net	346,982	327,250
Other noncurrent liabilities		1,528
Total Non-Current Liabilities	1,050,824	1,028,440
Total Liabilities	3,574,582	2,790,006
Stockholders' Equity		
Equity attributable to equity holders of the parent		
Capital stock	472,965	471,115
Additional paid-in capital	66,074	66,074
Unrealized gain on AFS financial assets	(335)	(335)
Retained earnings	81,808	150,958
Parent Company shares held by a subsidiary	(133,664)	(153,820)
Equity attributable to Parent	486,849	533,993
Equity attributable to Non-Controlling Interests	407,616	399,638
Total Equity	894,465	933,630
Total Liabilities and Equity	4,469,047	3,723,636

PREMIERE HORIZON ALLIANCE CORPORATION AND SUBSIDIARIES
Unaudited Consolidated Statements of Comprehensive Income
(In Php000.00)

	For Nine Months Ended September 30		For Three Months Ended September 30	
	2017	2016	2017	2016
REVENUES				
Real estate sales	378,013	450,192	139,678	142,813
Mining related services	197,213	252,148	100,411	132,398
Service Contracts	-	4,477	-	1,769
Total Revenues	575,226	706,817	240,089	276,980
COST OF SALES & SERVICES				
Costs of real estate sold	216,529	211,161	105,208	37,029
Costs of services	165,838	180,487	73,873	68,703
Total Cost of Sales & Services	382,367	391,648	179,081	105,732
GROSS PROFIT	192,859	315,169	61,008	171,248
GENERAL & ADMINISTRATIVE EXPENSES				
Personnel costs	43,811	34,751	14,004	11,783
Professional and legal fees	27,165	27,212	4,125	9,464
Taxes and licenses	23,675	13,219	9,063	4,159
Advertising	21,491	35,713	6,345	8,926
Rent and utilities and supplies	11,355	11,195	4,968	1,031
Depreciation and amortization	11,328	11,236	3,405	824
Transportation and travel	5,484	7,229	2,055	2,728
Entertainment, amusement and recreation	3,986	3,704	2,497	1,273
Repairs and maintenance	1,867	989	642	319
Others	23,119	17,898	12,177	5,901
General & Administrative Expenses	173,282	163,146	59,282	46,408
INCOME BEFORE OTHER INCOME AND EXPENSES	19,577	152,023	1,726	124,840
OTHER INCOME (EXPENSES), NET				
Gain on change in FV of investment property	-	149,994	-	-
Interest income	2,850	9,313	837	2,939
Other income-net	11,870	3,039	5,949	(8,761)
Gain on sales of investment	-	10,258	-	-
Interest expenses	(89,310)	(77,198)	(30,869)	(35,764)
Total Other Income (Expenses), Net	(74,591)	95,406	(24,084)	(41,586)
INCOME (LOSS) BEFORE TAX	(55,014)	247,429	(22,358)	83,254
PROVISION FOR INCOME TAX (BENEFITS)	6,157	97,070	255	32,063
INCOME (LOSS) FOR THE PERIOD	(61,171)	150,359	(22,613)	51,191
ATTRIBUTABLE TO:				
Equity holders of the parent	(69,150)	109,449	(21,267)	28,861
Non-controlling interest	7,979	40,910	(1,346)	22,330
	(61,171)	150,359	(22,613)	51,191

PREMIERE HORIZON ALLIANCE CORPORATION AND SUBSIDIARIES
UNADITED STATEMENT OF CHANGES IN EQUITY
(In 000)

	For nine months ended September 30	
	2017	2016
CAPITAL STOCK		
Issued and subscribed shares	472,965	471,115
ADDITIONAL PAID-IN CAPITAL		
	66,074	65,428
UNREALIZED GAIN ON AFS FINANCIAL ASSETS		
	(335)	(399)
PARENT COMPANY SHARES HELD BY SUBSIDIARY		
	(133,664)	(154,397)
RETAINED EARNINGS		
Beginning	150,958	124,972
Net income (loss)	(69,150)	109,449
Balance at end of the period	81,808	234,421
ATTRIBUTABLE TO NON-CONTROLLING INTEREST		
Balance at beginning of the period	399,638	319,590
Increase for the period	-	29,000
Total beginning balance of non-controlling interest of subsidiary	399,638	348,590
Net income attributable to non-controlling interest	7,979	40,910
Balance at end of the period	407,616	389,500
TOTAL EQUITY	894,465	1,005,668

PREMIERE HORIZON ALLIANCE CORPORATION AND SUBSIDIARIES
STATEMENTS OF CASH FLOWS
(In Php000.00)

	For nine months ended September 30	
	2 0 1 7	2 0 1 6
CASH FLOWS FROM OPERATING ACTIVITIES		
Income (loss) before income tax	(61,171)	247,429
Adjustments for:		
Depreciation and Amortization	72,663	73,133
Gain on sale of assets held for sale	-	(10,257)
Other Comprehensive Income	-	(23)
Gain on change in FV of investment property	-	(149,994)
Interest Expenses	89,310	77,198
Interest Income	(2,850)	(9,312)
Operating income before working capital changes	97,952	228,174
Decrease (increase) in:		
Receivables	(543,999)	(304,322)
Unused supplies	(6,208)	(10,782)
Real estate held for sale	(95,838)	171,281
Other current assets	(164,018)	19,057
Increase (decrease) in:		
Trade payables	585,858	(113,976)
Other noncurrent liabilities	(1,528)	(3,050)
Net cash flows used in operations	(127,781)	(13,618)
Interest received	2,850	9,312
Interest paid	(89,310)	(77,198)
Income tax paid	39,004	(8,635)
Net cash flows used in operating activities	(175,237)	(90,139)
CASH FLOWS FROM INVESTING ACTIVITIES		
(Increase) Decrease in:		
Acquisition of property plant and equipment	(7,823)	-
Disposal of property and equipment	-	(11,041)
Disposal of assets held for sale	-	45,000
Land and land development	(40,925)	
Other noncurrent assets	11,141	(225,736)
Net cash used in investing activities	(37,608)	(191,777)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from:		
Short-term loans	(20,100)	48,825
Long-term loans	-	454,646
Convertible loans	-	13,000
Subscription receivables	1,850	29,000
Shares held by subsidiary	-	-
Payment of:		
Short-term loans	246,900	-
Installment payable	(27,992)	(123,491)
Long-term loans	-	(224,291)
Purchase of shares held by subsidiary	-	(2,992)
Increase (decrease) in obligations under finance lease	(17,410)	-
Cash flows from financing activities	183,247	194,697
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(29,598)	(87,219)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	90,310	143,779
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	60,712	56,560

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 P,=1,236.44 million by decreasing the authorized capital stock from P,=1,800.00 million to P,=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 June 2017	Audited 2016
Cash on hand	P,=2,795	P,=1,225
Cash in banks	57,917	89,085
	P,=60,712	P,=90,310

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

3. Receivables

This account consists of:

	Unaudited September 30, 2017	Audited 2016
Trade receivables	P,=1,928,481	P,=1,119,439
Advances to officers and employees	56,779	33,261
Others	99,921	1,945
	2,085,181	1,154,645
Less allowance for impairment losses	8,668	9,324
	P,=2,076,513	P,=1,145,321

Aging of Receivables

	Account Title	Total	1-30	31-60	61-90	Over 90
1	Trade	1,928,481		398,395	400,965	1,129,121
2	Advances to employees & officers	56,779		6,783	49,996	
3	Others	99,921		14,896	24,389	60,663
	Total	2,076,513		420,074	475,350	1,189,784

4. Other Current Assets

This account consists of:

	Unaudited September 30, 2017	Audited 2016
Advances to suppliers and contractors	P,=267,800	P,=162,058
Input Tax – Value Added Tax	55,517	33,972
Tax Credits	14,461	3,859
Prepayments	5,179	2,350
Cash bond		1,257
Others	26,557	
	P,=369,514	P,=205,496

5. Trade and Other Payables

This account consists of:

	Unaudited September 30, 2017	Audited 2016
Trade payables	P,=1,024,154	P,=450,763
Customer deposit	386,571	120,376
Accrued expenses	48,742	173,202
Liabilities on receivables sold to bank	-	195,408
Customers' refund	3,283	3,732
Retention payable	89,289	75,443
Others	124,046	71,303
	P,=1,676,085	P,=1,090,227