

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, 2020
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) 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	Sep 30, 2020
Currency (indicate units, if applicable)	Php 000

Balance Sheet

	Period Ended		Fiscal Year Ended (Audited)	
	Sep 30, 2020		Dec 31, 2019	
Current Assets	1,897,809		1,944,359	
Total Assets	3,962,654		4,069,257	
Current Liabilities	1,905,303		1,884,933	
Total Liabilities	3,053,086		3,049,772	
Retained Earnings/(Deficit)	-11,929		91,376	
Stockholders' Equity	909,568		1,019,485	
Stockholders' Equity - Parent	582,711		686,017	
Book Value per Share	0.29		0.34	

Income Statement

	Current Year (3 Months)	Previous Year (3 Months)	Current Year-To-Date	Previous Year-To-Date
Gross Revenue	130,063	176,061	306,407	442,175
Gross Expense	123,981	216,563	309,420	493,867
Non-Operating Income	3,759	6,279	9,378	22,933
Non-Operating Expense	61,372	98,309	103,557	196,184

Income/(Loss) Before Tax	-51,531	-132,532	-97,192	-224,943
Income Tax Expense	-9,992	3,075	12,724	9,761
Net Income/(Loss) After Tax	-61,523	-135,607	-109,916	-234,704
Net Income Attributable to Parent Equity Holder	-61,313	-117,583	-103,305	-195,432
Earnings/(Loss) Per Share (Basic)	-0.03	-0.06	-0.05	-0.1
Earnings/(Loss) Per Share (Diluted)	-0.03	-0.06	-0.05	-0.1

	Current Year (Trailing 12 months)	Previous Year (Trailing 12 months)
Earnings/(Loss) Per Share (Basic)	0.1	-0.26
Earnings/(Loss) Per Share (Diluted)	0.1	-0.26

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 E

C E N T R E , E X C H A N G E R O A D O R T I G A S
C E N T E R , P A S I G C I T Y

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

RAUL MA. F. ANONAS

Contact Person

8632-7714

Company Telephone Number

SEC FORM 17-Q

1 2

Month

3 1

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

Total No. of Stockholders

Domestic

Foreign

To be accomplished by SEC Personnel concerned

File Number

LCU

Document ID

Cashier

STAMPS

PSE No.
SEC No. 147584
FILE No.

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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, 2020**

2. Commission identification number: **147584**

3. BIR Tax Identification No.: **002-727-376-000**

4. Exact name of registrant as specified in its charter:

PREMIERE HORIZON ALLIANCE CORPORATION

5. Province, country or other jurisdiction of incorporation or organization: **PHILIPPINES**

6. Industry Classification Code: (SEC Use Only)

7. Address of registrant's principal office: Postal Code

**Unit 1705, 17th Floor, East Tower, Philippine Stock Exchange 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>1,990,480,889 COMMON SHARES</u>

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

Yes No (Please refer to item 10.)

12. Indicate by check mark whether the registrant:

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

Yes No Not applicable - issuer has less than 100 holders of securities

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

Yes No Not applicable - issuer has less than 100 holders of securities

PART I--FINANCIAL INFORMATION

Item 1. Financial Statements

The Unaudited Financial Statements as of and for the nine-month period ended September 30, 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).

		September 30, 2020	September 30, 2019	Inc/(Dec)
1.	Revenues	P306,407	P442,175	(135,768)
2.	Gross Profit / Loss	P107,432	P120,541	(13,109)
3.	Gross Profit/Loss Ratio	35.06%	27.26%	7.80%
4.	Net Profit / Loss	(P109,916)	(P234,704)	124,788
5.	Net Profit / Loss Ratio	(35.87%)	(53.08%)	17.21%
6.	Net Profit / Loss attributable to Parent	(P103,305)	(P195,432)	92,127
7.	12 months trailing net income (loss)	195,985	(P516,246)	712,231
8.	Trailing 12 months earnings(loss) per share basic	0.10	(0.26)	0.36
		September 30, 2020	December 31, 2019	Inc/(Dec)
9.	Debt -to- Equity Ratio	3.36:1	2.99:1	0.37
10.	Current Ratio	1.00:1	1.03:1	(0.03)
11.	Debt Ratio	0.77:1	0.75:1	0.02
12.	Return on Assets	(0.03:1)	0.02:1	(0.05)

In the nine-month period ended September 30, 2020, the Group generated gross revenues of Php 306,407 thousand broken down into Php73,457 thousand from real estate sales and Php 232,950 thousand from mining related services.

Gross profit in the nine-month period ended September 30, 2020 and 2019 amounted to Php 107,432 thousand and Php 120,541 thousand, respectively, which shows a decrease of Php 13,109 thousand or 11%.

The Group's net loss attributable to the equity holder of the parent in the nine-month period ended September 30, 2020 and 2019 amounted to Php103,305 thousand and Php 195,432 thousand, respectively, which shows a decrease of Php92,127 thousand or 47%.

The Group's 12 months trailing net income in the period ended September 30, 2020 and 2019 amounted to Php 195,985 thousand and Php -516,246 thousand, respectively, which shows an increase of Php 712,231.

The Group's trailing net income (loss) per share in the period ended September 30, 2020 and 2019 amounted to 0.10 and (0.26), respectively, which shows an increase of 0.36.

The Debt-to-Equity Ratio is 3.36:1 and 2.99:1 in the 3rd quarter of 2020 and year end 2019, respectively.

The Current Ratio is 1.00:1 and 1.03:1 in the 3rd quarter of 2020 and year end 2019, respectively.

The Debt Ratio is 0.77:1 and 0.75:1 in the 3rd quarter of 2020 and year end 2019, respectively.

The Return on Assets is -0.03:1 and 0.02:1 in the 3rd 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 September 30, 2020 and December 31, 2019, this account amounted to Php 95,831 thousand and Php 81,562 thousand, respectively, which shows an increase of Php 14,269 thousand or 17%. Cash provided by operations amounted to Php 168,717 thousand; cash used in investing activities amounted to Php 7,607 thousand; while cash used in financing activities amounted to Php 146,841 thousand. The said cash flows represent the increase during the reporting period.
- **Contract Assets** - As of September 30, 2020 and December 31, 2019, this account amounted to Php 592,291 thousand and Php 673,428 thousand,

respectively, which shows a decrease of Php 81,137 thousand or 12%. The decrease primarily came from the collection of contract assets during the reporting period. Current portion of this account as of September 30, 2020 amounted to Php 537,225. Noncurrent portion of this account as of September 30, 2020 amounted to Php 55,066.

- **Receivables, net** – As of September 30, 2020 and December 31, 2019, this account amounted to Php 125,983 thousand and Php 84,573 thousand, respectively, which shows an increase of Php 41,410 thousand or 49%. The increase primarily came from the increase in receivables during the reporting period.
- **Property and equipment, net** – As of September 30, 2020 and December 31, 2019, this account amounted to Php 251,690 thousand and Php 310,712 thousand, respectively, which shows a decrease of Php 59,022 thousand or 19%. The decrease primarily came from depreciation.
- **Other assets** – As of September 30, 2020 and December 31, 2019, this account amounted to Php 141,447 thousand and Php 152,056 thousand, respectively, which shows a decrease of Php 10,609 thousand or 7%. Current portion of this account as of September 30, 2020 amounted to Php 124,726. Noncurrent portion of this account as of September 30, 2020 amounted to Php 16,721.
- **Trade and other payables**- As of September 30, 2020 and December 31, 2019, this account amounted to Php 795,286 and Php 630,502 thousand, respectively which shows an increase of Php 164,784 or 26%. The increase primarily came from the additional accrued expenses.
- **Income tax payable**- As of September 30, 2020 and December 31, 2019, this account amounted to Php 4,759 and nil, respectively which shows an increase of Php 4,759. The increase primarily came from the taxable income incurred during the reporting period.
- **Short term debt**-As of September 30, 2020 and December 31, 2019, this account amounted to Php 259,800 and Php 204,000 thousand, respectively which shows an increase of Php 55,800 or 27%. The increase came from additional loans availed during the reporting period.
- **Purchased land payable**- As of September 30, 2020 and December 31, 2019, this account amounted to Php 47,010 and Php 49,360 thousand, respectively which shows a decrease of Php 2,350 or 5%. The decrease came from the payments during the reporting period.
- **Loans payable** – As of September 30, 2020 and December 31, 2019, this account amounted to Php 768,885 thousand and Php 992,104 thousand, respectively, which shows a decrease of Php 223,219 thousand or 22%. The decrease primarily came from the payment of loans during the reporting period. Current portion of this account as of September 30, 2020 amounted to Php 525,079. Noncurrent portion of this account as of September 30, 2020 amounted to Php 243,806.
- **Obligations under finance lease**- As of September 30, 2020 and December 31, 2019, this account amounted to Php 1,410 thousand and Php 2,360 thousand, respectively, which shows a decrease of Php 950 thousand or 40%. The decrease came from payments made during the reporting period.
- **Convertible loans**- As of September 30, 2020 and December 31, 2019, this account amounted to Php 494,034 thousand and Php 444,534 thousand,

respectively, which shows an increase of Php 49,500 thousand or 11%. Additional convertible loans were made during the reporting period. Current portion of this account as of September 30, 2020 amounted to Php 162,000. Noncurrent portion of this account as of September 30, 2020 amounted to Php 332,034.

- **Installment payable** - As of September 30, 2020 and December 31, 2019, this account amounted to Php 30,249 thousand and Php 75,457 thousand, respectively, which shows a decrease of Php 45,028 thousand or 60%. The decrease came from payments made during the reporting period. Current portion of this account as of September 30, 2020 amounted to Php 30,429. Noncurrent portion of this account as of September 30, 2020 amounted to Nil.

Performance

- **Revenues** - The Group's revenues in the nine-month period ended September 30, 2020 and 2019 amounted to Php 306,407 thousand and Php 442,175 thousand, respectively, which shows a decrease of Php 135,768 thousand or 31%.

Revenue from the real estate sales in the nine-month period ended September 30, 2020 and 2019 amounted to Php 73,457 thousand and Php 110,591 thousand, respectively, which shows a decrease of Php 37,134 thousand or 34%.

Revenue from the mining related services in the nine-month period ended September 30, 2020 and 2019 amounted to Php 232,950 thousand and Php 331,584 thousand, respectively, which shows a decrease of Php 98,634 thousand or 30%.

The decrease in revenues was due to the low realizable sales via percentage of completion caused by the restrictions imposed to control COVID19.

- **Cost of real estate sold** - The Group's cost of real estate sold in the nine-month period ended September 30, 2020 and 2019 amounted to Php 42,328 thousand and Php 92,508 thousand, respectively, which shows a decrease of Php 50,180 thousand or 54%. The decrease is due to the lower realizable costs via percentage of completion.
- **Cost of services** - The Group's cost of services in the nine-month period ended September 30, 2020 and 2019 amounted to Php 156,647 thousand and Php 229,126 thousand, respectively, which shows a decrease of Php 72,479 thousand or 32%. Cost of services decreased due to slow down in operations and work disruptions caused by the restrictions imposed to control COVID19 during the 2nd quarter of 2020.
- **Professional and legal fees** - The Group's professional and legal fees in the nine-month period ended September 30, 2020 and 2019 amounted to Php 22,755 thousand and Php 28,758 thousand, respectively, which shows a decrease of Php 6,003 thousand or 21%. The decrease primarily came from the lower fees and decreased services rendered by professionals during the reporting period.
- **Personnel cost** - The Group's personnel cost in the nine-month period ended September 30, 2020 and 2019 amounted to Php 28,522 thousand and Php 52,579 thousand, respectively, which shows a decrease of Php 24,057 thousand or 46%. 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 nine-month period ended September 30, 2020 and 2019 amounted to Php 11,616 thousand and Php 13,550 thousand, respectively, which shows a decrease of Php 1,934 thousand or 14%. The decrease primarily came from the lower advertising expenses required by operations during the reporting period.
- **Taxes and licenses** - The Group's taxes and licenses in the nine-month period ended September 30, 2020 and 2019 amounted to Php 8,451 thousand and Php 13,536 thousand, respectively, which shows a decrease of Php 5,085 thousand or 38%. The decrease primarily came from the lower taxable transactions incurred by the Group in 2020.
- **Depreciation and amortization** - The Group's depreciation and amortization in the nine-month period ended September 30, 2020 and 2019 amounted to Php 5,824 thousand and Php 12,237 thousand, respectively, which shows a decrease of Php 6,413 thousand or 52%. The decrease primarily came from the lower balance of depreciable assets in 2020.
- **Rent, Utilities and Supplies** - The group's rent, utilities and supplies expense in the nine-month period ended September 30, 2020 and 2019 amounted to Php 3,938 thousand and Php 9,274, respectively, which shows a decrease of Php 5,336 thousand or 58%. 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 in the nine-month period ended September 30, 2020 and 2019 amounted to Php 4,582 thousand and Php 8,459 thousand, respectively, which shows a decrease of Php 3,877 thousand or 46%. 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 nine-month period ended September 30, 2020 and 2019 amounted to Php 7,695 thousand and Php 6,357 thousand, respectively, which shows an increase of Php 1,338 thousand or 21%. The increase primarily came from the additional entertainment, amusement, and recreation expenses required by operations in 2020.
- **Repairs and maintenance** - The Group's repairs and maintenance in the nine-month period ended September 30, 2020 and 2019 amounted to Php 2,934 thousand and Php 2,768 thousand, respectively, which shows an increase of Php 166 thousand or 6%. The increase primarily came from the higher repairs and maintenance of equipment.
- **Other Expenses** - The Group's other expenses in the nine-month period ended September 30, 2020 and 2019 amounted to Php 14,130 thousand and Php 24,715 thousand, respectively, which shows a decrease of Php 10,585 thousand or 43%. 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 nine-month period ended September 30, 2020 and 2019 amounted to Php 36 thousand and Php 54 thousand, respectively, which shows a decrease of Php 18 thousand or 33%. The decrease primarily came from the lower balance of interest earning assets.

- **Other income - net** - The Group's other income -net in the nine-month period ended September 30, 2020 and 2019 amounted to Php 9,342 thousand and Php 22,879 thousand, respectively, which shows a decrease of Php 13,537 thousand or 59%. The decrease primarily came from lower service income earned from operations during the in 2020.
- **Interest expense**- The Group's interest in the nine-month period ended September 30, 2020 and 2019 amounted to Php 103,557 thousand and Php 196,184 thousand, respectively, which shows a decrease of Php 92,627 thousand or 47%. 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 nine-month period ended September 30, 2020 and 2019 amounted to Php 12,724 thousand and Php 9,761 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.

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: November 17, 2020



MANOLO B. TUASON

Senior Vice President & Chief Financial Officer

Date: November 17, 2020

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

	Unaudited September 30, 2020	Audited December 31, 2019
ASSETS		
Current Assets		
Cash	95,831	81,562
Contract Assets	537,225	618,362
Receivables	125,983	84,573
Real Estate Held for Sale	1,014,044	1,025,558
Other current assets	124,726	134,304
Total current assets	1,897,809	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	251,690	310,712
Deferred tax assets	31,596	31,596
Right of use assets	1,350	1,350
Other noncurrent assets	16,721	17,752
Total Noncurrent assets	2,064,845	2,124,898
Total Assets	3,962,654	4,069,257
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current Liabilities		
Trade and other payables	795,286	630,502
Contract liabilities	11,928	11,910
Dividend payable	39,800	39,800
Capital gains tax payable	26,940	26,940
Income tax payable	4,759	-
Current portion of long term debt:		
Short -term debt	259,800	204,000
Purchased land payable	47,010	49,360
Loans payable	525,079	748,298
Obligation under finance lease	1,410	2,360
Convertible loans	162,000	112,500
Installment payable	30,429	58,401
Lease liability	862	862
Total Current Liabilities	1,905,303	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	3,053,086	3,049,772
Stockholders' Equity		
Equity attributable to equity holders of the parent		
Capital stock	497,620	497,620
Additional paid-in capital	97,020	97,020
Retained earnings	(11,929)	91,376
Parent Company shares held by a subsidiary	-	-
Equity attributable to Parent	582,711	686,017
Equity attributable to non-controlling interests	326,857	333,468
Total Equity	909,568	1,019,485
Total Liabilities and Equity	3,962,654	4,069,257

PREMIERE HORIZON ALLIANCE CORPORATION AND SUBSIDIARIES
UNAUDITED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(In Php000.00)

	For nine months ended		For three months ended	
	2020	2019	2020	2019
REVENUES				
Real estate sales	73,457	110,591	23,666	143,275
Mining related services	232,950	331,584	106,397	32,786
Total revenue	306,407	442,175	130,063	176,061
Costs of real estate sold	42,328	92,508	16,887	115,444
Costs of services	156,647	229,126	61,673	41,573
Total Cost of Sales and Services	198,975	321,634	78,560	157,017
GROSS PROFIT	107,432	120,541	51,503	19,044
OTHER COSTS AND EXPENSES				
Professional and legal fees	22,755	28,758	9,824	13,268
Personnel costs	28,522	52,579	10,236	13,178
Advertising	11,616	13,550	4,440	3,085
Taxes and licenses	8,451	13,536	1,707	4,769
Depreciation and amortization	5,824	12,237	3,110	2,201
Rent and utilities and supplies	3,938	9,274	2,049	5,200
Transportation and travel	4,582	8,459	1,338	4,164
Entertainment, amusement and recreation	7,695	6,357	1,948	2,240
Repairs and maintenance	2,934	2,768	1,339	858
Others	14,130	24,715	9,432	10,583
	110,446	172,233	45,421	59,546
INCOME(LOSS) BEFORE OTHER INCOME AND CHARGES	(3,014)	(51,692)	6,082	(40,502)
OTHER INCOME(CHARGES)				
Gain on change in FV of investment property				
Interest income	36	54	(1,439)	31
Other income-net	9,342	22,879	5,198	6,248
Interest expenses	(103,557)	(196,184)	(61,372)	(98,309)
	(94,179)	(173,251)	(57,613)	(92,030)
INCOME(LOSS) BEFORE TAX	(97,192)[Ⓢ]	(224,943)	(51,531)	(132,532)
PROVISION FOR INCOME TAX				
Current	12,724	9,761	(9,992)	3,075
Deferred	-	-	-	-
INCOME (LOSS) FOR THE PERIOD	(109,916)	(234,704)[Ⓢ]	(61,523)	(135,607)
INCOME FROM CONTINUING OPERATION				
Equity holders of the parent	(103,305)	(195,432)	(61,313)	(117,583)
Non-controlling interest	(6,611)	(39,272)	(210)	(18,024)
	(109,916)	(234,704)[Ⓢ]	(61,523)	(135,607)
NET INCOME (LOSS) FOR THE PERIOD	(109,916)	(234,704)	(61,523)	(135,607)

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

	For nine months ended September 30	
	2020	2019
CASH FLOWS FROM OPERATING ACTIVITIES		
Income (loss) before income tax	(109,916)	(234,704)
Adjustments for:		
Depreciation and Amortization	67,660	110,462
Interest Expenses	103,557	196,184
Impairment Losses		
Pension cost		
Unrealized foreign exchange gain		
Loss on disposal of property plant and equipment		
Interest Income	(36)	(54)
Operating income (loss) before working capital changes	61,265	71,888
Decrease (increase) in:		
Receivables	(41,410)	(43,186)
Contract Assets	81,137	187,432
Real estate held for sale	11,514	(14,421)
Other current assets	9,578	(57,737)
Increase (decrease) in:		
Trade payables	164,782	12,063
Contract liabilities	18	
Purchased land payables	(2,350)	
Other noncurrent liabilities	(17,056)	
Net cash flows from (used in) operation	267,478	156,039
Interest received	36	54
Interest paid	(103,557)	(196,184)
Income tax paid	4,759	(483)
Net cash flows from (used in) operating activities	168,717	(40,574)
CASH FLOWS FROM INVESTING ACTIVITIES		
Cash received from sales of investment in associates		
Acquisition of property and equipment	(8,638)	(139,882)
Acquisition of deferred exploration cost		
Increase (decrease) in other noncurrent assets	1,031	(9,504)
Net cash (used in) provided by	(7,607)	(149,386)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from:		
Short-term loans	55,800	3,805
Callable loans	-	
Convertible loan	49,500	
Loans payable		6,971
Payment of:		
Convertible loans		
Installment payable	(27,972)	
Obligations under finance lease	(950)	(4,096)
Short term loans		
Loans payable	(223,219)	(6,000)
Cash proceeds from subscription receivable	(0)	24,904
Cash proceeds from additional paid in capital	-	
Cash proceeds from disposal of treasury shares	-	151,172
Cash flows from financing activities	(146,841)	176,756
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	14,269	(13,204)
EFFECT ON CHANGES IN FOREIGN EXCHANGE RATE		
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	81,562	68,980
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	95,831	55,776

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

	For nine months ended September 30	
	2020	2019
CAPITAL STOCK		
Issued and subscribed shares	497,620	497,620
ADDITIONAL PAID-IN CAPITAL		
	97,020	97,020
UNREALIZED GAIN ON AFS FINANCIAL ASSETS		
	-	
PARENT COMPANY SHARES HELD BY SUBSIDIARY		
	-	-
RETAINED EARNINGS		
Beginning	91,376	(140,690)
Dilution gain		
Declaration ofm dividends		
Net income(loss)	(103,305)	(195,432)
Balance at end of the period	(11,929)	(336,122)
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	(6,611)	(39,272)
Balance at end of the period	326,857	463,502
TOTAL EQUITY	909,568	722,020

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

1. Corporate Information and Status of Operations

Premiere Horizon Alliance Corporation (PHA or the Parent Company), was incorporated in the Philippines on January 13, 1988 and listed in the Philippine Stock Exchange (PSE) on May 5, 1997. The Parent Company's primary purpose is to engage in business activities relating to entertainment, gaming, hotel and leisure.

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

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

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

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

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

2. Cash

This account consists of:

	Unaudited	
	September 30, 2020	Audited 2019
Cash on hand	32,023	2,731
Cash in banks	63,808	78,832
	95,831	81,562

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

3. Receivables - net

This account consists of:

	Unaudited September 30, 2020	Audited 2019
Contract receivables	26,243	36,430
Trade receivables	63,881	69,988
Advances to officers and employees	68,246	71,467
Others	1,875	951
	160,245	118,835
Less allowance for impairment losses	34,262	34,262
	125,983	84,573

Aging of Receivables

	Total	1-30	31-60	61-90	Over 90
1 Contract receivables	26,243	8,365	5,647	6,584	5,647
2 Trade	63,881	19,497	26,161	6,758	11,465
3 Advances to employees & officers	68,246	4,799	6,125	28,557	28,765
4 Others	1,875	450	543	267	615
Total	160,245	33,111	38,476	42,166	46,492

4. Other Current Assets

This account consists of:

	Unaudited September 30, 2020	Audited 2019
Advances to suppliers and contractors	4,564	15,874
Input Tax – Value Added Tax	44,355	56,188
Supplies inventory	5,440	2,830
Tax Credits	69,057	53,929
Prepayments	490	1,945
Others	820	3,538
	124,726	134,304

5. Trade and Other Payables

This account consists of:

	Unaudited September 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	25,346	107,152
Accrued expenses	89,657	71,050
Retention payable	76,336	59,374
Advances from third parties	64,526	54,163
Deferred output VAT	45,363	45,363
Vouchers payable	104,703	37,146
Customer refunds	34,278	27,309
Others	22,057	23,394
	857,566	692,782
Less: Noncurrent portion of advances from Key officers and shareholders	62,280	62,280
	795,286	630,502