

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, 2020
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) 8632-7715
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, 2020
Currency (indicate units, if applicable)	Php 000

Balance Sheet

	Period Ended		Fiscal Year Ended (Audited)	
	Jun 30, 2020		Dec 31, 2020	
Current Assets	2,128,145		1,944,359	
Total Assets	4,214,705		4,069,257	
Current Liabilities	2,095,829		1,884,933	
Total Liabilities	3,243,613		3,049,772	
Retained Earnings/(Deficit)	49,384		91,376	
Stockholders' Equity	971,092		1,019,485	
Stockholders' Equity - Parent	644,025		686,017	
Book Value per Share	0.32		0.34	

Income Statement

	Current Year (3 Months)	Previous Year (3 Months)	Current Year-To-Date	Previous Year-To-Date
Gross Revenue	115,396	178,635	176,344	266,114
Gross Expense	101,879	180,967	185,440	277,304
Non-Operating Income	1,863	9,218	5,619	16,654
Non-Operating Expense	18,390	63,271	42,185	97,875

Income/(Loss) Before Tax	-3,010	-56,385	-45,661	-92,411
Income Tax Expense	-5,978	3,713	2,732	6,686
Net Income/(Loss) After Tax	-8,988	-60,098	-48,393	-99,097
Net Income Attributable to Parent Equity Holder	-9,300	-49,810	-41,992	-77,848
Earnings/(Loss) Per Share (Basic)	0	-0.03	-0.02	-0.04
Earnings/(Loss) Per Share (Diluted)	0	-0.03	-0.02	-0.04

	Current Year (Trailing 12 months)	Previous Year (Trailing 12 months)
Earnings/(Loss) Per Share (Basic)	0.06	-0.21
Earnings/(Loss) Per Share (Diluted)	0.06	-0.21

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)

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P	A	S	I	G		C	I	T	Y																			

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

RAUL MA. F. ANONAS

Contact Person

02-86327715

Company Telephone Number

SEC FORM 17-Q

1 2

Month Day
Calendar Year

3 1

FORM TYPE

0 5

Month Day
Annual Meeting

Secondary License Type, If Applicable

Dept Requiring this Doc

Amended Articles Number / Section

Total No. of Stockholders

Total Amount of Borrowings

Domestic

Foreign

To be accomplished by SEC Personnel concerned

File Number

LCU

Document 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: **June 30, 2020**

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, East Tower, Philippine Stock Exchange Centre,
Exchange Road, Ortigas Center, Pasig City.**

1605

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

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

NOT APPLICABLE

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

Title of each Class.

Number of shares of common
stock outstanding and amount
of debt outstanding

COMMON STOCK P 0.25 PAR VALUE

1,990,480,889 COMMON SHARES

1,815,480,889 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 the first 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, 2020	June 30, 2019	Inc/(Dec)
1.	Revenues	Php176,344	Php266,114	(89,770)
2.	Gross Profit / Loss	Php55,929	Php101,497	(45,568)
3.	Gross Profit / Loss Ratio	32%	38%	(6%)
4.	Net Profit / Loss	Php (48,393)	Php(99,097)	(50,704)
5.	Net Profit / Loss Ratio	(27%)	(37%)	10%
6.	Net Profit / Loss attributable to Parent	Php(41,992)	Php (77,848)	35,856
7.	12 months trailing net income (loss)	Php 121,901	Php(418,163)	540,064
8.	Trailing 12months earnings(loss) per share basic	0.06	(0.21)	0.27

		June 30, 2020	December 31, 2019	Inc/(Dec)
9.	Debt -to- Equity Ratio	3.34:1	2.99:1	0.35
10.	Current Ratio	1.02:1	1.03:1	(0.01)
11.	Debt Ratio	0.77:1	0.75:1	0.02
12.	Return on Assets	-0.01:1	0.02:1	(0.03)

During the 2nd quarter of 2020 the Group generated gross revenues of Php176,344 thousand broken down into Php49,791 thousand from real estate sales and Php126,553 thousand from mining related services.

Gross profit in the 2nd Quarter of 2020 and 2019 amounted to Php55,929 thousand and Php 101,497 thousand, respectively, which shows a decrease of Php45,568 thousand or 45%.

The Group's net loss attributable to the equity holder of the parent in the 2nd Quarter of 2020 and 2019 amounted to Php41,992 thousand and Php77,848 thousand, respectively, which shows a decrease of Php35,856 thousand or 46%.

The Group's 12 months trailing net income(loss) in the 2nd Quarter of 2020 and 2019 amounted to Php 121,901 thousand and Php (418,163) thousand, respectively, which shows an increase of Php540,064 thousand or 129%.

The Group's trailing net income (loss) per share in the 2nd Quarter of 2020 and 2019 amounted to 0.06 and (0.21) thousand, respectively, which shows an increase of 0.27.

The Debt-to-Equity Ratio is 3.34:1 and 2.99:1 in the 2nd quarter of 2020 and year end 2019, respectively.

The Current Ratio is 1.02:1 and 1.03:1 in the 2nd quarter of 2020 and year end 2019, respectively.

The Debt Ratio is 1.30:1 and 1.33:1 in the 2nd quarter of 2020 and year end 2019, respectively.

The Return on Assets is (0.01) and (0.02) in the 1st quarter of 2020 and year end 2019, 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, 2020 and December 31, 2019, this account amounted to Php118,561 thousand and Php81,562 thousand, respectively, which shows an increase of Php36,999 thousand or 45%. Cash provided by operations amounted to Php191,976 thousand; cash used by investing activities amounted to Php6,059 thousand; while cash used in financing activities

amounted to Php148,918 thousand. The said cash flows represent the decrease during the reporting period.

- **Contract Assets** – As of June 30, 2020 and December 31, 2019, this account amounted to Php750,85 thousand and Php673,428 thousand, respectively, which shows an increase of Php77,428 thousand or 11%. The increase primarily came from the additional uncollected contract assets during the reporting period. Current portion of this account as of June 30, 2020 amounted to Php695,790. Noncurrent portion of this account as of June 30, 2020 amounted to Php55,066.
- **Receivables, net** – As of June 30, 2020 and December 31, 2019, this account amounted to Php161,435 thousand and Php84,573 thousand, respectively, which shows an increase of Php76,862 thousand or 91%. The increase primarily came from the increase in receivables during the reporting period.
- **Property and equipment, net** – As of June 30, 2020 and December 31, 2019, this account amounted to Php272,563 thousand and Php310,712 thousand, respectively, which shows a decrease of Php38,149 thousand or 12%. The decrease primarily came from the depreciation expense as of June 30, 2020.
- **Trade and other payables**-As of June 30, 2020 and December 31, 2019, this account amounted to Php979,599 and Php630,502 thousand, respectively which shows an increase of Php349,097 or 55%. The increase primarily came from the additional accrued expenses.
- **Contract liabilities** – As of June 30, 2020 and December 31, 2019, this account amounted to Php21,279 thousand and Php11,910 thousand, respectively, which shows an increase of Php9,369 thousand or 79%. The increase came from the additional contract debt availed during the period.
- **Loans payable** – As of June 30, 2020 and December 31, 2019, this account amounted to Php856,654 thousand and Php992,104 thousand, respectively, which shows a decrease of Php135,450 thousand or 14%. The decrease primarily came from the payment of loans during the reporting period. Current portion of this account as of June 30, 2020 amounted to Php 612,848. Noncurrent portion of this account as of June 30, 2020 amounted to Php 243,806.
- **Obligations under finance lease**– As of June 30, 2020 and December 31, 2019, this account amounted to Php1,811 thousand and Php2,360 thousand, respectively, which shows a decrease of Php549 thousand or 23%. The decrease primarily came from the payments made during the reporting period.
- **Installment payable** – As of June 30, 2020 and December 31, 2019, this account amounted to Php44,352 thousand and Php75,457 thousand, respectively, which shows a decrease of Php31,105thousand or 41%. The decrease primarily came from the payments made during the reporting period. Current portion of this account as of June 30, 2020 amounted to Php 44,352. Noncurrent portion of this account as of June 30, 2020 amounted to Nil.

Performance

- **Revenues** - The Group's revenues in the first half of 2020 and 2019 amounted to Php176,344 thousand and Php 266,114 thousand, respectively, which shows a decrease of Php89,770 thousand or 34%.

Revenue from the real estate sales in the first half of 2020 and 2019 amounted to Php49,791 thousand and Php77,805 thousand, respectively, which shows a decrease of Php28,014 thousand or 36%.

Revenue from the mining related services in the first half of 2020 and 2019 amounted to Php 126,553 thousand and Php188,309 thousand, respectively, which shows a decrease of Php 61,756 thousand or 33%.

The decrease in revenues were due to the low realizable sales via percentage of completion and the decrease in tonnages mined due to the restrictions imposed to control COVID19.

- **Cost of real estate sold** – The Group's cost of real estate sold in the first half of 2020 and 2019 amounted to Php25,441 thousand and Php50,935 thousand, respectively, which shows a decrease of Php25,494 thousand or 50%. The decrease is due to the lower realizable costs via percentage of completion.
- **Cost of services** – The Group's cost of services in the first half of 2020 and 2019 amounted to Php94,974 thousand and Php113,682 thousand, respectively, which shows a decrease of Php18,708 thousand or 16%. The Cost of services decreased due to slow down in operations and work disruptions caused by the restrictions imposed to control COVID19 during 2nd quarter of 2020.
- **Professional and legal fees** – The Group's professional and legal fees in the first half of 2020 and 2019 amounted to Php12,931 thousand and Php15,579 thousand, respectively, which shows a decrease of Php2,648 thousand or 17%. The decrease primarily came from the lower fees and decrease in services rendered by professionals during the 2nd quarter of 2020.
- **Personnel cost** – The Group's personnel cost in the first half of 2020 and 2019 amounted to Php18,286 thousand and Php39,312 thousand, respectively, which shows a decrease of Php21,026 thousand or 53%. The decrease primarily came from the slowdown of operations and work disruptions caused by the restrictions imposed to control COVID19 during the 2nd quarter of 2020.
- **Advertising** – The Group's advertising expenses in the first half of 2020 and 2019 amounted to Php7,176 thousand and Php10,464 thousand, respectively, which shows a decrease of Php3,288 thousand or 31%. The decrease primarily came from the lower advertising expenses required by operations during the second quarter of 2020.
- **Taxes and licenses** – The Group's taxes and licenses in the first half of 2020 and 2019 amounted to Php6,744 thousand and Php10,036 thousand, respectively, which shows a decrease of Php3,292 thousand or 33%. The decrease primarily came from the lower taxable transactions incurred by the Group as of the second quarter of 2020.
- **Depreciation and amortization** – The Group's depreciation and amortization in the first half of 2020 and 2019 amounted to Php2,714 thousand and Php8,767 thousand, respectively, which shows a decrease of Php6,053 thousand or 69%. The decrease primarily came from the lower balance of depreciable assets as of the second quarter of 2020.
- **Rent, Utilities and Supplies** – The group's rent, utilities and supplies expense in the first half amounted to Php1,889 thousand and Php4,117, respectively, which shows a decrease of Php 2,228 thousand or 54%. The decrease primarily came from the slowdown of operations and work disruptions caused by the restrictions imposed to control COVID19 during the 2nd quarter of 2020.
- **Transportation and travel** – The group's transportation and travel expense amounted to Php3,244 thousand and Php4,073 thousand in the first half of 2020 and 2019 respectively, which shows a decrease of Php 829 thousand or 20%. The decrease primarily came from the slowdown of operations and work

disruptions caused by the restrictions imposed to control COVID19 during the 2nd quarter of 2020.

- **Entertainment, amusement and recreation** – The Group's entertainment, amusement and recreation in the first half of 2020 and 2019 amounted to Php5,747 thousand and Php4,294 thousand, respectively, which shows an increase of Php1,453 thousand or 34%. The increase primarily came from the additional entertainment, amusement, and recreation expenses required by operations as of 2nd quarter of 2020.
- **Repairs and maintenance** – The Group's repairs and maintenance in the first half of 2020 and 2019 amounted to Php5,747 thousand and Php4,294 thousand, respectively, which shows an increase of Php1,453 thousand or 34%. The increase primarily came from the higher repairs and maintenance of equipment.
- **Other Expenses** – The Group's other expenses in the first half of 2020 and 2019 amounted to Php4,698 thousand and Php14,134 thousand, respectively, which shows a decrease of Php9,436 thousand or 67%. The decrease primarily came from the slowdown of operations and work disruptions caused by the restrictions imposed to control COVID19 during the 2nd quarter of 2020.
- **Interest income** – The Group's interest income in the first half of 2020 and 2019 amounted to Php1,475 thousand and Php23 thousand, respectively, which shows an increase of Php1,452 thousand. The increase primarily came from the higher balance of interest earning assets.
- **Other income - net** – The Group's other income -net in the first half of 2020 and 2019 amounted to Php4,144 thousand and Php16,631 thousand, respectively, which shows a decrease of Php12,487 thousand or 75%. The decrease primarily came from lower service income earned from operations during the in the first half of 2020.
- **Interest expense**– The Group's interest expense in the first half of 2020 and 2019 amounted to Php42,185 thousand and Php97,875 thousand, respectively, which shows a decrease of Php55,690 thousand or 57%. The decrease primarily came from the lower interest-bearing payables balance and loan restructurings.
- **Provision for income tax (benefit)** –The Group's provision for income tax (benefit) in the first half of 2020 and 2019 amounted to Php2,732 thousand and Php 6,686 thousand, respectively. This came from the taxable income of PGDI.

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

In a move to contain the COVID-19 outbreak, on March 13, 2020, the Office of the President of the Philippines issued a Memorandum directive to impose stringent social distancing measures in the National Capital Region effective March 15, 2020. On March 16, 2020, Presidential Proclamation No. 929 was issued, declaring a State of Calamity throughout the Philippines for a period of six (6) months and imposed an enhanced community quarantine (ECQ) throughout the island of Luzon until April 12, 2020, which was subsequently extended to April 30, 2020. This was further extended until May 15, 2020 for NCR and certain areas. Effective May 16, 2020, NCR and certain areas shifted to modified enhanced community quarantine until May 31, 2020. Effective June 1, 2020, NCR and certain areas shifted to general community quarantine until July 31, 2020, unless earlier lifted or subsequently extended. The COVID-19 and the measures taken have caused disruptions to businesses and economic activities, and its impact on business continue to evolve.

Due to restrictions in travel and other government initiatives, operations of the Group cannot return to normal until the community quarantine is lifted. Since the subsidiaries of the Group, such as WPP and GLCI, are not part of the allowed basic services, operations have been mostly halted. PGDI, whose operations is not included in the Luzon lockdown as it is based in Surigao, has started limited operations during the first week of March. PGDI is currently focused on stockpiling ores as the provincial government temporarily banned foreign ships from docking in the province for safety reasons. Internal fund generation through end-user financing and collection were heavily affected by the ECQ because of the halt in processing and closure of the different agencies that process the documents.

Although the COVID-19 pandemic and the resulting ECQ significantly impacted the operations of the Group, current strategic plans and mitigation measures being undertaken will be able to cushion the negative impact. These will allow unhampered operations once the ECQ is lifted, albeit on a slower schedule as compared to the pre-ECQ level. The Group managed to negotiate for payment deferrals and rollover/restructuring of certain existing loans. The Group is currently in the process of negotiating for further deferral of payments and restructuring for the other currently maturing obligations. New financing arrangements that were being explored prior to ECQ will be delayed until after ECQ and when the current economic situation normalize. Alternative financing solutions are also currently being explored.

- 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.

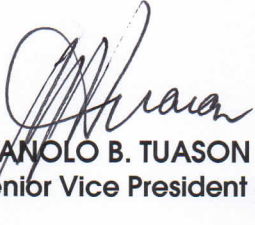
PREMIERE HORIZON ALLIANCE CORPORATION

Issuer



AUGUSTO ANTONIO C. SERAFICA, JR.
President & CEO

Date: August 19, 2020



MANOLO B. TUASON
Senior Vice President & Chief Financial Officer

Date: August 19, 2020

PREMIERE HORIZON ALLIANCE CORPORATION AND SUBSIDIARIES		
CONSOLIDATED BALANCE SHEET		
(In Php 000)		
	Unaudited	Audited
	June 30, 2020	December 31, 2019
ASSETS		
Current Assets		
Cash	118,561	81,562
Contract Assets	695,789.94	618,362
Receivables	161,435	84,573
Real Estate Held for Sale	1,000,206	1,025,558
Other current assets	152,153	134,304
Total current assets	2,128,145	1,944,359
Noncurrent Assets		
Investment property	1,298,468	1,298,468
Noncurrent portion of contract assets	55,066	55,066
Deferred exploration costs	390,197	390,197
Intangible assets	19,757	19,757
Property and equipment	272,563	310,712
Deferred tax assets	31,596	31,596
Right of use assets	1,350	1,350
Other noncurrent assets	17,562	17,752
Total Noncurrent assets	2,086,559	2,124,898
Total Assets	4,214,705	4,069,257
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current Liabilities		
Trade and other payables	979,599	630,502
Contract liabilities	21,279	11,910
Dividend payable	39,800	39,800
Capital gains tax payable	26,940	26,940
Current portion of long term debt:		
Short -term debt	205,130	204,000
Purchased land payable	50,710	49,360
	612,848	748,298
Obligation under finance lease	1,811	2,360
Convertible loans	112,500	112,500
Installment payable	44,352	58,401
Lease liability	862	862
Total Current Liabilities	2,095,829	1,884,933
Noncurrent Liabilities		
Advances to officers and employees	62,280	62,280
Pension Liabilities	25,996	25,996
Convertible loans	332,034	332,034
Callable loans	22,000	22,000
Noncurrent portion of long term debt:		
Loans from officers and shareholders	47,200	47,200
Loans from third parties	8,000	8,000
Loans payable	243,806	243,806
Installment payable	-	17,056
Lease liability	583	583
Deferred tax liabilities-Net	405,884	405,884
Total Noncurrent Liabilities	1,147,783	1,164,839
Total Liabilities	3,243,613	3,049,772
Stockholders' Equity		
Capital stock	497,620	497,620
Additional paid-in capital	97,020	97,020
Retained earnings	49,384	91,376
Equity attributable to Parent	644,025	686,017
Equity attributable to non-controlling interests	327,067	333,468
Total Equity	971,092	1,019,485
Total Liabilities and Equity	4,214,705	4,069,257

PREMIERE HORIZON ALLIANCE CORPORATION AND SUBSIDIARIES					
UNAUDITED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME					
(In Php 000)					
	For six months ended June 30		For three months ended June 30		
	2020	2019	2020	2019	
REVENUES					
Real estate sales	49,791	77,805	30,791	40,873	
Mining related services	126,553	188,309	84,605	137,762	
Total revenue	176,344	266,114	115,396	178,635	
Costs of real estate sold	25,441	50,935	17,781	30,898	
Costs of services	94,974	113,682	53,179	81,205	
Total Cost of Sales and Services	120,415	164,617	70,960	112,103	
GROSS PROFIT	55,929	101,497	44,435	66,532	
OTHER COSTS AND EXPENSES					
Professional and legal fees	12,931	15,579	5,069	8,572	
Personnel costs	18,286	39,312	10,821	30,366	
Advertising	7,176	10,464	3,067	5,796	
Taxes and licenses	6,744	10,036	1,474	3,789	
Depreciation and amortization	2,714	8,767	2,141	5,613	
Rent and utilities and supplies	1,889	4,117	598	1,747	
Transportation and travel	3,244	4,073	1,454	2,206	
Entertainment, amusement and recreation	5,747	4,294	2,901	2,663	
Repairs and maintenance	1,596	1,911	622	1,396	
Others	4,698	14,134	2,770	6,716	
	65,025	112,687	30,919	68,864	
INCOME(LOSS) BEFORE OTHER INCOME AND CHARGES	(9,096)	(11,190)	13,517	(2,332)	
OTHER INCOME(CHARGES)					
Interest income	1,475	23	614	13	
Other income-net	4,144	16,631	1,249	9,205	
Interest expenses	(42,185)	(97,875)	(18,390)	(63,271)	
	(36,565)	(81,221)	(16,527)	(54,053)	
INCOME(LOSS) BEFORE TAX	(45,661)	(92,411)	(3,010)	(56,385)	
PROVISION FOR INCOME TAX					
Current	2,732	6,686	(5,978)	3,713.00	
Deferred	-	-	-	-	
INCOME (LOSS) FOR THE PERIOD	(48,393)	(99,097)	(8,988)	(60,098)	
INCOME FROM CONTINUING OPERATION					
Equity holders of the parent	(41,992)	(77,848)	(9,300)	(49,810)	
Non-controlling interest	(6,401)	(21,249)	312	(10,288)	
	(48,393)	(99,097)	(8,988)	(60,098)	
NET INCOME (LOSS) FOR THE PERIOD	(48,393)	(99,097)	(8,988)	(60,098)	

PREMIERE HORIZON ALLIANCE CORPORATION AND SUBSIDIARIES		
UNAUDITED STATEMENTS OF CHANGES IN EQUITY		
(In Php 000)		
	For six months ended June 30	
	2020	2019
CAPITAL STOCK		
Issued and subscribed shares	497,620	483,390
ADDITIONAL PAID-IN CAPITAL	97,020	66,074
UNREALIZED GAIN ON AFS FINANCIAL ASSETS	-	
PARENT COMPANY SHARES HELD BY SUBSIDIARY	-	(120,226)
RETAINED EARNINGS		
Beginning	91,376	(140,690)
Dilution gain		
Declaration ofm dividends		
Net income(loss)	(41,992)	(77,848)
Balance at end of the period	49,384	(218,538)
ATTRIBUTABLE TO NON-CONTROLLING INTEREST		
Balance at beginning of the period	333,468	502,774
Additional investment for non-controlling interest		
Net income(loss) attributable to non-controlling interest	(6,401)	(21,248)
Balance at end of the period	327,067	481,526
TOTAL EQUITY	971,092	692,226

PREMIERE HORIZON ALLIANCE CORPORATION AND SUBSIDIARIES		
UNAUDITED STATEMENTS OF CASH FLOWS		
(In Php 000)		
	For six months ended June 30	
	2020	2019
CASH FLOWS FROM OPERATING ACTIVITIES		
Income (loss) before income tax	(48,393)	(99,097)
Adjustments for:		
Depreciation and Amortization	44,396	58,070
Interest Expenses	42,185	97,875
Interest Income	(1,475)	(23)
Operating income (loss) before working capital changes	36,713	56,825
Decrease (increase) in:		
Receivables	(76,862)	(16,948)
Contract Assets	(77,428)	(23,555)
Real estate held for sale	25,352	22,557
Other current assets	(17,849)	(60,600)
Increase (decrease) in:		
Trade payables	349,096	154,257
Contract liabilities	9,370	-
Purchased land payables	1,350	-
Other noncurrent liabilities	(17,056)	-
Net cash flows from (used in) operation	232,685	132,536
Interest received	1,475	23
Interest paid	(42,185)	(97,875)
Income tax paid	-	3,441
Net cash flows from (used in) operating activities	191,976	38,125
CASH FLOWS FROM INVESTING ACTIVITIES		
Cash received from sales of investment in associates		
Acquisition of property and equipment	(6,249)	(133,167)
Increase (decrease) in other noncurrent assets	190	(9,816)
Net cash (used in) provided by	(6,059)	(142,983)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from:		
Short-term loans	1,130	3,804
Loans payable	-	96,066
Payment of:		
Installment payable	(14,049)	-
Obligations under finance lease	(549)	(3,076)
Loans payable	(135,450)	(1,500)
Cash proceeds from subscription receivable	(0)	10,675
Cash flows from financing activities	(148,918)	105,969
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	36,999	1,111
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	81,562	68,980
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	118,561	70,091

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 June 30, 2020	Audited 2019
Cash on hand	39,941	2,731
Cash in banks	78,620	78,832
	118,561	81,562

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

3. Receivables - net

This account consists of:

	Unaudited June 30, 2020	Audited 2019
Contract receivables	28,056	36,430
Trade receivables	44,569	69,988
Advances to officers and employees	58,434	71,467
Others	64,638	951
	195,697	118,835
Less allowance for impairment losses	34,262	34,262
	161,435	84,573

Aging of Receivables

	Total	1-30	31-60	61-90	Over 90
1 Contract receivables	28,056	10,015	15,664	2,365	12,456
2 Trade	44,569	5,240	29,161	360	9,808
3 Advances to employees & officers	58,434	987	125	28,557	28,765
4 Others	64,638	35,876	21,980	3,212	3,570
Total	237,800	58,757	59,232	42,192	77,619

4. Other Current Assets

This account consists of:

	Unaudited June 30, 2020	Audited 2019
Advances to suppliers and contractors	14,675	15,874
Input Tax – Value Added Tax	62,643	56,188
Supplies inventory	12,787	2,830
Tax Credits	53,954	53,929
Prepayments	3,351	1,945
Others	4,743	3,538
	152,153	134,304

5. Trade and Other Payables

This account consists of:

	Unaudited June 30, 2020	Audited 2019
Trade payables		
Third parties	184,574	54,214
Related parties	69,876	68,667
Customers' Deposits and Advances	140,850	144,950
Advances from shareholders	107,152	107,152
Accrued expenses	89,657	71,050
Retention payable	76,336	59,374
Advances from third parties	84,526	54,163
Deferred output VAT	45,363	45,363
Vouchers payable	174,867	37,146
Customer refunds	36,278	27,309
Others	32,400	23,394
	1,041,879	692,782
Less: Noncurrent portion of advances from Key officers and shareholders	62,280	62,280
	979,599	630,502