

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
Jun 30, 2019
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) 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 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	Jun 30, 2019
Currency (indicate units, if applicable)	Php 000

Balance Sheet

	Period Ended	Fiscal Year Ended (Audited)
	Jun 30, 2019	Dec 31, 2018
Current Assets	2,961,936	2,882,279
Total Assets	3,909,927	3,745,159
Current Liabilities	2,078,698	1,917,067
Total Liabilities	3,217,702	2,964,512
Retained Earnings/(Deficit)	-218,538	-140,690
Stockholders' Equity	692,225	780,647
Stockholders' Equity - Parent	210,700	277,873
Book Value per Share	0.12	0.15

Income Statement

	Current Year (3 Months)	Previous Year (3 Months)	Current Year-To-Date	Previous Year-To-Date
Gross Revenue	178,635	125,039	266,114	243,030
Gross Expense	180,968	103,268	277,304	241,744
Non-Operating Income	9,218	3,572	16,654	11,405

Non-Operating Expense	63,271	31,814	97,875	68,092
Income/(Loss) Before Tax	-56,385	-6,471	-92,411	-55,401
Income Tax Expense	3,713	0	6,686	0
Net Income/(Loss) After Tax	-60,098	-6,471	-99,097	-55,401
Net Income Attributable to Parent Equity Holder	-49,810	-927	-77,848	-47,775
Earnings/(Loss) Per Share (Basic)	-0.03	-0	-0.04	-0.03
Earnings/(Loss) Per Share (Diluted)	-0.03	-0	-0.04	-0.03

	Current Year (Trailing 12 months)	Previous Year (Trailing 12 months)
Earnings/(Loss) Per Share (Basic)	-0.2	0.01
Earnings/(Loss) Per Share (Diluted)	-0.2	0.01

Other Relevant Information
-

Filed on behalf by:

Name	Raul Ma. Anonas
Designation	Executive Vice President, 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

632-7714

Company Telephone Number

SEC FORM 17-Q (2nd Quarter - 2019)

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

118 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

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-Q

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

1. For the quarterly period ended: **June 30, 2019**

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 Centre,
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 amount	Number of shares of common stock outstanding and of debt outstanding
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<u>COMMON STOCK P 0.25 PAR VALUE</u>	<u>1,990,889,480 COMMON SHARES</u> 1,815,480,889 issued and listed
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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 the second quarter of 2019 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).

		June 30, 2019	June 30, 2018	Inc/(Dec)
1.	Revenues	Php266,114	Php243,030	23,084
2.	Gross Profit / Loss	Php101,497	Php88,934	7,515
3.	Gross Profit/Loss Ratio	38%	37%	1%
4.	Net Profit / Loss	Php (99,097)	Php (55,401)	(43,696)
5.	Net Profit / Loss Ratio	-37%	-23%	-14%
6.	Net Profit / Loss attributable to Parent	Php (77,848)	Php (47,775)	(30,073)
7.	12 months trailing net income (loss)	Php (418,163)	Php22,319	(440,482)
8.	Trailing 12months earnings(loss) per share basic	(0.2)	0.01	(0.21)

		June 30, 2019	December 31, 2018	Inc/(Dec)
9.	Debt -to- Equity Ratio	4.65:1	3.80:1	0.85
10.	Current Ratio	1.42:1	1.50:1	(0.08)
11.	Debt Ratio	1.22:1	1.26:1	(0.04)
12.	Return on Assets	-0.05:1	-0.10:1	(0.15)

During the 2nd quarter of 2019 the Group generated gross revenues of Php266,144 thousand broken down into Php77,804 thousand from real estate sales and Php188,309 thousand from mining related services.

Gross profit in the 2nd Quarter of 2019 and 2018 amounted to Php101,497 thousand and Php 88,934 thousand, respectively, which shows an increase of Php12,563 thousand or 14.13%.

The Group's net loss attributable to the equity holder of the parent in the 2nd Quarter of 2019 and 2018 amounted to Php77,848 thousand and Php47,775 thousand, respectively, which shows an increase of Php30,073 thousand or 62.95%.

The Group's 12 months trailing net income(loss) in the 2nd Quarter of 2019 and 2018 amounted to Php (418,163) thousand and Php 22,319 thousand, respectively, which shows a decrease of Php 440,482 thousand 1,974%.

The Group's trailing net income (loss) per share in the 2nd Quarter of 2019 and 2018 amounted to (0.2) and 0.01 thousand, respectively, which shows a decrease of 0.21.

The Debt-to-Equity Ratio is 4.65:1 and 3.80:1 in the 2nd quarter of 2019 and year end 2018, respectively.

The Current Ratio is 1.42:1 and 1.50:1 in the 2nd quarter of 2019 and year end 2018, respectively.

The Debt Ratio is 1.22:1 and 1.26:1 in the 2nd quarter of 2019 and year end 2018, respectively.

The Return on Assets is -0.05:1 and -0.10:1 in the 2nd quarter of 2019 and year end 2018, respectively.

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** – As of June 30, 2019 and December 31, 2018, this account amounted to Php70,091 thousand and Php68,980 thousand, respectively, which shows a decrease of Php1,111 thousand or 1.61%. Cash provided by operating activities amounted to Php38,322 thousand; cash used in investing activities amounted to Php143,181 thousand; while cash provided by financing activities amounted to Php105,970 thousand; the said cashflows represents the net decrease during the reporting period.
- **Contract Assets** – As of June 30, 2019 and December 31, 2018, this account amounted to Php1,051,709 thousand and Php1,028,154 thousand, respectively, which shows an increase of Php23,555 thousand or 2.29%. The increase primarily came from the additional uncollected contract assets during the reporting period.
- **Receivables, net** – As of June 30, 2019 and December 31, 2018, this account amounted to Php103,289 thousand and Php86,341 thousand, respectively, which shows an increase of Php16,948 thousand or 19.63%. The increase primarily came from the additional uncollected receivables during the reporting period.
- **Real Estate Held for Sale** – As of June 30, 2019 and December 31, 2018, this account amounted to Php1,583,887 thousand and Php1,606,444 thousand, respectively, which shows an increase of Php22,557 thousand or 1.40%. This account did not have a material change during the reporting period.
- **Other current assets** – As of June 30, 2019 and December 31, 2018, this account amounted to Php152,960 thousand and Php92,360 thousand, respectively, which shows an increase of Php60,600 thousand or 65.61%. The increase primarily came from the additional advances made to suppliers and contractors, and the current portion of deferred input VAT of the heavy equipment acquired during the reporting period.
- **Deferred Exploration Cost** – As of June 30, 2019 and December 31, 2018, this account both amounted to Php390,197 thousand. This account did not have a material change during the reporting period.
- **Property and equipment, net** – As of June 30, 2019 and December 31, 2018, this account amounted to Php370,013 thousand and Php294,916 thousand, respectively, which shows a net increase of Php75,097 thousand or 25.46%. The increase primarily came from the additional heavy equipment acquired during the reporting period.
- **Other noncurrent assets** – As of June 30, 2019 and December 31, 2018, this account amounted to Php55,841 thousand and Php45,828 thousand, respectively, which shows an increase of Php10,013 thousand or 21.85%. The increase primarily came from the noncurrent portion of deferred input VAT of the heavy equipment acquired during the reporting period.
- **Trade and other payables** – As of June 30, 2019 and December 31, 2018, this account amounted to Php857,488 thousand and Php703,034 thousand, respectively, which shows an increase of Php154,454 thousand or 21.97%. The increase primarily came from unpaid accruals.
- **Short-term debt** – As of June 30, 2019 and December 31, 2018, this account amounted to Php247,700 thousand and Php243,895 thousand, respectively, which shows an increase of Php3,805 thousand or 1.56%. The increase came from the additional short-term debt availed during the period.

- **Income tax payable** – As of June 30, 2019 and December 31, 2018, this account amounted to Php4,106 thousand and Php665 thousand, respectively, which shows an increase of Php3,441 thousand or 517.39%. The increase came from the additional taxable income during the period.
- **Loans payable** – As of June 30, 2019 and December 31, 2018, this account amounted to Php1,044,271 thousand and Php1,041,264 thousand, respectively, which shows an increase of Php3,007 thousand or 0.29%. Current and noncurrent portion as of June 30, 2019 amounted to Php677,830 Thousand and Php366,441 Thousand, respectively. This account did not have a material change during the reporting period.
- **Obligations under finance lease** – As of June 30, 2019 and December 31, 2018, this account amounted to Php4,747 thousand and Php7,823 thousand, respectively, which shows a decrease of Php3,076 thousand or 39.33%. Current and noncurrent portion as of June 30, 2019 amounted to Php707 Thousand and Php4,039 Thousand, respectively. The decrease primarily came from the payments made during the reporting period.
- **Installment payable** – As of June 30, 2019 and December 31, 2018, this account amounted to Php106,614 thousand and Php13,555 thousand, respectively, which shows an increase of Php93,059 thousand or 686.53%. Current and noncurrent portion as of June 30, 2019 amounted to Php8,648 Thousand and Php96,966 Thousand, respectively. The increase came from the additional loans for the acquisition of heavy equipment.
- **Convertible loans** – As of June 30, 2019 and December 31, 2018, this account amounted to Php463,925 thousand and Php465,425 thousand, respectively, which shows a decrease of Php1,500 thousand or 0.32%. This account did not have a material change during the reporting period.

Performance

- **Revenues** - The Group's revenues in the 2nd quarter of 2019 and 2018 amounted to Php266,114 thousand and Php243,030 thousand, respectively, which shows an increase of Php23,084 thousand or 9.50%.

Revenue from the real estate sales in the 2nd quarter of 2019 and 2018 amounted to Php77,804 thousand and Php136,757 thousand, respectively, which shows a decrease of Php58,953 thousand or 43.11%. This is due primarily to the decrease in new sales and lower recognized sales via percentage of completion.

Revenue from the mining related services in the 2nd quarter of 2019 and 2018 amounted to Php188,309 thousand and Php106,273 thousand, respectively, which shows an increase of Php82,036 thousand or 77.19%. This is due primarily to the increase in the volume of ore extracted/and hauled.

- **Cost of real estate sold** – The Group's cost of real estate sold in the 2nd quarter of 2019 and 2018 amounted to Php50,934 thousand and Php72,206 thousand, respectively, which shows a decrease of Php21,272 thousand or 29.46%. The costs of the real estate sold decreased due to the slowdown of construction works.
- **Cost of services** – The Group's cost of services in the 2nd quarter of 2019 and 2018 amounted to Php113,682 thousand and Php81,890 thousand, respectively, which shows an increase of Php31,792 thousand or 38.82%. The

Cost of services increased due to the higher direct costs from the increase in the volume of ore extracted/and hauled.

- **Personnel Costs** – The Group's personnel costs in the 2nd quarter of 2019 and 2018 amounted to Php39,311 thousand and Php22,488 thousand, respectively, which shows an increase of Php16,823 thousand or 74.81%. The increase primarily came from the increase in salaries and additional personnel.
- **Professional and legal fees** – The Group's professional and legal fees in the 2nd quarter of 2019 and 2018 amounted to Php15,579 thousand and Php11,309 thousand, respectively, which shows an increase of Php4,270 thousand or 37.76%. The increase primarily came from the additional and increase in fees charged by professionals.
- **Advertising** – The Group's advertising expenses in the 2nd quarter of 2019 and 2018 amounted to Php10,464 thousand and Php13,816 thousand, respectively, which shows a decrease of Php3,352 thousand or 24.26%. The decrease primarily came from the lower requirements of operations.
- **Taxes and licenses** – The Group's taxes and licenses in the 2nd quarter of 2019 and 2018 amounted to Php10,036 thousand and Php4,941 thousand, respectively, which shows an increase of Php5,095 thousand or 103.12%. The increase primarily came from the higher taxes and taxable transactions incurred by the Group.
- **Depreciation and amortization** – The Group's depreciation and amortization in the 2nd quarter of 2019 and 2018 amounted to Php8,767 thousand and Php8,335 thousand, respectively, which shows an increase of Php432 thousand or 5.18%. The increase primarily came from the increase in depreciable assets due to the acquisition of heavy equipment.
- **Entertainment, amusement and recreation** – The Group's entertainment, amusement and recreation in the 2nd quarter of 2019 and 2018 amounted to Php4,294 thousand and Php2,866 thousand, respectively, which shows an increase of Php1,428 thousand or 49.83%. The increase primarily came from the increased in the requirements of operations.
- **Rent, utilities, and supplies** – The Group's rent, utilities, and supplies in the 2nd quarter of 2019 and 2018 amounted to Php4,117 thousand and Php5,112 thousand, respectively, which shows a decrease of Php1,005 thousand or 19.61%. The decrease primarily came from the decrease in the requirements of operations.
- **Transportation and Travel** – The Group's transportation and travel in the 2nd quarter of 2019 and 2018 amounted to Php4,073 thousand and Php4,659 thousand, respectively, which shows a decrease of Php586 thousand or 12.57%. The decrease primarily came from the lower requirements of operations.
- **Repairs and maintenance** – The Group's repairs and maintenance in the 2nd quarter of 2019 and 2018 amounted to Php1,911 thousand and Php861 thousand, respectively, which shows an increase of Php1,050 thousand or 121.97%. The increase primarily came from additional repairs undertaken during the period.
- **Other Expenses** – The Group's other expenses in the 2nd quarter of 2019 and 2018 amounted to Php14,134 thousand and Php13,251 thousand, respectively, which shows an increase of Php883 thousand or 6.66%. The increase primarily came from the additional requirements of operations.

- **Other income - net** – The Group's other income -net in the 2nd quarter of 2019 and 2018 amounted to Php16,632 thousand and Php11,376 thousand, respectively, which shows an increase of Php5,256 thousand or 46.20%. The increase primarily came from higher service income earned from operations during the first half of 2019.
- **Interest income** – The Group's interest income in the 2nd quarter of 2019 and 2018 amounted to Php23 thousand and Php29 thousand, respectively, which shows a decrease of Php6 thousand or 22.14%. The decrease primarily came from the lower balance of interest earning assets.
- **Interest expense** – The Group's interest expense in the 2nd quarter of 2019 and 2018 amounted to Php97,875 thousand and Php68,092 thousand, respectively, which shows an increase of Php29,783 thousand or 43.74%. The increase primarily came from the additional interest-bearing loans during the first half of 2019.
- **Provision for income tax (benefit)** –The Group's provision for income tax (benefit) in the 2nd quarter of 2019 and 2018 amounted to Php6,686 thousand and nil, respectively. This came from the taxable income of a subsidiary.

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 2nd quarter of 2019 the Group's gross revenues and net loss amounted to Php266,114 thousand and Php99,097 thousand, respectively; while, in 2018 the same amounted to Php243,030 thousand and Php55,401 thousand, respectively. In the 2nd quarter of 2019 and 2018, The equity holder of the Parent amounted to Php 77,848 thousand and Php47,775 thousand in net loss, respectively.

As of the June 30, 2019 and December 31, 2018, The Group's total assets amounted to Php3,909,927 thousand and Php3,745,159 thousand, respectively; the total liabilities of the same period amounted to Php3,217,702 thousand and Php2,964,512 thousand, 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.

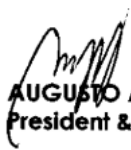
In 1st half of 2015, the Parent Company increased its ownership to the Concepts Unplugged: Business Environment Solutions, Inc. (CUBES) an affiliate in 2014. The increase in ownership gave the parent the power to control.

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

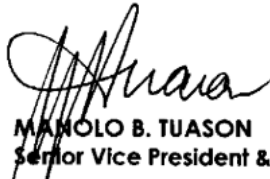
Pursuant to the requirements of the Securities Regulation Code, the issuer has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

PREMIERE HORIZON ALLIANCE CORPORATION
Issuer



AUGUSTO ANTONIO C. SERAFICA, JR.
President & CEO

Date: August 08, 2019



MANOLO B. TUASON
Senior Vice President & Chief Financial Officer

Date: August 08, 2019

PREMIERE HORIZON ALLIANCE CORPORATION AND SUBSIDIARIES		
CONSOLIDATED BALANCE SHEETS		
(In Php000.00)		
	Unaudited	Audited
	June 30, 2019	December 31, 2018
ASSETS		
Current Assets		
Cash	70,091	68,980
Contract Assets	1,051,709	1,028,154
Receivables	103,289	86,341
Real Estate Held for Sale	1,583,887	1,606,444
Other current assets	152,960	92,360
Total current assets	2,961,936	2,882,279
Noncurrent Assets		
Noncurrent portion of contract assets	111,732	111,732
Deferred exploration costs	390,197	390,197
Intangible assets	20,207	20,207
Property and equipment	370,013	294,916
Other noncurrent assets	55,841	45,828
Total Noncurrent assets	947,991	862,880
Total Assets	3,909,927	3,745,159
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current Liabilities		
Trade and other payables	857,488	703,034
Contract liabilities	133,218	133,218
Short -term debt	247,700	243,895
Dividend payable	39,800	39,800
Capital gains tax payable	16,815	16,815
Income tax payable	4,106	665
Current portion of long term debt:		
Purchased land payable	92,385	92,385
Loans payable	677,830	674,823
Obligation under finance lease	707	3,784
Installment payable	8,648	8,648
Total Current Liabilities	2,078,698	1,917,067
Noncurrent Liabilities		
Pension Liabilities	13,333	13,333
Convertible loans	463,925	465,425
Callable loans	15,000	15,000
Noncurrent portion of long term debt:		
Purchased land payable	8,478	8,478
Obligation under finance lease	4,039	4,039
Loans payable	366,441	366,441
Installment payable	97,966	4,907
Capital gains tax payable	10,125	10,125
Deferred tax liabilities-Net	159,697	159,697
Total Noncurrent Liabilities	1,139,004	1,047,445
Total Liabilities	3,217,702	2,964,512
Stockholders' Equity		
Equity attributable to equity holders of the parent		
Capital stock	483,390	472,715
Additional paid-in capital	66,074	66,074
Retained earnings	(218,538)	(140,690)
Parent Company shares held by a subsidiary	(120,226)	(120,226)
Equity attributable to Parent	210,700	277,873
Equity attributable to non-controlling interests	481,526	502,774
Total Equity	692,225	780,647
Total Liabilities and Equity	3,909,927	3,745,159

PREMIERE HORIZON ALLIANCE CORPORATION AND SUBSIDIARIES					
Unaudited Consolidated Statements of Comprehensive Income					
(In Php000.00)					
		For six months ended June 30		For three months ended June 30	
		2019	2018	2019	2018
REVENUES					
Real estate sales		77,804	136,757	40,873	32,468
Mining related services		188,309	106,273	137,762	92,571
Total revenue		266,114	243,030	178,635	125,039
Costs of real estate sold		50,934	72,206	30,898	7,662
Costs of services		113,682	81,890	81,206	55,893
Total Cost of Sales and Services		164,617	154,096	112,104	63,555
GROSS PROFIT		101,497	88,934	66,532	61,484
OTHER COSTS AND EXPENSES					
Professional and legal fees		15,579	11,309	8,572	2,045
Personnel costs		39,311	22,488	30,366	13,306
Advertising		10,464	13,816	5,796	6,385
Taxes and licenses		10,036	4,941	3,789	1,644
Depreciation and amortization		8,767	8,335	5,613	4,170
Rent and utilities and supplies		4,117	5,122	1,747	2,803
Transportation and travel		4,073	4,659	2,206	2,331
Entertainment, amusement and recreation		4,294	2,866	2,663	1,246
Repairs and maintenance		1,911	861	1,396	328
Others		14,134	13,251	6,716	5,455
		112,687	87,648	68,864	39,713
INCOME(LOSS) BEFORE OTHER INCOME AND CHARGES		(11,190)	1,286	(2,332)	21,771
OTHER INCOME(CHARGES)					
Gain on change in FV of investment property					
Interest income		23	29	13	(1,718)
Other income-net		16,632	11,376	9,205	5,290
Interest expenses		(97,875)	(68,092)	(63,271)	(31,814)
		(81,221)	(56,687)	(54,053)	(28,242)
INCOME(LOSS) BEFORE TAX		(92,411)	(55,401)	(56,385)	(6,471)
PROVISION FOR INCOME TAX (BENEFITS)		6,686	-	3,713	-
INCOME (LOSS) FOR THE PERIOD		(99,097)	(55,401)	(60,098)	(6,471)
INCOME FROM CONTINUING OPERATION					
Equity holders of the parent		(77,848)	(47,775)	(49,810)	(927)
Non-controlling interest		(21,249)	(7,626)	(10,288)	(5,544)
		(99,097)	(55,401)	(60,098)	(6,471)
NET INCOME (LOSS) FOR THE PERIOD		(99,097)	(55,401)	(60,098)	(6,471)

PREMIERE HORIZON ALLIANCE CORPORATION AND SUBSIDIARIES		
UNAUDITED STATEMENT OF CHANGES IN EQUITY		
(In 000)		
	For six months ended June 30	
	2019	2018
CAPITAL STOCK		
Issued and subscribed shares	483,390	472,715
ADDITIONAL PAID-IN CAPITAL	66,074	66,074
UNREALIZED GAIN ON AFS FINANCIAL ASSETS	-	
PARENT COMPANY SHARES HELD BY SUBSIDIARY	(120,226)	(133,664)
RETAINED EARNINGS		
Beginning	(140,690)	186,719
Net income(loss)	(77,848)	(47,775)
Balance at end of the period	(218,538)	138,944
ATTRIBUTABLE TO NON-CONTROLLING INTEREST		
Balance at beginning of the period	502,774	410,331
Net income(loss) attributable to non-controlling interest	(21,248)	(7,626)
Balance at end of the period	481,526	402,705
TOTAL EQUITY	692,225	946,774

PREMIERE HORIZON ALLIANCE CORPORATION AND SUBSIDIARIES		
UNAUDITED STATEMENTS OF CASH FLOWS		
(In Php000.00)		
	For six months ended June 30	
	2019	2018
CASH FLOWS FROM OPERATING ACTIVITIES		
Income (loss) before income tax	(99,097)	(55,401)
Adjustments for:		
Depreciation and Amortization	58,070	35,462
Interest Expenses	97,875	68,092
Interest Income	(23)	(29)
Operating income (loss) before working capital changes	56,826	48,124
Decrease (increase) in:		
Receivables	(16,948)	(47,971)
Contract Assets	(23,555)	-
Unused supplies	-	(1,882)
Real estate held for sale	22,557	55,474
Other current assets	(60,600)	(458,390)
Increase (decrease) in:		
Trade payables	154,257	388,992
Other noncurrent liabilities	-	
Net cash flows from (used in) operation	132,537	(15,653)
Interest received	23	29
Interest paid	(97,875)	(68,092)
Income tax paid	3,441	(344)
Net cash flows from (used in) operating activities	38,125	(84,060)
CASH FLOWS FROM INVESTING ACTIVITIES		
Cash received from sales of investment in associates		
Acquisition of property and equipment	(133,167)	(30,899)
Land and land development costs	-	(18,261)
Increase (decrease) in other noncurrent assets	(9,816)	105,934
Net cash (used in) provided by	(142,983)	56,774
CASH FLOWS FROM FINACING ACTIVITIES		
Proceeds from:		
Short-term loans	3,804	4,905
Loans payable	96,066	95,672
Payment of:		
Short-term loans		
Purchased land payable	-	(22,540)
Obligations under finance lease	(3,076)	3,263
Long-term loans	(1,500)	(10,000)
Cash proceeds from subscription receivable	10,675	
Cash flows from financing activities	105,970	71,300
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	1,111	44,014
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	68,980	70,160
TOTAL CASH AT THE BEGINNING	68,980	70,160
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	70,091	114,174

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 P1,236.44 million by decreasing the authorized capital stock from P1,800.00 million to P563.56 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 30, 2019	Audited 2018
Cash on hand	P1,168	P2,582
Cash in banks	68,923	66,398
	P70,091	P68,981

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

3. Receivables - net

This account consists of:

	Unaudited June 30, 2019	Audited 2018
Contract receivables	P63,865	P61,945
Trade receivables	32,156	18,781
Advances to officers and employees	64,823	63,169
Others	206	206
	161,050	144,101
Less allowance for impairment losses	(57,761)	(57,761)
	P103,289	P86,341

Aging of Receivables

	Account Title	Total	1-30	31-60	61-90	Over 90
1	Contract receivables	63,865	28,465	29,542	3,216	2,642
2	Trade	32,156	10,897	13,310	3,326	4,623
3	Advances to employees & officers	64,823	6,494	11,323	14,354	32,652
4	Others	206	42	32	52	80
	Total	161,050	45,898	54,207	20,948	39,997

4. Other Current Assets

This account consists of:

	Unaudited June 30, 2019	Audited 2018
Advances to suppliers and contractors	P 78,632	P44,680
Input Tax – Value Added Tax	22,365	13,232
Supplies inventory	10,856	6,632
Tax Credits	33,181	24,725
Prepayments	5,561	530
Others	2,365	2,561
	P 152,960	P92,360

5. Trade and Other Payables

This account consists of:

	Unaudited June 30, 2019	Audited 2018
Trade payables	P170,374	P139,539
Advances from third parties	195,133	171,235
Advances from shareholder	160,230	136,028
Accrued expenses	29,562	24,186
Deferred output VAT	104,890	103,420
Retention payable	59,321	54,430
Customers' deposits and advances	39,652	-
Others	98,326	74,196
	P 857,488	P703,034