

IMPORTANT NOTICE

THIS PRELIMINARY PROSPECTUS (“PROSPECTUS”) IS BEING DISPLAYED ON THIS WEBSITE TO MAKE THIS PROSPECTUS ACCESSIBLE TO INVESTORS IN THE PHILIPPINES AND IS TO BE VIEWED EXCLUSIVELY WITHIN THE PHILIPPINES.

THE PHILIPPINE STOCK EXCHANGE, INC. (THE “PSE”) ASSUMES NO RESPONSIBILITY FOR THE CORRECTNESS OF STATEMENTS MADE, OR THE OPINIONS OR REPORTS EXPRESSED IN THIS PROSPECTUS. THE PSE MAKES NO REPRESENTATION AS TO THE COMPLETENESS OF THIS PROSPECTUS AND DISCLAIMS ANY LIABILITY WHATSOEVER FOR ANY LOSS ARISING FROM OR IN RELIANCE, IN FULL OR IN PART, OF THE CONTENTS OF THIS PROSPECTUS.

AN AMENDED REGISTRATION STATEMENT RELATING TO THESE SECURITIES HAS BEEN FILED WITH THE SECURITIES AND EXCHANGE COMMISSION BUT HAS NOT YET BEEN DECLARED EFFECTIVE. NO OFFER TO BUY THE SECURITIES WILL BE ACCEPTED AND NO PART OF THE PURCHASE PRICE WILL BE ACCEPTED OR RECEIVED DESPITE THE AMENDED REGISTRATION STATEMENT BECOMING EFFECTIVE. ANY INDICATION OF INTEREST TO PURCHASE THESE SECURITIES INVOLVES NO OBLIGATION OR COMMITMENT OF ANY KIND. THIS PROSPECTUS SHALL NOT CONSTITUTE AN OFFER TO SELL OR THE SOLICITATION OF AN OFFER TO BUY.

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This Prospectus and the information contained herein are subject to completion or amendment without notice. Shares may not be sold nor may an offer to buy be accepted prior to the time that the Prospectus is issued in final form. Under no circumstances shall this Prospectus constitute an offer to sell or a solicitation of an offer to buy any Offer Shares nor shall there be any offer, solicitation or sale of the Offer Shares in any jurisdiction where such offer or sale is not permitted.

THIS PRELIMINARY PROSPECTUS AND THE INFORMATION CONTAINED HEREIN ARE SUBJECT TO COMPLETION OR AMENDMENT WITHOUT NOTICE. THE OFFER SHARES MAY NOT BE SOLD NOR MAY AN OFFER TO BUY BE ACCEPTED PRIOR TO THE TIME THAT THE PRELIMINARY PROSPECTUS IS ISSUED IN FINAL FORM. UNDER NO CIRCUMSTANCES SHALL THIS PRELIMINARY PROSPECTUS CONSTITUTE AN OFFER TO SELL OR THE SOLICITATION OF AN OFFER TO BUY ANY OFFER SHARES NOR SHALL THERE BE ANY OFFER, SOLICITATION OR SALE OF THE OFFER SHARES IN ANY JURISDICTION IN WHICH SUCH OFFER, SOLICITATION OR SALE WOULD BE UNLAWFUL PRIOR TO REGISTRATION OR QUALIFICATION UNDER THE SECURITIES LAWS OF SUCH JURISDICTION.



Philcomsat Holdings Corporation (Incorporated in the Republic of the Philippines)

**This Prospectus is being filed to accompany the
Amended Registration Statement required by the
Securities and Exchange Commission for the
Lifting of the Suspension Order over
Sixty Million (60,000,000) common shares of the Corporation**

To be traded on the Main Board of The Philippine Stock Exchange, Inc.

**Investing in the said Shares involves risks.
See “Risk Factors” beginning on page 17.**

As of the date of this Prospectus, the Issuer has 996,391,254 issued and outstanding Common Shares, each with a par value of ₱1.00.

**As this Prospectus does not contain an Offering to Sell Shares,
no Bookrunners, Underwriters or Selling Agents
have been appointed by the Issuer.**

The date of this Preliminary Prospectus is May 20, 2025.

WHILE THE SECURITIES AND EXCHANGE COMMISSION HAS APPROVED THESE SECURITIES, IT HAS NOT MADE A DETERMINATION IF THIS PROSPECTUS IS ACCURATE OR COMPLETE. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE AND SHOULD BE REPORTED IMMEDIATELY TO THE SECURITIES AND EXCHANGE COMMISSION.

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Philcomsat Holdings Corporation
12/F Telecom Plaza
316 Sen. Gil Puyat Avenue
Makati City 1200 Philippines
Telephone Number : +632 88158406
www.phc.com.ph

This Prospectus relates to the Sixty Million [60,000,000] common shares (the “**Shares**”) with a par value of P1.00 per share of Philcomsat Holdings Corporation, a corporation organized and existing under Philippine Law (the “Corporation” or the “Issuer” or the “Company”) that are already listed on the main board of the Philippine Stock Exchange but are currently under a trading suspension.

The Issuer was incorporated on May 10, 1956. The Shares subject of this Prospectus were listed under the Corporation Act in the 1960s and 1970s. On January 10, 1997, the Issuer approved amendments to its Articles of Incorporation changing its primary purpose of mining to a holding company, changing its name from “Liberty Mines, Inc.” to the present “Philcomsat Holdings Corporation” and declassifying its shares. These amendments were filed with the Securities and Exchange Commission and were approved in the same year.

As of the date of this Prospectus, the authorized capital of the Issuer is One Billion Pesos (P1,000,000,000.00) divided into one billion (1,000,000,000) common shares with a par value of P1.00 per share.

The Issuer invests in the money market and financial securities in accordance with its primary purpose. It directly owns 100% of Philcomsat Management Enterprises, Inc., a management company, and, indirectly owns 100% of Professional Stock Transfer Inc., a stock transfer agency. On November 21, 2022, the stockholders authorized the Issuer to engage in one of its secondary purposes which is to manage and operate hotels and resorts.

The Shares are listed on the Main Board of the Philippine Stock Exchange under the trading symbol “PHC”.

As this Prospectus does not offer securities for sale, no bookrunners, underwriters or selling agents have been appointed. This Prospectus is filed solely to accompany the Amended Registration Statement filed by the Issuer in support of its request for the lifting of the trading suspension over the Shares.

Nonetheless, prospective investors should carefully consider the risks associated with an investment in the Shares. These risks include:

- Risks relating to the Issuer and the Group;
- Risks relating to the Issuer’s businesses;
- Risks relating to the Philippines;
- Risks relating to the Offer Shares; and
- Risks relating to the Presentation of Information in this Prospectus.

See the section entitled “*Risk Factors*” in this Prospectus, which, while not intended to be an exhaustive enumeration of all risks, must be considered when investing in shares of the Issuer.

RISK OF INVESTING

In making an investment decision, prospective investors are advised to carefully consider all the information in this Prospectus, including, but not limited to, the risks associated with an investment in the Offer Shares. These risks include:

- Risks relating to the Company’s Business;
- Risks relating to the Philippines;
- Risks relating to the Offer and the Offer Shares; and
- Risks relating to the Presentation of Information in this Prospectus.

An investment in the Offer Shares described in this Prospectus involves a certain degree of risk. A prospective purchaser of the Offer Shares should carefully consider several risk factors relating to the Company's business and operations, risks relating to the Philippines and risks relating to the Offer Shares. Please see the section entitled "*Risk Factors*" of this Prospectus, which, while not intended to be an exhaustive enumeration of all risks, must be considered in connection with an investment in the Offer Shares.

A REGISTRATION STATEMENT RELATING TO THESE SECURITIES HAS BEEN FILED WITH THE SECURITIES AND EXCHANGE COMMISSION BUT HAS NOT YET BEEN DECLARED EFFECTIVE. NO OFFER TO BUY THE SECURITIES CAN BE ACCEPTED AND NO PART OF THE PURCHASE PRICE CAN BE ACCEPTED OR RECEIVED UNTIL THE REGISTRATION STATEMENT HAS BECOME EFFECTIVE, AND ANY SUCH OFFER MAY BE WITHDRAWN OR REVOKED, WITHOUT OBLIGATION OR COMMITMENT OF ANY KIND AT ANY TIME PRIOR TO NOTICE OF ITS ACCEPTANCE GIVEN AFTER THE EFFECTIVE DATE. AN INDICATION OF INTEREST IN RESPONSE HERETO INVOLVES NO OBLIGATION OR COMMITMENT OF ANY KIND. THIS PROSPECTUS SHALL NOT CONSTITUTE AN OFFER TO SELL OR THE SOLICITATION OF AN OFFER TO BUY.

PHILCOMSAT HOLDINGS CORPORATION

By:

VICTORIA C. DE LOS REYES
President and Chief Executive Officer

**REPUBLIC OF THE PHILIPPINES)
MAKATI CITY, METRO MANILA) SS.**

SUBSCRIBED AND SWORN to before me this MAY 21 2025 in Makati City, Philippines, affiant exhibiting to me her Passport No. P7245938B issued on 22 July 2021 at DFA Pampanga.

Doc. No. 17 ;
Page No. 5 ;

Page No. 6 ;
Book No. X ;

Book No. 8;
Series of 2025

Series of 2025.

DOCUMENTARY STAMP TAX PAID

29188710
(SERIAL NUMBER)

MAY 21 2025

(SERIAL NUMBER)

(DATE OF PAYMENT)

ATTY. KAREN L. DIAZINO
Notary Public until 31 December 2025
19th/F BDO Plaza, 8737 Paseo de Roxas, Makati City
PTR No. 10467743, Makati City, 03 January 2025
IBP No. 494720, Makati, 02 January 2025
Roll No. 62561, Appointment No. M-099
MCLE Compliance No. VIII-0007524, 15 March 2024

NOTICE TO INVESTORS

Unless otherwise stated, all information contained in this Prospectus relating to the Issuer and its operations have been supplied by the Issuer and its subsidiaries. In accordance with the requirements of applicable laws and regulations in the Philippines for the sale of securities, the Issuer has exercised the required due diligence and Issuer confirms that to the best of its knowledge and belief after having taken reasonable care to ensure that such is the case, as of the date of this Prospectus, the information contained in this Prospectus relating to the Issuer and its operations is true and there is no material misstatement or omission of fact which would make any statement in this Prospectus misleading in any material respect and that the Issuer hereby accepts full and sole responsibility for the accuracy of the information contained in this Prospectus with respect to the same. Each person contemplating an investment in the Issuer or its Shares should make his or her own investigation and analysis of the creditworthiness of the Issuer and his or her own determination of the suitability of any such investment.

Unless otherwise indicated, all information in this Prospectus is as of the date of this Prospectus. Neither the delivery of this Prospectus nor any sale of any shares of the Issuer shall, under any circumstances, create any implication that there has been no change in the affairs of the Issuer since the date hereof or that the information contained herein is correct as of any time subsequent to the date hereof.

No representation or warranty, express or implied, is made by the Issuer regarding the legality of an investment in the Shares under any legal, investment, or similar laws or regulations. The contents of this Prospectus are not investment, legal, or tax advice. Prospective investors should consult their own counsel, accountant, and other advisers as to legal, tax, business, financial, and related aspects of a purchase of Shares of the Issuer. In making any investment decision regarding the Issuer or its Shares, prospective investors must rely on their own examination of the Issuer and the Shares, including the merits and risks involved. Any reproduction or distribution of this Prospectus, in whole or in part, and any disclosure of its contents or use of any information herein for any purpose other than considering an investment in the Shares is prohibited.

NO SHARES ARE BEING OFFERED ON THE BASIS OF THIS PROSPECTUS. ANY DECISION TO PURCHASE SHARES MUST BE BASED ONLY ON THE INFORMATION CONTAINED HEREIN.

No person has been authorized to give any information or to make any representations other than those contained in this Prospectus and, if given or made, such information or representations must not be relied upon as having been authorized by the Issuer. This Prospectus does not constitute an offer to sell or the solicitation of an offer to purchase any securities or an offer to sell or the solicitation of an offer to purchase such securities by any person in any circumstances in which such offer or solicitation is unlawful. Neither the delivery of this Prospectus nor any sale of the Offer Shares offered hereby shall, under any circumstances, create any implication that there has been no change in the affairs of the Group since the date hereof or that the information contained herein is correct as of any time subsequent to the date hereof.

This Prospectus does not constitute an offer of, or an invitation to purchase, any of the Issuer's Shares, Nonetheless, prospective purchasers of the Shares must comply with all applicable laws

and regulations in force in the jurisdiction in which it purchases, offers, sells, or resells the Shares, or possesses and distributes this Prospectus and must obtain any consents, approvals, or permissions required for the same.

CONVENTIONS THAT APPLY TO THIS PROSPECTUS

In this Prospectus, unless otherwise specified or the context otherwise requires, all references to the “**Issuer**,” the “**Company**” and “**Corporation**” are to Philcomsat Holdings Corporation.

References to the “**Group**” are to the Issuer and its subsidiaries, “**Philcomsat Management Enterprises, Inc.**” and **Professional Stock Transfer, Inc.**”.

All references to the “**Philippines**” are references to the Republic of the Philippines. All references to the “**Government**” or the “**National Government**” are to the National Government of the Philippines. All references to “**Philippine Peso**,” “**Pesos**,” and “**P**” are to the lawful currency of the Philippines. The Issuer publishes its financial statements in Pesos. Certain terms used herein are defined in the “*Glossary of Terms*” contained elsewhere in this Prospectus. The items expressed in the Glossary of Terms may be defined otherwise by appropriate Government agencies or regulations from time to time, or by conventional or industry usage.

Any discrepancies in the tables included herein between the listed amounts and totals thereof are due to rounding off. References to Annexes are to the Annexes set out in this Prospectus. All references herein to dates and times shall mean Philippine dates and times unless otherwise specified.

BASIS FOR CERTAIN MARKET DATA

Certain statistical information and forecasts in this Prospectus relating to the Philippines and other data used in this Prospectus were obtained or derived from internal surveys, market research, Governmental data, publicly available information, and/or industry publications. Industry publications generally state that the information they contain has been obtained from sources believed to be reliable, but that the accuracy and completeness of such information is not guaranteed.

PRESENTATION OF FINANCIAL INFORMATION

The Group’s consolidated financial statements are reported in Pesos and are prepared based on its accounting policies, which are in accordance with the Philippine Financial Reporting Standards (“**PFRS**”) issued by the Financial Reporting Standards Council of the Philippines. PFRS include statements named PFRS, Philippine Accounting Standards (“**PAS**”), and Philippine Interpretations of International Financial Reporting Interpretations Committee interpretations issued by the Financial Reporting Standards Council.

This Prospectus includes the Group’s audited consolidated financial statements as of and for the years ended December 31, 2024 2023, and 2022 and as of March 31, 2025 as compared to March 31, 2024 (collectively, the “**Audited Consolidated Financial Statements**”), which were prepared in accordance with PFRS.

The Issuer’s fiscal year begins on January 1 and ends on December 31 of each year. In this Prospectus, references to “2022,” “2023,” and “2024” refer to the fiscal years ended December

31, 2022, 2023, and 2024, respectively. Isla Lipana & Co. (“**Isla Lipana**”), a member firm of Price Waterhouse Coopers, independent auditors, audited the Audited Consolidated Financial Statements. The financial information for such periods is extracted from the financial statements included in this Prospectus and have been prepared in accordance with PFRS.

Figures in this Prospectus have been subject to rounding adjustments. Accordingly, figures shown in the same item of information may vary, and figures which are totals may not be an arithmetic aggregate of their components.

For more information, please refer to the Audited Consolidated Financial Statements contained elsewhere in this Prospectus.

PRESENTATION OF NON-PFRS FINANCIAL MEASURES

This Prospectus includes certain non-PFRS financial measures, including EBITDA and Core Net Income (Loss) Attributable to the Company.

EBITDA is calculated as the Group’s consolidated net income (loss) excluding provision for taxes, interest expense, depreciation and amortization, foreign exchange gains/losses, interest income from banks and other income.

Core Net Income (Loss) Attributable to the Company is computed as the sum of the net income (loss) of each investment after eliminations and excluding non-recurring items, multiplied by the respective economic interest of the Company. Non-recurring items are defined as gains or losses that are infrequent and do not occur in the normal course of the Group’s business.

The Issuer believes that the use of EBITDA and Core Net Income (Loss) Attributable to the Company, combined with the required PFRS presentations, improves the understanding of the Group’s operating results among investors. EBITDA and Core Net Income (Loss) Attributable to the Company are important measurements because EBITDA measures the key operational results of the Issuer’s investments; while the Core Net Income (Loss) Attributable to the Company is a measure of the Group’s net income performance weighted based on the Company’s share of each investment and after excluding non-recurring items, which indicates the Company’s performance in managing its investments.

These non-PFRS financial measures are supplemental measures of the Group’s performance that are not required by, or presented in accordance with, and should not be considered as an alternative to net profit, revenues or any other measure of the Group’s financial performance derived in accordance with PFRS or as an alternative to cash flows from operations or as a measure of the Issuer’s liquidity. Non-PFRS financial measures have limitations as analytical tools, and investors should not consider them in isolation from, or as a substitute for, investors’ own analysis of the Group’s financial condition or results of operations, as reported under PFRS. These non-PFRS financial measures are not standardized terms and other companies may calculate measures bearing the same titles differently, hence a direct comparison between companies using such terms may not be possible, which limits the usefulness of these non-PFRS financial measures.

FORWARD-LOOKING STATEMENTS

This Prospectus contains forward-looking statements and forward-looking financial

information, that are, by their nature, subject to significant risks and uncertainties. The forward-looking statements include, without limitation, statements relating to:

- known and unknown risks;
- uncertainties and other factors that may cause the Group's actual results, performance, or achievements to be materially different from any future results;
- performance or achievements expressed or implied by forward-looking statements;
- the Group's overall future business, financial condition, and results of operations, including, but not limited to, its financial position or cash flow;
- the Group's goals for or estimates of its future operational performance or results; and
- changes in the Group's regulatory environment including, but not limited to, policies, decisions, and determinations of governmental or regulatory authorities.

Such forward-looking statements and forward-looking financial information are based on numerous assumptions regarding the Group's present and future business strategies and the environment in which the Group will operate in the future. Important factors that can cause some or all of the assumptions not to occur or cause actual results, performance or achievements to differ materially from those in the forward-looking statements and forward-looking financial information include, among other things:

- risks relating to the Issuer's and the Group's operations;
- the ability to leverage on the Group's strengths;
- the ability to successfully implement current and future business strategies;
- the ability to manage expansion and growth;
- the ability to obtain licenses, permits and other authorizations required;
- the ability to obtain financing or raise debt;
- any changes to available interest rates, inflation rates, and the value of the Peso against the U.S. dollar and other currencies;
- the condition of and changes to the Philippines, Asian or global economies;
- the general political, social, and economic conditions in the Philippines;
- any changes in government regulations, including tax laws, or licensing in the Philippines and in other jurisdictions in which the Group operates; and
- factors that are not known to the Group at this time.

Additional factors that can cause the Group's actual results, performance or achievements to differ materially from the forward-looking statements and forward-looking financial information in this Prospectus include, but are not limited to, those disclosed under "*Risk Factors*" and elsewhere in this Prospectus. These forward-looking statements and forward-looking financial information speak only as of the date of this Prospectus.

In particular, in light of the past COVID-19 pandemic and associated uncertainties in the global financial markets and their contagion effect on the real economy, any forward-looking statements and forward-looking financial information contained in this Prospectus must be considered with significant caution and reservation.

The Issuer and the Group expressly disclaim any obligation or undertaking to release, publicly or otherwise, any updates or revisions to any forward-looking statement and/or forward-looking financial information contained herein to reflect any change in the Group's expectations with regard thereto or any change in events, conditions, assumptions, or circumstances on which any statement is based.

This Prospectus includes statements regarding the Issuer's expectations and projections for future operating performance and business prospects. The words "aim," "anticipate," "believe," "consider," "continue," "estimate," "expect," "going forward," "intend," "ought to," "plan," "potential," "predict," "project," "propose," "seek," "may," "might," "can," "could," "will," "would," "shall," "should," "is/are likely to," the negative form of these words, and other similar words identify forward-looking statements. In addition, all statements other than statements of historical facts included in this Prospectus are forward-looking statements. Statements in the Prospectus as to the opinions, beliefs, and intentions of the Issuer accurately reflect in all material respects the opinions, beliefs, and intentions of its management as to such matters as of the date of this Prospectus, although the Issuer gives no assurance that such opinions or beliefs will prove to be correct or that such intentions will not change. This Prospectus discloses, under the section "*Risk Factors*" and elsewhere, important factors that can cause actual results to differ materially from the Issuer's expectations. All subsequent written and oral forward-looking statements attributable to the Issuer or persons acting on behalf of the Issuer are expressly qualified in their entirety by the above cautionary statements.

GLOSSARY OF TERMS

Affiliate	A corporation that directly or indirectly, through one or more intermediaries, Controls, is Controlled by, or is under the common Control of, another corporation
BIR	Bureau of Internal Revenue
Board or Board of Directors	The Board of Directors of the Company
Company, Issuer, Corporation or PHC	Philcomsat Holdings Corporation
Depository Agent	Philippine Depository and Trust Group
EBITDA	Earnings Before Interest, Taxes, Depreciation, and Amortization
Government	The Government of the Republic of the Philippines
Group, or the PHC Group	Philcomsat Holdings Corporation, Philcomsat Management Enterprises, Inc. and Professional Stock Transfer, Inc.
IRO	Investor Relations Officer
MCIT	Minimum Corporate Income Tax
NIRC	Philippine National Internal Revenue Code
Php, P, or Philippine Peso	Philippine Pesos, the lawful currency of the Republic of the Philippines
PCD	The Philippine Central Depository
PCD Nominee	The PCD Nominee Corporation, a corporation wholly owned by the PDTC
PDS	The Philippine Dealing System
PDTC	The Philippine Depository and Trust Corporation, the central securities depository of, among others, securities listed and traded on the PSE
PFRS	Philippine Financial Reporting Standards

Prospectus	This Prospectus together with all its annexes, appendices and amendments
PSA	Philippine Standards on Auditing
PSE	The Philippine Stock Exchange, Inc.
PSE Listing Rules	Article III, part F, Section 4 of the PSE Consolidated Listing and Disclosure Rules
Revised Corporation Code	Republic Act 11232 or the Revised Corporation Code of the Philippines
SEC, or Philippine SEC	The Philippine Securities and Exchange Commission
SRC	Republic Act No. 8799, otherwise known as “The Securities Regulation Code”
Stock Transfer Agent	Professional Stock Transfer, Inc.
Subsidiary, or Subsidiaries	<p>An entity of which a Person has direct or indirect Control or owns directly or indirectly more than 50% of the voting capital or similar right of ownership. As applied to any Person, the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of such Person, whether through the ownership of voting securities, by contract or otherwise. The terms “Controlling”, “Controlled by” and “under common Control with” shall have correlative meanings. “Person” means any individual, firm, corporation, partnership, association, joint venture, tribunal, limited liability company, trust, government or political subdivision or agency or instrumentality thereof, or any other entity or organization.</p> <p>Collectively, PHC’s subsidiaries are Philcomsat Management Enterprises, Inc. and Professional Stock Transfer, Inc.</p>
Trading Day	Any day on which trading is allowed in the PSE
Trading Participants, or TPs	PSE Trading Participants

EXECUTIVE SUMMARY

The following summary is qualified in its entirety by, and is subject to, the more detailed information presented in this Prospectus, including the Company’s audited consolidated financial statements and the related notes included elsewhere in this Prospectus. Prospective investors should read this entire Prospectus fully and carefully, including the section on “*Risk Factors*”. In case of any inconsistency between this summary and the more detailed information in this Prospectus, then the more detailed portions, as the case may be, shall at all times prevail. Capitalized terms not defined in this summary are defined in the “*Glossary of Terms*,” “*Risk Factors*,” “*Business*” or elsewhere in this Prospectus.

COMPANY OVERVIEW

The Company was incorporated on May 10, 1956 as “Liberty Mines, Inc.”, a mining company. On January 10, 1997, the Company approved amendments to its Articles of Incorporation changing its primary purpose to a holding company, changing its name to the present Philcomsat Holdings Corporation, and declassifying its shares. These changes were approved by the Securities and Exchange Commission in the same year.

Direct and indirect subsidiaries of the Issuer

The table below summarizes certain subsidiaries of the Issuer. For more information, please refer to the corporate structure chart of the Issuer in “*Description of the Issuer and the Group*” and the Audited Consolidated Financial Statements included elsewhere in this Prospectus.

Subsidiary	Nature of Business	Ownership
Philcomsat Management Enterprises, Inc. (PMEI)	To provide business management services, project management, business conceptualization and allied services	100% owned by the Company
Professional Stock Transfer, Inc.	To act as transfer agents and/or registrars of corporations	100% owned by PMEI

Group's principal businesses

The Group's principal businesses are investments in ***Money Market and Financial Instruments, Hotel and Resort Management and Stock Transfer and allied services.***

COMPETITIVE STRENGTHS

The Company considers the following as its competitive strengths:

- Experienced Management Team;
- Access to Capital backed by Prudent Financial Management; and
- Strong Commitment to Corporate Social Responsibility.

PLANS AND PROSPECTS

The Company is looking to further grow its business through the following plans and prospects:

- Continued Investment in money market and financial instruments;
- Improvement of resort operations; and
- Acquisition of more clients for its stock transfer services.

A more detailed discussion of these plans and prospects can be found in the “*Business section – Plans and Prospects*” of this Prospectus.

STRATEGIES

In order to achieve the Company's plans and prospects, the Company will pursue the

following strategies:

- Identification of stable but high yielding financial instruments;
- Improvement of facilities and services of its resort-client; and
- Marketing of its stock transfer services.

A more detailed discussion is provided in the “*Business section – Key Strategies*” of this Prospectus.

RISKS OF INVESTING

Before making an investment decision, investors are advised to carefully consider all the information contained in this Prospectus, including the following key points characterizing the potential risks associated with an investment in the Company’s Shares. These include risks arising from the nature of the Company and its business, risks relating to the economic and political environment in the Philippines, and risks relating to the Shares. Please refer to the Risk Factors for a discussion, which, while not meant to be exhaustive, should be considered in connection with an investment in the Shares.

CORPORATE INFORMATION

The Company’s principal office is at 12F Telecom Plaza, 316 Sen. Gil Puyat Avenue, Makati City, Philippines.

INVESTOR RELATIONS OFFICE

The Investor Relations Office will implement the investor relations program in order to reach out to all shareholders and keep them informed of corporate activities. The office will also handle communication of relevant information to the Company’s stakeholders as well as to the broader investor community. The Investor Relations Office will also be responsible for receiving and responding to investor and shareholder queries relating to the Company.

The Investor Relations Officer (“IRO”) will ensure that the Company complies with and files on a timely basis all required disclosures and continuing requirements of the SEC and the PSE. In addition, the IRO will oversee most aspects of the shareholder meetings, press conferences, investor briefings, and management of the investor relations portion of the Company’s website, which will contain information, including, but not limited to:

- Company information (organizational structure, board of directors, and management team);
- Company news (analyst briefing report, press releases, latest news, newsletters (if any);
- Financial report (annual and quarterly reports for the past two years);
- Disclosures;
- Investor FAQs;
- Investor contact (e-mail address and phone numbers for feedback/comments, shareholder assistance and service); and
- Stock information.

The Investor Relations Office is located in the principal place of business of the

Company with contact details as follows:

- Investor Relations Officer: Atty. Clariza A. Reyes
- Address: 12F Telecom Plaza, 316 Sen. Gil Puyat Avenue, Makati City, Philippines
- Tel. No: (632) 8815-8406
- Email: clariza.reyes@phc.com.ph
- Website: www.phc.com.ph

SUMMARY OF THE OFFER

The following does not purport to be a complete listing of all rights, obligations and privileges attaching to or arising from the Shares. Some rights, obligations or privileges may be further limited or restricted by other documents and subject to final documentation. Prospective investors are enjoined to perform their own independent investigation and analysis of the Company and the Shares. Each prospective investor must rely on its own appraisal of the Company and the Shares and its own independent verification of the information contained herein and any other investigation it may deem appropriate for the purpose of determining whether to invest in the Shares and must not rely solely on any statement or the significance, adequacy, accuracy of any information contained herein. The information and data contained herein are not a substitute for the prospective investor's independent evaluation and analysis.

Issuer	Philcomsat Holdings Corporation
Stock Symbol	PHC
Stock Transfer Agent	Professional Stock Transfer, Inc.
Independent Auditor	Isla Lipana & Co.
Legal Counsel to Issuer	Roxas de los Reyes Laurel Rosario & Gonzales
The Offer	The Company is not offering any Shares for sale. This Prospectus is filed in support of the Company's Amended Registration Statement for the lifting of the suspension of the trading of its shares.
Use of Proceeds	No proceeds are expected to be received as a result of the filing of this Prospectus and Amended Registration Statement.
Registration, Listing and Trading	The Company has filed an Amended Registration Statement with the SEC in compliance with the letter of the Commission dated December 29, 2015. The shares are already listed with the PSE. Once approved by the SEC and the PSE, the shares may resume trading with the Main Board of the PSE.
Dividend Policy	There are no restrictions to the payment of dividends to the stockholders.

SUMMARY OF FINANCIAL INFORMATION

The following tables present the summary of financial information and should be read in conjunction with the independent auditor's reports and the Company's financial statements, including the notes thereto, included elsewhere in this Prospectus, and the section entitled "*Management's Discussion and Analysis of Financial Condition and Results of Operations*". The summary financial information as of, and for the years ended December 31, 2022, 2023,

2024, and for the period ended March 31, 2025 were derived from the Company's consolidated audited financial statements, which were prepared in accordance with PFRS. The Company's financial statements for the years ended December 31, 2022, 2023, and 2024 were audited by ISLA LIPANA & CO. The summary financial information presented below for the years ended December 31, 2022, 2023, 2024, and for the period ended March 31, 2025 were derived from the Company's consolidated audited financial statements and quarterly reports.

The summary financial information below is not necessarily indicative of the results of future operations.

STATEMENTS OF CONSOLIDATED FINANCIAL POSITION (All amounts in Philippine Peso)				
	Audited			Unaudited
	For the years ended December 31			As of March 31
	2022	2023	2024	2025
ASSETS				
Cash	77,346,117	119,750,672	121,712,962	127,155,411
Receivables	174,052,332	119,371,493	114,872,989	111,235,887
Due from Related Parties	264,773,649	6,938,183	5,000,000	5,000,000
FVTPL	102,184	131,104	107,298,599	121,467,831
Other Current Assets	391,919	9,370,728	9,493,816	9,653,431
Total Current Assets	516,666,201	255,512,180	358,378,366	374,512,560
FVOCI	950,613,288	912,363,316	803,483,539	791,884,505
Receivables	5,000,000	0	0	0
Investment Property	2,249,424	337,864,550	343,475,799	343,475,799
ROU Assets	254,286	2,057,355	256,558	2,888,544
Property and Equipment	60,320	52,156	41,347	33,094
Other Non-Current Assets	7,091,056	11,889,565	11,996,470	13,058,211
Total Non-Current Assets	965,268,374	1,264,226,942	1,159,253,713	1,151,392,383
TOTAL ASSETS	1,481,934,575	1,519,739,122	1,517,632,079	1,525,904,943
LIABILITIES				
Trade and other payables	5,191,516	6,729,170	6,880,795	3,712,586
Dividends payable	8,972,507	5,184,637	5,184,637	5,184,637
Due to a related party	0	28,344,614	219,353	78,106
Lease liability	257,209	1,865,929	265,844	1,273,609
Total Current Liabilities	14,421,232	42,124,350	12,550,629	10,248,938
Deposit for F. Subscription	18,894,000	18,894,000	18,894,000	18,894,000
Lease Liability	0	265,843	0	1,638,358
Other non-current liabilities	1,539,710	0	280,216	0
Total Non-Current Liabilities	20,433,710	19,159,843	19,174,216	20,532,358
TOTAL LIABILITIES	34,854,942	61,284,193	31,724,845	30,781,296
EQUITY				
Share Capital	996,391,254	996,391,254	996,391,254	996,391,254
Retained Earnings	481,982,037	498,504,554	517,695,98	521,920,659
Other Equity Reserves	(31,293,658)	(36,440,879)	(28,179,968)	(23,188,266)
TOTAL EQUITY	1,447,079,633	1,458,454,929	1,485,907,234	1,495,123,647

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (All amounts in Philippine Peso)					
	Audited			Unaudited	
	For the years ended December 31			As of March 31	
	2022	2023	2024	2024	2025
Income	63,536,279	55,948,553	56,474,267	13,005,519	14,375,871
Costs and Expenses	(36,081,584)	(33,345,200)	(37,189,879)	(7,908,557)	(7,074,984)
Other Income (Expense)	6,514,965	(2,746,989)	1,312,919	362,810	(3,500,654)
Finance Cost	(22,806)	(130,479)	(77,656)	(29,823)	(33,275)
Profit before Income Tax	36,683,238	16,989,501	20,519,651	5,429,949	3,766,958
Income Tax Benefit (Expense)	(1,543,175)	901,530	(2,713,468)	(367,040)	29,309
Net Income	35,140,063	17,891,031	17,806,183	5,062,909	3,796,267
Other Comprehensive Income (Loss)	(49,477,787)	(9,056,416)	9,631,530		
Total Comprehensive Income (Loss) for the year	(14,337,724)	8,834,615	27,437,713		
Earnings per share (Basic and Diluted)	0.0353	0.0180	0.0179	0.0051	0.0038

STATEMENTS OF CASH FLOWS (All amounts in Philippine Peso)					
	Audited			Unaudited	
	For the years ended December 31			As of March 31	
	2022	2023	2024	2024	2025
Net cash from operating activities	(1,914,384)	48,343,998	8,203,451	(5,644,918)	6,392,523
Net cash from investing activities	(26,518)	(21,864)	(5,625,088)	(4,067,924)	0
Net cash from financing activities	(42,628,453)	(5,645,380)	(1,943,584)	(485,896)	(505,089)
Net increase in cash	(44,569,355)	42,676,754	634,779	(9,776,941)	5,442,449
Cash at January 1	115,731,576	77,346,117	119,750,672	119,750,672	121,712,962
Effect of FX Changes	6,183,896	(272,199)	1,327,511	421,797	(444,985)
Cash at end of period	77,346,117	119,750,672	121,712,962	109,973,761	127,155,411

KEY FINANCIAL AND OPERATING RATIOS (All amounts in Philippine Peso)					
	Audited			Unaudited	
	For the years ended December 31			As of March 31	
	2022	2023	2024	2024	2025
Current Ratio	35.83: 1	6.07: 1	28.55: 1	25.36: 1	36.54: 1
Debt to Equity Ratio	0.02: 1	0.04: 1	0.02: 1	0.02: 1	0.02: 1
Asset to Equity Ratio	1.02: 1	1.04: 1	1.02: 1	1.02: 1	1.02: 1

Return on Assets	2.37%	1.19%	1.2%	0.34%	0.25%
Return on Equity	2.42%	1.23%	1.2%	0.34%	0.325%

RISK FACTORS

An investment in the Company’s Shares involves a number of risks. The price of securities can and does fluctuate, and any individual security is likely to experience upward or downward movements and may even become valueless. There is an inherent risk that losses may be incurred rather than profit made as a result of buying and selling securities. Past performance is not indicative of future performance and results, and there may be a large difference between the buying price and the selling price of any security. For investors that deal in a range of investments, each investment carries a different level of risk.

The risk factor discussed in this section does not purport to disclose all of the risks and other significant aspects of investing in the Shares. Additional risks and uncertainties not currently known to it or those it currently views to be immaterial may also materially and adversely affects our business, financial conditions or results of operations. Investors should undertake independent research and study the trading of securities before commencing any trading activity. Investors should seek professional advice regarding any aspect of the securities such as the nature of risks involved in the trading of securities, and specifically those of high-risk securities. Each Investor should also seek professional advice if he or she is uncertain of, or has not understood any aspect of, the securities to be invested in or the nature of risks involved in the trading of securities. Investors may request publicly available information on the Common Shares and the Company from the SEC.

The risk factors discussed in this section are of equal importance and are separated into categories for ease of reference only. The order in which risks are presented is not necessarily an indication of the likelihood of the risks actually materializing, of the potential significance of the risks or of the scope of any potential harm to our business, results of operations, financial condition and prospects. The means by which the Company intends to address the risk factors discussed herein are principally presented under the sections “*Business*”, “*Management’s Discussion and Analysis (MD&A) and Plan of Operation*”, “*Industry*”, and “*Board of Directors and Senior Management—Corporate Governance*” of the Prospectus.

RISKS RELATING TO THE COMPANY AND ITS BUSINESS

Business

The Company’s financial results are primarily affected by availability of financial securities for investment and interest rates. As a result, the Company will continue to exercise prudence in choosing the most stable and high yielding financial securities and to diversify its portfolio to minimize risk of loss.

Secondarily, the Company relies on the availment by clients of PSTI’s stock transfer services. The Company thus intends to increase its client base and market its allied services in order to generate more income.

Finally, the management contract between the Company and the Montemar Beach Club is dependent on the performance of the Club. The Company thus intends to improve on the facilities and services of the Club to attract not only members but sponsored corporate events

as well.

Ensuring proper execution and successful implementation of the Company's expansion plans are critical to maintaining growth going forward. These plans are based on certain assumptions about interest rates, the need for stock transfer services and demand for tourism in Bataan, Philippines. The Company cannot and does not represent with absolute certainty that these assumptions will materialize as predicted. If these assumptions prove incorrect, the Company's future financial performance may be negatively affected.

To mitigate this risk, the Company continually reviews its performance in order to ensure proper, timely and effective allocation of financial and operating resources.

Legal Claims

From time to time, the Company, its Subsidiaries, or directors and key management officers may be subject to litigation, investigations, claims, and other legal proceedings. Legal proceedings could cause the Company to incur unforeseen expenses, occupy a significant amount of management's time and attention, and negatively affect the Company's business operations and financial position. Furthermore, legal proceedings could continue for a prolonged period and be time-consuming, making it difficult for the Company to predict possible losses, damages, or expenses arising from such proceedings. An unfavorable outcome in these or other legal proceedings could have a material adverse effect on the Company's reputation, business, financial position, results of operations, and cash flows.

To minimize this risk, the Company maintains a legal compliance program to ensure adherence to all relevant laws and regulations, conducts regular legal audits and assessments to identify and address potential legal risks proactively, and has an experienced in-house legal team as well as retains external legal advisors to provide expert counsel and representation in potential legal matters. Moreover, the Company implements robust risk management procedures to identify, evaluate, and mitigate potential legal risks promptly.

As of present date, there are no claims against the Company. On the contrary, the Company has claims against former directors and officers which it hopes will soon be resolved and which will result in the return of funds to the Company.

Changes in applicable accounting standards

The Philippine Financial and Sustainability Reporting Standards Council periodically issues new standards and amendments to existing standards and interpretations. There can be no assurance that the Company's financial condition, results of operations, or cash flows will not appear materially worse under the new standards. Furthermore, any failure to successfully adopt the new standards may adversely affect the Company's results of operations or financial condition.

The Company evaluates and assesses the impact of these new standards upon pronouncement by governing bodies. Disclosures of these standards are included in the annual and quarterly notes to the financial statements. Annual training sessions and guided simulations are conducted for concerned personnel prior to the adoption of such standards to ensure proper compliance. Necessary updates and changes in accounting policies and procedures are also undertaken as part of the preparation and implementation process. The Company has also

appointed Isla Lipana & Co. to ensure compliance with these standards.

Employees

At present, the Company does not have full-time employees but only part-time employees and consultants. There is thus no assurance that the Company will be able to effectively and efficiently manage the growth of its operations and recruit and retain qualified personnel. Failure to do so may materially and adversely affect the Company's ability to capitalize on new opportunities, which could have a material adverse effect on its business, financial condition, results of operations, and prospects.

To manage and support its growth, the Company continues to improve its existing operations, administrative systems, and its financial and management controls.

RISKS RELATING TO THE PHILIPPINES

The Company faces risks related to the Philippines, which encompass the performance of the Philippine economy

The Company and its Subsidiaries financial performance are affected by the overall state of the Philippine economy, and this influence will persist. The Company's growth and earnings depend somewhat on how well the Philippine economy is doing. In the past, the Philippines has faced slow or negative economic growth, high inflation, peso devaluation, and exchange controls.

Furthermore, global financial markets have experienced disruptions and liquidity problems, which might continue. The Company cannot guarantee that current or future governments will adopt policies that support economic growth, and the Company may not be able to effectively manage such systemic risks.

Any future deterioration in the Philippine economy could significantly impact the Company's business, financial stability, and operations, including its ability to expand and implement its business strategy. Changes in Philippine economic conditions could also have adverse effects on the Company's financial position and operations.

Factors that might negatively affect the Philippine economy include decreases in business activities, scarcity of credit, exchange rate fluctuations, rising inflation or interest rates, employment levels, changes in fiscal policies, budget deficits, adverse trends in the current accounts, public health crises, natural disasters, political instability, terrorism, and regulatory or economic developments in the Philippines.

A downturn in the Philippine economy could harm general business conditions, leading to reduced Company and Subsidiary revenues, profitability, and cash flows.

Political instability may have a material adverse impact on the Company's operations and financial condition

The Philippines has from time to time experienced political and military instability. Within the past year, there has been threat of impeachment of the Vice-President, and the arrest of a former President.

In addition, the Company may be affected by political and social developments in the Philippines and changes in the political leadership and/or government policies in the Philippines. Any major deviation from the policies of the previous administration or fundamental change of direction, including a change in the form of government, may lead to an increase in political or social uncertainty and instability. Such political or regulatory changes may include (but are not limited to) the introduction of new laws and regulations that could impact the Company's business.

There is no assurance that the political environment in the Philippines will be stable or that the current or any future government will adopt economic policies that are conducive to sustained economic growth or which do not materially and adversely impact the current regulatory environment for power generation companies. An unstable political or social environment in the Philippines could negatively affect the general economic conditions and business environment in the Philippines which, in turn, could have a material and adverse impact on the Company's business, prospects, financial position and financial performance.

No assurance can be given that any changes in such regulations or policies imposed by the Government from time to time or the future political environment in the Philippines will be stable or that current or future administrations will adopt economic policies conducive to sustaining economic growth. Political instability in the future could reduce consumer demand for retail and consumer goods to the Company's disadvantage, or result in inconsistent or sudden changes in regulations and policies that affect the Company's business operations, which could have a material adverse impact on the Company's results of operations and financial condition.

Performance of the Philippine economy

Historically, the Company has derived a substantial portion of its operating income and operating profits in Metro Manila, and as such, the Company is highly dependent on the state of the Philippine economy. Demand for its services and products are directly related to the strength of the Philippine economy (including its overall growth and income levels), the overall levels of business activity in the Philippines. In the past, the Philippines has experienced periods of slow or negative growth, high inflation, significant devaluation of its currency and the imposition of exchange controls. There is no assurance that these events will not happen in the future.

Natural catastrophes

Being prone to natural catastrophes such as typhoons, floods and earthquakes, there is no assurance that the occurrence of such natural catastrophes will not materially disrupt the Company's operations. These factors, which are not within the Company's control, could potentially have significant effects on its operations.

RISKS RELATING TO THE COMPANY'S SHARES

PSE Rules

From time to time, the PSE may issue changes to rules and regulations applicable to the Company which may affect the trading of the Common Shares. The Company intends to keep itself abreast of these rules and regulation so as not to once again expose the Company to

suspension of trading and later on automatic delisting. Otherwise, investors will run the risk of being unable to trade their shares.

Volatility of Market Price of Common Shares

The market price of the Common Shares could be affected by several factors, including: volatility in stock market prices and volume; fluctuations in the Company's consolidated revenue, cash flow and earnings; general market, political and economic conditions; changes in earnings estimates and recommendations by financial analysts; differences between the Company's actual financial and operating results and those expected by investors and financial analysts; changes in market valuations of listed stocks in general and other retail stocks in particular; the market value of the Company's assets; market news and rumors; changes to Government policy, legislation or regulations; changes in the Company's relationships with regulators; the Company's dividend policy; future sales of the Company's equity or equity-linked securities; and general operational and business risks.

USE OF PROCEEDS

No proceeds are to be received as a result of this Prospectus.

DIVIDENDS AND DIVIDEND POLICY

LIMITATIONS AND REQUIREMENTS

Under Philippine law, dividends may be declared out of a corporation's unrestricted retained earnings which shall be payable in cash, in property, or in stock to all stockholders on the basis of outstanding stock held by them. The amount of retained earnings available for declaration as dividends may be determined pursuant to regulations issued by the SEC. The approval of the Board of Directors is generally sufficient to approve the distribution of dividends, except in the case of stock dividends which requires the approval of stockholders representing not less than two-thirds of the outstanding capital stock at a regular or special meeting duly called for the purpose.

The Revised Corporation Code of the Philippines prohibits stock corporations from retaining surplus profits in excess of 100% of their paid-in capital stock, except when justified by definite corporate expansion projects or programs approved by the Board of Directors, or when the corporation is prohibited under any loan agreement with any financial institution or creditor from declaring dividend without its consent, and such consent has not yet been secured, or when it can be clearly shown that such retention is necessary under special circumstances obtaining in the corporation.

RECORD DATE AND PAYMENT DATE

Pursuant to existing SEC rules, any declaration of cash dividends must have a record date not less than ten (10) nor more than thirty (30) calendar days from the date of declaration. Under such rules, if no record date is specified, the record date will be deemed fixed at fifteen (15) calendar days from such declaration. For stock dividends, the record date should not be less than ten (10) nor more than thirty (30) days from the date of the shareholders' approval. If no record date is set, under SEC rules, the record date will be deemed fixed at fifteen (15) calendar days from the date of the stock dividend declaration. In either case, the set record date

is not to be less than ten (10) trading days from receipt by the PSE of the notice of declaration of dividend. In the event that a stock dividend is declared in connection with an increase in authorized capital stock, the corresponding record date is to be fixed by the SEC.

Pursuant to the “Amended Rules Governing Pre-emptive and other Subscription Rights and Declaration of Stock and Cash Dividends” of the SEC, all cash dividends and stock dividends declared by a company shall be remitted to PDTC for immediate distribution to participants not later than eighteen (18) trading days after the record date (the “**Payment Date**”); provided that in the case of stock dividends, the credit of the stock dividend shall be on the Payment Date which in no case shall be later than the stock dividends’ listing date. If the stock dividend shall come from an increase in capital stock, all stock dividends shall be credited to PDTC for immediate distribution to its participants not later than twenty (20) trading days from the record date set by the SEC, which in no case shall be later than the stock dividends’ listing date.

DIVIDEND HISTORY

On November 21, 2022, the Corporation declared a cash dividend of P0.05 for every common share. Aside from the foregoing, the Company did not declare any dividends in 2021, 2023 and 2024.

DIVIDEND POLICY

There are no restrictions that limit the payment of dividends on common shares at present or in the future.

CAPITALIZATION

The following table sets out the Company’s consolidated debt, shareholders’ equity, and capitalization for the 1st quarter of 2025 compared to the year ended December 31, 2024:

	As of March 31, 2025	As of December 31, 2024
Total Debt	30,781,296	31,724,845
Equity:		
Capital Stock	996,391,254	996,391,254
Retained Earnings	521,920,659	517,695,948
Other Equity Reserves	(23,188,266)	(28,179,968)
Total Capitalization	1,525,904,943	1,517,632,079

MANAGEMENT’S DISCUSSION AND ANALYSIS (MD&A) AND PLAN OF OPERATION

The following is a discussion and analysis of the Company’s historical financial condition and results of operations and certain trends, risks and uncertainties that may affect the Company’s business and should be read in conjunction with the independent auditor’s reports and the audited consolidated financial statements and notes thereto contained in this Prospectus. The critical accounting policies section discloses certain accounting policies and management judgments that are material to the results of operations and financial condition for the periods presented in this report. The discussion and analysis of the Company’s results of

operations is presented with the year ended 2024 compared with the year ended 2023 and the year ended 2023 compared with the year ended 2022, and the three months ended March 31, 2025 and 2024. Disclosure relating to liquidity and financial condition and the trends, risks and uncertainties that have had or that are expected to affect revenues and income complete the management's discussion and analysis.

Prospective investors should read this discussion and analysis of the Company's financial condition and results of operations in conjunction with the Company's consolidated financial statements and the notes thereto set forth elsewhere in this Prospectus.

This discussion contains forward-looking statements and reflects the Company's current views with respect to future events and financial performance. Actual results may differ materially from those anticipated in these forward-looking statements as a result of certain factors such as those set forth in the section entitled Risk Factors and elsewhere in this Prospectus.

FACTORS AFFECTING THE COMPANY'S RESULTS OF OPERATIONS

Prospective investors should read this discussion and analysis of the Company's financial condition and results of operations in conjunction the section entitled "*Selected Financial and Operating Information*" and with the financial information as of and for the years ended December 31, 2022, 2023 and 2024, and for the first three months ended March 31, 2025 in each case, including the notes relating thereto, included elsewhere in this Prospectus.

The Company's operations have been affected by a lot of influencing factors, mainly competition, availability of financial instruments, and interest rates. These factors will continue to affect the Company although the Company continues to implement its strategies to meet these challenges.

Results of Operations (Consolidated)

Income Statement (Consolidated) (P Million)

	2024	2023	2022
Revenue	56.5	55.9	63.8
Costs and Expenses	(37.2)	(36.0)	(33.3)
Gains or Losses on FX and Sales	1.2	(2.7)	6.5
Gross Profit	20.5	16.9	37.0
Provision for Tax	(2.7)	0.9	(1.6)
Net Income (Loss)	17.8	17.9	35.4
Other Comprehensive Income (Loss)	9.6	(9.1)	(49.4)
TOTAL COMPREHENSIVE INCOME	27.4	8.8	(14.0)

2024 vs. 2023:

In the fiscal year ended December 31, 2024, the Corporation generated revenue of P56.5 million compared to P55.9 million in 2023. Costs and expenses increased slightly in 2024 to P37.2 million compared to P36 million in 2023. With gains on FX and sales, this resulted in a gross profit of P20.5 million in 2024 up from P16.9 million in 2023. While other comprehensive loss of P9.1 million further reduced total comprehensive income to P8.8 million

in 2023, other comprehensive income contributed P9.6 million to bring the total comprehensive income to P27.4 million in 2024.

2023 vs. 2022:

In the fiscal year ended December 31, 2023, the Corporation generated revenue of P55.9 million compared to P63.8 million in 2022. Costs and expenses were likewise up in 2023 at P36.0 million compared to P33.3 million in 2022. This resulted in a gross profit of P16.9 million in 2023, down from P37.0 million in 2022. Nonetheless, due to a fair value loss on equity instruments at FVOCI, total comprehensive income in 2023 was P8.8 million compared to a total comprehensive loss of P14 million in 2022.

Financial Position

The Company's comparative balance sheet is summarized below:

Balance Sheet (Consolidated)
(P Million)

	2024	2023	2022
Current Assets	358.3	255.5	516.9
Available-for-sale financial assets	803.5	912.4	950.6
Receivables	0	0	5.0
Other Assets	355.8	351.8	9.59
Total Assets	1,517.6	1,519.7	1,482.1
Current Liabilities	12.6	42.1	14.4
Non-current Liabilities	19.1	19.1	20.4
Stockholders' Equity	1,485.9	1,458.5	1,447.3

Balance Sheet Accounts (Consolidated)

2024 vs. 2023:

Current assets of the Corporation as of December 31, 2024 totaled P358.3 million up from P255.5 million in 2023. The Corporation's investments in available-for-sale (AFS) financial assets amounted to P803.5 million in 2024 and P912.4 million in 2023. The Corporation was substantially debt-free and had no material commitments for capital expenditures. Total current liabilities in 2024 amounted to P12.6 million, decreasing from P42.1 million in 2023. Stockholders' equity increased to P1,485.9 million in 2024 compared to P1,458.5 million in 2023.

2023 vs. 2022:

Current assets of the Corporation as of December 31, 2023 totaled P255.5 million compared to P516.9 million in 2022. Of these amounts, cash and cash equivalents totaled P119.7 million in 2023 compared to P77.3 million in 2022. The Corporation's investments in AFS financial assets amounted to P912.4 in 2023 compared to P950.6 million in 2022. The Corporation was substantially debt-free and had no material commitments for capital expenditures. Total current liabilities in 2023 were only P42.1 compared to P14.4 million in 2022. Stockholders' equity increased slightly to P1,458.5 million in 2023 compared to P1,447.3 million in 2022.

Key Performance Indicators (“KPI”)

The Corporation's KPI for the years ended December 31, 2024, 2023 and 2022 are as follows:

Performance Indicator	Formula	2024	2023	2022
<i>Liquidity</i>				
Current Ratio	$\frac{\text{Current Assets}}{\text{Current Liabilities}}$	28.55 : 1	6.07 : 1	35.84 : 1
<i>Leverage</i>				
Debt to Equity Ratio	$\frac{\text{Total Liabilities}}{\text{Stockholders' Equity}}$	0.02 : 1	0.04 : 1	0.02 : 1
Asset to Equity Ratio	$\frac{\text{Total Assets}}{\text{Total Equity}}$	1.02 : 1	1.04 : 1	1.02 : 1
<i>Profitability</i>				
Return on Assets	$\frac{\text{Net Income}}{\text{Total Assets}}$	1%	1.19%	2.89%
Return on Equity	$\frac{\text{Net Income}}{\text{Total Equity}}$	1%	1.23%	2.45%

Liquidity

The Company's current ratio for 2024 was 28.55:1, compared to 6.07:1 in 2023 and 35.84:1 in 2022. The Company's liquidity position remained strong.

Leverage

Leverage was very low at 0.02:1 in 2024 compared to 0.04:1 in 2023 and 0.02:1 in 2022.

Profitability

Return on Assets for 2024 was 1% compared to 1.19% in 2023 and 2.89% in 2022 while Return on Equity for 2024 was 1% compared to 1.23% in 2023 and 2.45% in 2022.

Operations and Financial Condition as of the 1st Quarter of 2025 (Interim Period)

Income Statement (Consolidated) (P Million)

	Jan to Mar 2025	Jan to Mar 2024	Dec 31, 2024
Revenue	14.3	13.0	56.5
Costs and Expenses	(7.1)	(7.9)	(37.2)
Gains or Losses on FX and Sales	(3.5)	0.3	1.2
Gross Profit	3.7	5.4	20.5
Provision for Tax	0.0	(0.3)	(2.7)
Net Income (Loss)	3.7	5.1	17.8

January to March 2025 vs. January to March 2024

Revenue increased to P14.3 million in 1Q 2025 from P13.0 million in 1Q 2024. Costs and expenses decreased to P7.1 million in 1Q 2025 from P7.9 million in 1Q 2024. Gross profit for

1Q 2025 is P3.7 million compared to P5.4 million in 1Q 2024. Net income is P3.7 million in 1Q 2025 compared to P5.1 million in 1Q 2024.

January to March 2025 vs. December 31, 2024

Revenue in 1Q 2025 was P14.3 million compared to P56.5 million as of year-end 2024. Costs and expenses were P7.1 million in 1Q 2025 compared to P37.2 million as of year-end 2024. Gross profit for 1Q 2025 is P3.7 million compared to P20.5 million as of year-end 2024. Net income is P3.7 million in 1Q 2025 compared to P17.8 million as of year-end 2024.

Financial Position

The Company's comparative balance sheet is summarized below:

Balance Sheet (Consolidated)
(P Million)

	Jan to Mar 2025	Jan to Mar 2024	December 31, 2024
Current Assets	374.5	247.3	358.3
Available-for-sale financial assets	791.8	897.2	803.5
Other Assets	359.6	354.4	355.8
Total Assets	1,525.9	1,498.9	1,517.6
Current Liabilities	10.2	9.7	12.6
Non-current Liabilities	20.5	19.1	19.1
Stockholders' Equity	1,495.1	1,470.0	1,485.9

Balance Sheet Accounts (Consolidated)

January to March 2025 vs. January to March 2024

Current assets of the Corporation as of 1Q 2025 increased to P374.5 million compared to P247.3 million in 1Q 2024 as a result of the decrease in AFS financial assets from P897.2 million 1Q 2024 to P791.8 million in 1Q 2025. However, the total assets of the Corporation increased from P1,498.9 million in 1Q 2024 to P1,525.9 million in 1Q 2025. There was a slight increase in both current and non-current liabilities from P28.8 million in 1Q 2024 to P30.7 million in 1Q 2025. The Corporation was substantially debt-free and had no material commitments for capital expenditures. Stockholders' equity increased to P1,495.1 million in 1Q 2025 compared to P1,470.0 million in 1Q 2024.

January to March 2025 vs. December 31, 2024

Current assets of the Corporation increased to P374.5 million in 1Q 2025 compared to P358.3 million at year-end 2024. The Corporation's investments in AFS financial assets amounted to P791.8 million in 1Q 2025 compared to P803.5 million at year-end 2024. The Corporation was substantially debt-free and had no material commitments for capital expenditures. Total liabilities in 1Q 2025 decreased to P30.7 million compared to P31.7 million at year-end 2024. Stockholders' Equity increased to P1,495.1 million as of 1Q 2025 compared to P1,458.9 million at year-end 2024.

Key Performance Indicators (“KPI”)

The Corporation's KPI for the first quarter of 2025, compared to the year ended December 31, 2024 are as follows:

Performance Indicator	Formula	Jan to Mar 2025	Jan to Mar 2024	December 31, 2024
<i>Liquidity</i>				
Current Ratio	$\frac{\text{Current Assets}}{\text{Current Liabilities}}$	36.54 : 1	25.36 : 1	28.55 : 1
<i>Leverage</i>				
Debt to Equity Ratio	$\frac{\text{Total Liabilities}}{\text{Stockholders' Equity}}$	0.02 : 1	0.02 : 1	0.02 : 1
Asset to Equity Ratio	$\frac{\text{Total Assets}}{\text{Total Equity}}$	1.02 : 1	1.02 : 1	1.02 : 1
<i>Profitability</i>				
Return on Assets	$\frac{\text{Net Income}}{\text{Total Assets}}$	0.25%	0.34%	1%
Return on Equity	$\frac{\text{Net Income}}{\text{Total Equity}}$	0.25%	0.34%	1%

Liquidity

The Company's current ratio for the 1Q 2025 was 36.54:1. The Company's liquidity position remained strong.

Leverage

Leverage was very low at 0.02:1 for the same interim period.

Profitability

Return on Assets was at 0.25% while Return on Equity was at 0.25% as of 1Q 2025.

Notes to Financial Statements

Accounting Policies and Principles

The financial statements for the years 2024, 2023, and 2022 are presented in accordance with generally accepted accounting principles applied on a consistent basis.

Seasonality Aspects of the Business

The operations of PHC are not affected by seasonality or cyclical.

Past and Future Financial Condition and Results of Operations – For 2024 and 2023, please refer to the above discussion. For prior years, please refer to the Corporation's previous annual reports. Inasmuch as there are no known material events or commitments that are likely to affect the Corporation, it is expected that the future financial condition and results of operation would remain the same as the present.

Material Changes

(a) Any Known Trends, Events or Uncertainties (Material Impact on Liquidity)

There is no known trend, event or uncertainty that would have a material impact on liquidity.

(b) Event that will trigger direct or contingent financial obligations that is material to the company, including any default or acceleration of an obligation

There is no event that may trigger a direct financial obligation that is material to the Corporation.

(c) All 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.

There is no material off-balance sheet transaction, arrangement, obligation or other relationship with unconsolidated entities or persons during the reporting period.

(d) Material Commitments for capital expenditures and expected sources of funds for such expenditures.

The company has no material commitment for capital expenditures.

(e) Any Known Trends, Events or Uncertainties (Material Impact on Sales)

There is no known trend, event or uncertainty that will have a material impact on sales.

(f) Any Significant Elements of Income or Loss (from continuing operations)

There is no significant element of income from continuing operations.

(g) Causes for Any Material Changes from Period to Period of FS which shall include vertical and horizontal analyses of any material item (5%)

1. Increases and decreases in cash and cash equivalents, receivables and due from related parties as a result of reclassification of some current assets, the net of which nevertheless still resulted in an increase in total current assets.
2. Decrease in right of use (ROU) assets as a result of depreciation and no significant addition of assets.
3. Decrease in financial assets at fair value through other comprehensive income due to unrealized losses credited to FVOCI.
4. Increase in current and non-current lease liabilities in connection with the contract of lease of the Corporation over its office space which includes an escalation clause.
5. Decrease in other equity reserves as a result of unrealized fair value losses of financial assets measured as FVOCI

(h) Seasonal Aspects that have a Material Effect on the FS

None.

BUSINESS

OVERVIEW

Philcomsat Holdings Corporation, formerly Liberty Mines, Inc., was incorporated on May 10, 1956. On January 10, 1997, the Corporation approved amendments of its Articles of Incorporation, changing its primary purpose from embarking in the discovery, exploitation, development and exploration of mineral oils, petroleum in its natural state, rock or carbon oils, natural oils and other volatile mineral substances to a holding company, changing its name, and declassifying its shares. These changes were filed with the Securities and Exchange Commission (SEC) on April 14, 1997 and were approved by the SEC on July 23 and September 12, 1997, respectively. The authorized capital of the Corporation is One Billion Pesos (P1,000,000,000.00) divided into one billion (1,000,000,000) common shares with a par value of P1.00 per share, of which 996,391,254 are issued and outstanding. Of the total authorized capital stock, sixty million (60,000,000) shares are listed at the Philippine Stock Exchange (PSE).

The Corporation is engaged in money market operations and investing in financial instruments. Management has likewise identified partnering with its mother company, the Philippine Communications Satellite Corporation (“Philcomsat”) in the latter’s many projects that include Vsat installation and solar energy farm installation. The partnership currently takes the form of interest-bearing debts from the Corporation by Philcomsat where the interest rate is higher than that currently offered by banks and other financial institutions. The Corporation is currently studying ways to broaden its relationship with the Philcomsat Group of Companies and its affiliates and consequently benefit from their business.

At the annual stockholders’ meeting held on 21 November 2022, the stockholders adopted a resolution authorizing the Corporation to engage in its secondary purpose of managing hotels and resorts. The Corporation has identified Montemar Beach Club, Inc. (“MBCI” or the “Club”) in Bagac, Bataan as its first endeavor in the hotel management and operations business.

The Corporation owns 100% of Philcomsat Management Enterprises, Inc. which in turn fully-owns Professional Stock Transfer, Inc.

a. Money Market and Financial Instruments

As stated earlier, the Corporation is engaged in money market operations and investing in financial instruments. This has been the biggest source of income for the Corporation and has resulted in the increase in value of the Corporation’s shares from below P1.00 per share in 2007 to the current P1.50 per share.

b. Income from Affiliated Companies

Management has likewise identified partnering with its mother company, the Philippine Communications Satellite Corporation (“Philcomsat”), in the latter’s many projects, including Vsat installation and solar energy farm installations.

The partnership currently takes the form of interest-bearing debts from the Corporation by Philcomsat, where the interest rate is higher than what is currently

offered by banks and other financial institutions. The Corporation is currently studying ways to broaden its relationship with Philcomsat and its affiliates and consequently benefit from their business.

The Corporation owns 100% of Philcomsat Management Enterprises, Inc., which in turn fully-owns Professional Stock Transfer, Inc. (PSTI). Income generated by PSTI is up streamed to the Corporation and included in its consolidated financial statements.

c. **Montemar Beach Club**

At the Corporation's Annual Stockholders' Meeting held on November 21, 2022, the stockholders adopted a resolution authorizing the Corporation to engage in its secondary purpose of managing hotels and resorts, which the Corporation intends to pursue. Management and stockholders noted that the tourism industry in the Philippines is expected to thrive beyond 2024, and the province of Bataan will fare well as a tourism hub due to the following factors:

- its proximity to the National Capital Region, thus making it ideal for a quick weekend getaway;
- its natural wonders, such as picturesque mountains for trekking and biking and pristine beaches for watersports;
- its historical and cultural significance to the Philippines;
- and its eco-tourism initiatives, especially with sea turtles that nest on the shores of Bagac and Mariveles.

The Montemar Beach Club, located in Bagac, Bataan, is an excellent opportunity for the Corporation to commence its hotel management and operations business.

The Club was founded in 1978 as a nonprofit corporation and has since operated as an exclusive membership beach resort Club. It has roughly 350 active members among its 8000 proprietary stockholders and is available to members, sponsored guests, and groups.

The Club boasts a 12-hectare cove with a pristine white sand beach that extends over 500 meters and is located on the tranquil shore of Sitio Pasinay, Barangay Pag-Asa, Bagac, Bataan. It has been dubbed the most beautiful white sand beach resort, closest to Manila due to its proximity to the capital, which is only 150 kilometers or 2 1/2 hours away.

The Club offers a range of facilities to its members and guests, including 89 plantation-inspired rooms split among five Mediterranean-styled inns that provide comfort and space to unwind. It offers Ocean View and Garden View rooms with stunning panoramas for a fulfilling and memorable visit. The inns have mild earth-tone furniture to provide visitors with a home-like atmosphere. Some amenities include air conditioning, an in-room safe, a television, a mini-refrigerator, toiletries, and Wi-Fi.

The Club also has three (3) swimming pools: a Members Pool, Pavilion Pool, and Garden Pool, and provides a variety of indoor and outdoor activities for everyone

enjoyment, including basketball court; horseback riding; kayaking; jet skiing; and fishing. Montemar also has a short 9-hole golf course.

The Club also has a Conference Building, which consists of a Convention Hall and four smaller function rooms named Mariveles, Hermosa, Samat A, and Samat B. The Convention Hall can accommodate up to 300 people in a theatrical setting and 250 people in a banquet arrangement. The Mariveles and Hermosa event rooms can hold up to 30 people individually or 70 people when combined. On the other hand, the Samat A and Samat B rooms can accommodate up to 80 people in each room or 180 people when combined.

In its discussions with Management of the Club, the Corporation has established the following objectives:

1. **RECOVERY.** To regain pre-pandemic occupancy rates and achieve financial recovery, the Club will implement strategies to bounce back from the pandemic crisis, focusing on the safety and health of guests and staff and regaining financial stability via aggressive revenue generation and additional revenue streams.

2. **INFRASTRUCTURE DEVELOPMENT.** To enhance the overall guest experience, the Club will modernize and improve several aspects of the resort's infrastructure.

3. **PRODUCT AND SERVICE ENHANCEMENT.** To increase member and guest satisfaction rates by 10%, the Club will elevate the quality and variety of offerings to meet evolving guest expectations.

4. **HUMAN RESOURCE MANAGEMENT AND DEVELOPMENT.** To strengthen the workforce through enhanced recruitment strategies, skills development programs, and employee retention initiatives, the Club will add more members to the Sales and Marketing Team, train front office and back of the house staff, achieve a staff retention rate of 90%, and ensure every team member participates in several professional development activities during the year.

5. **PROGRAMMING OF ENTERTAINMENT AND ACTIVITIES.** To improve the range and quality of entertainment and activities designed to enhance guest engagement and enjoyment, the Club will develop a year-round calendar of events and activities that result in an increase in members' and guests' engagement.

6. **PARTNERSHIP DEVELOPMENT WITH BAGUIO COUNTRY CLUB.** To build strategic alliances with other businesses and organizations within Bataan and outside of the region to expand MBCI's offerings and enhance its market reach, the Club has entered into a significant partnership via reciprocity arrangement with Baguio Country Club, a 5-star mountain resort in Baguio City, the Summer Capital.

7. **MEMBERSHIP DEVELOPMENT.** The Club will boost membership through targeted marketing and enhanced membership benefits to increase club membership and member engagement.

8. **ENVIRONMENTAL PROGRAMS AND CONSERVATION.** To bolster its commitment to environmental sustainability through implementing eco-friendly practices and supporting local conservation efforts, the Club will reduce its environmental footprint and initiate local conservation projects and activities.

9. **DEPARTMENT OF TOURISM ACCREDITATION.** The Club will secure accreditation from the Department of Tourism to enhance credibility, increase visibility, and gain access to training programs.

The Corporation has identified the following as the Club's target audience:

1. Club Members - The Club has roughly 350 active members among its 8,000 proprietary stockholders.
2. Sponsored Guests
 - a. Local Affluent Residents: Locals who enjoy luxury services and beach activities and seek a comfortable place to relax and socialize.
 - b. Affluent Vacationers / Domestic / Eco-Conscious Travelers - individuals and families seeking exclusive experiences, luxury, and convenience who may also be interested in beach club memberships
 - c. Foreign International Travelers / Tourists include families, couples, or solo travelers visiting the area who are looking for unique beach experiences or water sports.
3. Sponsored Groups / Events
 - a. Corporate Clients: Companies looking for event venues for corporate retreats, team-building activities, or client entertainment might be targeted.
 - b. Event Planners: Individuals or groups planning events such as weddings, parties, or family reunions.
4. Reciprocal Members from and Sponsorships by:
 - a. Baguio Country Club members
 - b. Referral bookings by Baguio Country Club sponsored guests

The Corporation has identified the following as the Club's target demographic:

1. Age: Adults between the ages of 25-60, as they are most likely to have disposable income for luxury beach resorts.
2. Income: Middle to high income, as beach resorts are usually priced as premium offerings.
3. Lifestyle: Individuals who value relaxation, outdoor activities, travel, and luxury experiences.
4. Family Status: It could be families (for family-friendly resorts) and couples or singles (for more adult-oriented luxury resorts).

To achieve its objectives, the Corporation has come up with the following plan for service improvement and new offerings for the years 2024 to 2028:

- Revitalization and Re-engineering of Food and Beverage Menu;
- Product development and New Packages for events like team building, weddings, celebrations and off-season;
- Talent Acquisition, Training, and Development;
- Improve Feedback Mechanism across all platforms, including on social media and travel websites;
- Training and Development of Front Office and Back of the House;
- Renovation and Rehabilitation of all 89 Plantation Rooms;
- Renovation and Upgrade of the Conference Hall;
- Renovation and Upgrade of La Marea Restaurant and Kitchen;
- Golf Course Rehabilitation and Development;

- Grounds Development - Rehabilitation of the Hanging Bridge, Tree House, and Lagoon;
- Rehabilitation of Vital Installations (Computer, HVAC, etc.);
- Renovation and Upgrade of the Recreation Facilities (Badminton, Basketball, Volleyball & Tennis Courts);
- Upgrade of the Pawikan Hatchery;
- Improvement of the Soccer field;
- Rehabilitation and Upgrade of the Swimming Pools (Members Pool, Pavilion Pool & Garden Pool);
- Additional Dining Outlet / Restaurant;
- Clinic, Spa, Salon, Gym, and other health-focused facilities;
- Renovation of the Offices and Storage Areas;
- Redesign and rehabilitation of the short 9-hole golf course.

The Corporation intends to invest in the following capital expenditures:

- Furniture, fixtures, and equipment for all 89 guest rooms;
- Furniture, fixtures, and equipment for the various dining outlets;
- Equipment for watersports activities;
- State-of-the-art equipment for conferences;
- Renovation of the Front Office;
- Rehabilitation of the 9-hole golf course.

It bears mentioning that, at the Corporation's 2022 Annual Stockholders' Meeting, the stockholders also approved an initial investment of One Hundred Fifty Million Pesos (P150,000,000.00) into this endeavor. This will initially fund the priority projects of the Club for which the Corporation expects repayment under terms mutually acceptable by both parties.

The Management of the Corporation has extensive experience in the handling of hotels and resorts; notably, the President/CEO of the Corporation, Victoria C. de los Reyes is likewise the President of the Baguio Country Club (BCC), a 5-star mountain resort; while the Treasurer/CFO of the Corporation, Erlinda I. Bildner, is a director of BCC and Chair of its Finance Committee. On the other hand, Director Kara Nicole Ponce Enrile-Rhounimi is the Senior Executive Vice President for Property and Financial Services of JAKA Investment Corporation whose portfolio includes the Splendido Hotel and the Splendido Taal Golf Club.

In its discussions with the Club insofar as compensation to the Corporation is concerned, per industry standards, PHC seeks compensation for the management of MBCI, which is equivalent to 3% of gross revenues and 5% of net revenue (revenue after deducting the cost of sales and services). This endeavor is expected to contribute at least 8% of the Corporation's income in the coming years.

The following table presents the revenue and cost projections made by the Corporation for the years 2024 to 2028:

Particulars	Actual		2024 Jan-June (Actual) July-Dec (Budget)		2025		2026		2027		Forecast	
	2023										2028	
PROCEEDS												
Rooms	45,668,551	56.0%	46,594,032	52.9%	48,457,793	52.9%	50,880,683	52.9%	53,933,524	52.9%	57,708,870	52.9%
Food	32,309,162	39.6%	30,900,637	35.1%	32,136,663	35.1%	33,743,496	35.1%	35,768,106	35.1%	38,271,873	35.1%
Beverage	5,799,628	6.6%	6,031,613	6.6%	6,453,323	4.9%	4,675,989	6.6%	6,713,185	6.6%	7,183,108	6.6%
SEAR	3,253,185	4.0%	4,282,041	4.9%	480,158	0.5%	499,364	0.5%	524,333	4.9%	4,956,548	4.9%
Surf Store	279,218	0.3%							555,793	0.5%	594,698	0.5%
Total Proceeds	81,510,117	100.0%	88,056,496	100.0%	91,578,756	100.0%	96,157,694	100.0%	101,927,155	100.0%	109,062,056	100.0%
COST OF PROCEEDS												
Food												
Beverage	10,381,950	32.1%	9,182,215	29.7%	9,640,999	30.0%	10,123,049	30.0%	10,730,432	30.0%	11,481,562	30.0%
Total Cost of Proceeds	10,381,950	12.7%	10,529,152	12.0%	10,907,638	11.9%	11,453,019	11.9%	12,140,201	11.9%	12,990,015	11.9%
EXCESS OF PROCEEDS/COSTS	71,128,167	87.3%	77,527,344	88.0%	80,671,118	88.1%	84,704,674	88.1%	89,786,955	88.1%	96,072,042	88.1%
DEPARTMENTAL EXPENSES												
PAYROLL & RELATED EXP.												
Salaries & Wages	19,458,450	23.9%	17,554,963	19.9%	18,257,162	19.9%	19,170,020	19.9%	20,320,221	19.9%	21,742,637	19.9%
Related Personnel Exp.	6,443,268	7.9%	4,597,540	5.2%	4,781,442	5.2%	5,020,514	5.2%	5,321,744	5.2%	5,694,267	5.2%
Total Payroll & Related Exp	25,901,718	31.8%	22,152,503	25.2%	23,038,603	25.2%	24,190,534	25.2%	25,641,966	25.2%	27,436,903	25.2%
OTHER EXPENSES												
Advertising and Promotions	23,706	0.0%	540,800	0.6%	1,000,000	1.1%	1,000,000	1.0%	1,000,000	1.0%	1,000,000	0.9%
Communications	1,295,562	1.6%	1,179,556	1.3%	1,098,945	1.2%	1,153,892	1.2%	1,223,126	1.2%	1,308,745	1.2%
Credit Card Charges	791,608	1.0%	854,066	1.0%	888,228	1.0%	932,640	1.0%	988,598	1.0%	1,057,800	1.0%
Dues and Subscription	131,141	0.2%	123,737	0.1%	128,686	0.1%	135,121	0.1%	143,228	0.1%	153,254	0.1%
Electricity and Water	6,897,374	8.5%	6,535,429	7.2%	6,612,766	7.2%	6,943,405	7.2%	7,360,019	7.2%	7,875,210	7.2%
Entertainment Expense	747,086	0.9%	1,170,245	1.3%	732,630	0.8%	769,262	0.8%	815,417	0.8%	872,496	0.8%
Gasoline & Oil	2,940,744	3.6%	3,397,716	3.9%	3,533,624	3.9%	3,710,306	3.9%	3,932,924	3.9%	4,208,229	3.9%
Guest Use & Amenities	3,920,293	4.8%	3,603,500	4.1%	2,747,363	3.0%	2,884,731	3.0%	3,057,815	3.0%	3,271,862	3.0%
Insurance and Bond Premiums	245,583	0.3%	160,266	0.2%	166,677	0.2%	175,011	0.2%	185,512	0.2%	198,497	0.2%
Laundry Expense	155,398	0.2%	196,498	0.2%	204,358	0.2%	214,576	0.2%	227,372	0.2%	243,372	0.2%
Miscellaneous Expense	103,672	0.1%	54,619	0.1%	56,804	0.1%	59,644	0.1%	63,223	0.1%	67,648	0.1%
Other Supplies and Expenses	3,219,542	3.9%	3,214,583	3.7%	3,343,166	3.7%	3,510,324	3.7%	3,720,944	3.7%	3,981,410	3.7%
Outside Services	3,963,810	4.9%	4,057,427	4.6%	4,219,724	4.6%	4,430,710	4.6%	4,696,553	4.6%	5,025,312	4.6%
Professional & Security Services	8,327,090	10.2%	7,865,148	8.9%	7,326,300	8.0%	7,692,615	8.0%	8,154,172	8.0%	8,724,964	8.0%
Rental Fee	1,729,227	2.1%	614,187	0.7%	638,859	0.7%	670,802	0.7%	711,050	0.7%	760,823	0.7%
Repairs and Maintenance	1,418,042	1.7%	1,055,169	1.2%	1,097,376	1.2%	1,152,245	1.2%	1,221,379	1.2%	1,306,876	1.2%
Representation	219,427	0.3%	194,968	0.2%	202,767	0.2%	212,906	0.2%	225,680	0.2%	241,477	0.2%
Retirement Expense	912,452	1.1%	707,956	0.8%	736,274	0.8%	773,088	0.8%	819,473	0.8%	876,836	0.8%
Stationeries & Supplies	255,268	0.3%	225,504	0.3%	234,524	0.3%	246,250	0.3%	261,025	0.3%	279,297	0.3%
Taxes and Licenses	628,033	0.8%	598,167	0.7%	622,094	0.7%	653,199	0.7%	692,391	0.7%	740,858	0.7%
Trainings and Seminar	113,121	0.1%	183,854	0.2%	1,007,366	1.0%	1,057,735	1.1%	1,121,199	1.1%	1,199,683	1.1%
Transportation and Travel	152,224	0.2%	109,570	0.1%	91,579	0.1%	96,158	0.1%	101,927	0.1%	109,062	0.1%
Other Expenses & Fixed Costs	38,190,402	46.9%	36,466,055	41.4%	36,690,112	40.1%	38,474,617	40.0%	40,723,094	40.0%	43,503,711	39.9%
TOTAL DEPARTMENTAL EXPENSES	64,092,121	78.6%	58,618,568	66.6%	59,728,715	65.2%	62,665,151	65.2%	66,385,060	65.1%	70,940,614	65.0%
EXC. (DEF.) BEF. DUES & FEES	7,036,046	8.6%	18,908,777	21.5%	20,942,404	22.9%	22,039,524	22.9%	23,421,895	23.0%	25,131,428	23.0%
Add: DUES & FEES	9,174,607	11.5%	10,242,726	11.6%	10,652,435	11.6%	11,856,160	11.6%	12,886,092	11.6%	14,217,520	11.6%
EXC. (DEF.) before OTHER INCOME	16,410,653	20.1%	29,151,503	33.1%	31,594,839	34.5%	33,224,581	34.6%	35,278,056	34.6%	37,817,520	34.7%
Add: Other Income	669,218	0.8%	422,279	0.5%	439,170	0.5%	461,129	0.5%	488,796	0.5%	523,012	0.5%
EXC. (DEF.) before DEPRECIATION	17,079,870	21.0%	29,573,782	33.6%	32,034,059	35.0%	33,685,710	35.0%	35,766,852	35.1%	38,340,532	35.2%
Less: Depreciation	12,314,162	15.1%	14,198,900	16.1%	14,766,856	16.1%	15,505,199	16.1%	16,455,510	16.1%	17,585,996	16.1%
EXC. (DEF.) before DEBT SERV.	4,765,708	5.8%	15,374,882	17.5%	17,267,153	18.9%	18,180,511	18.9%	19,331,342	19.0%	20,755,536	19.0%
Less: Interest Expense	3,364,500	4.1%	3,677,771	4.2%	3,824,882	4.2%	4,016,126	4.2%	4,257,093	4.2%	4,535,090	4.2%
NET EXCESS (DEFICIT)	1,401,208	1.7%	11,697,111	13.3%	13,442,272	14.7%	14,164,385	14.7%	15,074,248	14.8%	16,199,446	14.9%

Changes in and Disagreements With Accountants On Accounting and Financial Disclosure

The Corporation reappointed Isla Lipana & Co. as its external auditor at the last Annual Stockholders' Meeting held on 18 November 2024.

There has been no disagreement between the Corporation and the external auditor on accounting and financial disclosures in the last two (2) fiscal years.

BOARD OF DIRECTORS AND SENIOR MANAGEMENT

The Company is ultimately managed and supervised by its Board of Directors. The Company's executive officers provide the Company's Board of Directors the appropriate information and documents concerning the Company's business operations, financial condition and results of operations for its review and decision for short term and long-term plan of action. Pursuant to the Company's Amended Articles of Incorporation, the Board shall consist of eleven (11) members of which three (3) are independent directors.

DIRECTORS & EXECUTIVE OFFICERS OF THE COMPANY

All of the directors were elected at the Company's Annual Shareholders' Meeting on November 18, 2024 and will hold office for one (1) year or until their successors have been duly elected and qualified. The annual meeting of the stockholders is usually held per By-Laws on the 3rd Monday of November of each year.

The Board is responsible for the direction and control of the business affairs and management of the Company, and the preservation of its assets and properties.

Name, Age and Citizenship	Position	Period Served	Professional and Business Experience
Victoria C. de los Reyes, 74, Filipino	Director/ President/ CEO	November 2023 to Present	Partner, Roxas de los Reyes Laurel Rosario & Gonzales Law Offices. Engaged in the general practice of law - specializing in corporate law, establishment of corporations and other corporate vehicles, registration of securities, JVs, proxy contests, intra-corporate disputes, domestic relations and estate planning. Atty. de los Reyes graduated with a Master of Law degree from the University of Michigan.
Erlinda I. Bildner, 77, Filipino	Director/ Treasurer/ CFO	April 2007 to Present	President and CEO-Philippine Communications Satellite Corporation, Vice-Chair and Director- Philippine Overseas Telecommunications Corporation, Director-Montemar Beach Club, Inc., Director and Chair, Finance Committee - Baguio Country Club, Trustee & Vice-Chair of the Executive Committee, City University of New York (CUNY) Graduate School, New York City. Ms. Bildner has an MBA from Columbia University, New York.

Marietta K. Ilusorio, 72, Filipino	Director	May 2010 to Present	Director and Vice President, Philippine Overseas Telecommunications Corporation; Director and Vice- President, Philippine Communications Satellite Corporation; Director, Montemar Beach Club, Inc. Ms. Ilusorio graduated from Judson School, Paradise Valley, Arizona.
Pablo L. Lobregat, 69, Filipino	Director	April 2007 to Present	President-Crystal Sugar Co., Inc., President/Chairman-Oceanic Wireless Network, Inc., President-Aerocom Investors & Managers, Inc., Director - Philippine Communications Satellite Corporation, Director-Philippine Overseas Telecommunications Corporation. Mr. Lobregat received his degree in Business Management from the Instituto Catolico de Artes Empresariales in Madrid, Spain.
*Oliverio L. Laperal, Jr.,74, Filipino	Director	November 2017 to present	Co-President and Director of Imperial Resources; Co-President and Managing Director of Fitipinas Golf & Country Club; President & Managing Director of R.S. Video & Film Productions. Mr. Laperal has an MBA from Cornell University, New York.
Prudencio C. Somera, Jr. 78, Filipino	Director	August 2004 to Present	Director- TKC Steel Corporation; Licensed Stockbroker; Columnist - Philippine Daily Inquirer. Mr. Somera holds an MBA from the University of the Philippines.
J. Santiago Ranada (ret), 86, Filipino	Director	December 2013 to Present	Partner, Ranada Malaya Sanchez & Simpao, Specializes in the banking, insurance, maritime and real estate industries and in corporate rehabilitation proceedings, 28 years of service in the Philippine Judiciary as RTC Judge and CA Justice. Justice Ranada graduated from the Ateneo College of Law.
Kara Nicole Ponce Enrile Rhounimi, 45, Filipino	Director	November 2023 to Present	President, Waning Crescent Arts, Inc; Senior Executive Vice President, JAKA Investments Corporation. Ms. Ponce- Enrile Rhounimi graduated with a Bachelor of Arts in Humanities degree with a Professional Certificate in Management from the University of Asia and the Pacific.
*Odilon T. Sta. Teresa, 65, Filipino	Director	November 2024 to Present	President/CEO, SmartInfo, Inc., Asian Pacific Dragon Realty Corporation, Brightbeam Corporation, Recruitment Cetner, Philippines, Inc. and Director, Baguio Country Club Corporation. Mr. Sta. Teresa holds a Bachelor's degree in Journalism from the University of the Philippines.

*Demaree J. B. Raval, 70, Filipino	Director	November 2024 to Present	Vice-President and Trustee, Transparency International (Philippines), Inc. Atty. Raval holds a Bachelor of Laws degree from the University of the Philippines.
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**Independent director.*

***Atty. Daniel C. Gutierrez was likewise elected at the Annual Stockholders' Meeting held on November 18, 2024; unfortunately, he passed away in January 2025, and no replacement has, of yet, been elected.*

FAMILY RELATIONSHIPS

Other than Ms. Erlinda I. Bildner and Ms. Marietta K. Ilusorio who are sisters, there are no other family relationships between Directors and Principal Officers as of the date of this Prospectus.

INVOLVEMENT IN CERTAIN LEGAL PROCEEDINGS

As of the date of this Prospectus, the Company is not aware of the occurrence of any of the following events that are material to the evaluation of the ability or integrity of any director or executive officer:

- Any bankruptcy petition filed by or against any director, or any business of a director, nominee for election as director, or executive officer who was a director, general partner or executive officer of said business either at the time of the bankruptcy or within 2 years prior to that time;
- Any director, nominee for election as director, or executive officer being convicted by final judgment in a criminal proceeding, domestic or foreign, or being subject to a pending criminal proceeding, domestic or foreign, excluding traffic violations and other minor offenses;
- Any director, nominee for election as director, or executive officer being subject to any order, judgment, or decree, not subsequently reversed, suspended or vacated, of any court of competent jurisdiction, domestic or foreign, permanently or temporarily enjoining, barring, suspending or otherwise limiting his involvement in any type of business, securities, commodities or banking activities; and
- Any director, nominee for election as director, or executive officer being found by a domestic or foreign court of competent jurisdiction (in a civil action), the SEC or comparable foreign body, or a domestic or foreign exchange or other organized trading market or self-regulatory organization, to have violated a securities or commodities law or regulation, and the judgment has not been reversed, suspended, or vacated.

COMPENSATION OF DIRECTORS

The following lists the individual compensation of the directors for 2022:

Name	Position	Salary	Allowance	Bonus	Total
Katrina C. Ponce Enrile	Director	0.00	300,000.00	0.00	300,000.00
Erlinda I. Bildner	Director	0.00	300,000.00	0.00	300,000.00
Daniel C. Gutierrez	Director	0.00	300,000.00	0.00	300,000.00
Pablo L. Lobregat	Director	0.00	300,000.00	0.00	300,000.00
Oliverio L. Laperal, Jr.	Director	0.00	300,000.00	0.00	300,000.00

Victoria de los Reyes	Director	0.00	0.00	0.00	0.00
Julie Yap Daza	Director	0.00	300,000.00	0.00	300,000.00
Marietta K. Ilusorio	Director	0.00	300,000.00	0.00	300,000.00
Santiago J. Ranada	Director	0.00	600,000.00	0.00	600,000.00
Jose Ramon C. Ozamiz*	Director	0.00	25,000.00	0.00	25,000.00
Prudencio C. Somera, Jr.	Director	0.00	25,000.00	0.00	25,000.00
Charles J. Horne**	Director	0.00	25,000.00	0.00	25,000.00
Total		0.00	2,775,000.00	0.00	2,775,000.00

*Until November 2022

**Beginning November 2022

The following lists the individual compensation of the directors for 2023:

Name	Position	Salary	Allowance	Bonus	Total
Katrina C. Ponce Enrile*	Director	0.00	125,000.00	0.00	125,000.00
Erlinda I. Bildner	Director	0.00	300,000.00	0.00	300,000.00
Daniel C. Gutierrez	Director	0.00	300,000.00	0.00	300,000.00
Pablo L. Lobregat	Director	0.00	300,000.00	0.00	300,000.00
Oliverio L. Laperal, Jr.	Director	0.00	300,000.00	0.00	300,000.00
Victoria de los Reyes	Director	0.00	0.00	0.00	0.00
Julie Yap Daza	Director	0.00	300,000.00	0.00	300,000.00
Marietta K. Ilusorio	Director	0.00	300,000.00	0.00	300,000.00
Santiago J. Ranada	Director	0.00	600,000.00	0.00	600,000.00
Prudencio C. Somera, Jr.	Director	0.00	25,000.00	0.00	25,000.00
Charles J. Horne	Director	0.00	300,000.00	0.00	300,000.00
Kara Ponce-Enrile Rhounimi**	Director	0.00	50,000.00	0.00	50,000.00
Total		0.00	2,850,000.00	0.00	2,900,000.00

*Until May 2023

**Beginning November 2023

The following lists the individual compensation of the directors for 2024:

Name	Position	Salary	Allowance	Bonus	Total
Erlinda I. Bildner	Director	0.00	0.00	0.00	0.00
Kara Ponce-Enrile Rhounimi	Director	0.00	0.00	0.00	0.00
Daniel C. Gutierrez	Director	0.00	135,000.00	0.00	135,000.00
Pablo L. Lobregat	Director	0.00	135,000.00	0.00	135,000.00
Oliverio L. Laperal, Jr.	Director	0.00	135,000.00	0.00	135,000.00
Victoria de los Reyes	Director	0.00	0.00	0.00	0.00
Julie Yap Daza	Director	0.00	135,000.00	0.00	135,000.00
Marietta K. Ilusorio	Director	0.00	270,000.00	0.00	270,000.00
Santiago J. Ranada	Director	0.00	540,000.00	0.00	540,000.00
Prudencio C. Somera, Jr.	Director	0.00	135,000.00	0.00	135,000.00
Charles J. Horne	Director	0.00	135,000.00	0.00	135,000.00
Total		0.00	1,620,000.00	0.00	1,620,000.00

The following lists the individual compensation of the directors for 2025 (estimated):

Name	Position	Salary	Allowance	Bonus	Total
Erlinda I. Bildner	Director	0.00	0.00	0.00	0.00
Kara Ponce-Enrile Rhounimi	Director	0.00	0.00	0.00	0.00
Pablo L. Lobregat	Director	0.00	135,000.00	0.00	135,000.00
Oliverio L. Laperal, Jr.	Director	0.00	135,000.00	0.00	135,000.00
Victoria de los Reyes	Director	0.00	0.00	0.00	0.00
Odilon T. Sta. Teresa	Director	0.00	135,000.00	0.00	135,000.00
Marietta K. Ilusorio	Director	0.00	270,000.00	0.00	270,000.00
Santiago J. Ranada	Director	0.00	540,000.00	0.00	540,000.00
Prudencio C. Somera, Jr.	Director	0.00	135,000.00	0.00	135,000.00

Demaree J. B. Raval	Director	0.00	135,000.00	0.00	135,000.00
Total		0.00	1,620,000.00	0.00	1,620,000.00

The directors and executive officers are not guaranteed a bonus, neither do they receive any profit sharing, options, warrants or right to purchase securities of the Corporation, nor are they covered by any pension or retirement plan. Aside from the foregoing, there is no other arrangement or contract pursuant to which any director was or is to be compensated directly or indirectly during the last fiscal year and the ensuing year.

There is no employment contract between the Corporation and any of its executive officers. There is likewise no compensatory plan or arrangement with respect to any executive officer which result or will result from his resignation, retirement or any other termination of his employment or from any change in control of the Corporation or a change in the executive officer's responsibilities following any change in control of the Corporation.

There is no outstanding warrant or option held by the Corporation's executive officers and directors. There is no action proposed to be taken with regard to any bonus, profit-sharing or other compensation plan, contract or arrangement in which any director, nominee for election as a director or executive officer of the Corporation will participate, any pension or retirement plan in which any such person will participate, and any granting or extension to any such person of any options, warrants or rights to purchase any securities.

COMMITTEES OF THE BOARD

To aid in complying with the principles of good governance, the Manual on Corporate Governance provides that the Board shall create and appoint Board members to each of the committees set forth below. Each member of the respective committees named below holds office as of the date of this Prospectus and will serve until his successor is elected and qualified.

Audit Committee

The Audit Committee (the "Committee") assists the Board of Directors (the "Board") in the performance of its oversight function over the Company's financial reporting process, systems of internal control, internal and external audit processes and compliance monitoring procedures. It is also primarily responsible for the appointment, re-appointment or removal of the external auditor. The Committee shall consist of at least three (3) non-executive directors, all of whom must be capable of exercising independent judgment and have relevant background, knowledge, skills, and/or experience in the areas of accounting, auditing, and finance. The Chair of the Audit Committee shall be an Independent Director and should not be the Chairman of the Board or of any other committees. At its meetings, three (3) directors shall be sufficient to constitute a quorum. All decisions or resolutions of the Committee must have the affirmative vote of at least three (3) members of the Committee. The Audit Committee shall have the following duties and responsibilities:

- provide oversight to the Corporation's Financial Reporting and Control and Internal and External Audit Functions;
- set up the Internal Audit Division and appoint the Internal Auditor or engage a third party service provider of audit functions as well as the Independent External Auditor, determine audit fees and any issues of resignation or

termination of auditors. Both internal and external auditors shall report directly to the Committee;

- investigate any matter within its terms of reference, and shall be granted full access to and cooperation by Management and full discretion to invite any director or executive officer to attend its meetings;
- review the effectiveness of the Corporation's internal controls, including financial, operational and compliance controls, and risk management;
- review and approve the audit scope and frequency of the Annual Internal Audit Plan;
- discuss the nature and scope of the audit with the external auditor before the audit commences;
- review reports of Internal and External auditors and regulatory agencies, where applicable, and ensure that Management is taking appropriate measures and corrective actions in a timely manner in addressing control and compliance functions with regulatory agencies;
- review the quarterly, half year and annual financial statements before submission to the Board;
- coordinate, monitor and facilitate compliance with existing laws, rules and regulations;
- evaluate and determine non-audit work by the external auditor and review the non-audit fees paid to the external auditor, if any;
- establish and identify the reporting line of the Chief Audit Executive/Internal Audit Head so that the reporting level allows the Internal Audit activity to fulfill its responsibilities. The Chief Audit Executive/Internal Audit Head shall report directly to the Audit Committee and to the President. The Committee shall ensure that the Internal Auditors shall have free and full access to all the Company's records, properties and personnel relevant to the Internal Audit activity and that the Internal Audit activity should be free from interference in determining the scope of internal auditing examinations, performing work, and communicating results; and shall provide a venue for the Committee to review and approve the Annual Internal Audit Plan;
- provide oversight to Management's activities in managing investments, credit, market, liquidity, operational, legal and other risks of the Corporation;
- address all issues and concerns from the auditors expeditiously and effectively to avoid the possibility of their having to render a qualified or adverse opinion, including substantive and significant disclaimers;
- ensure that no revisions to the Company's financial statements are necessary for reasons other than mandated changes in accounting practices;

- jointly with the Risk Oversight Committee, certify in behalf of the Board of Directors as to the adequacy of the Corporation’s internal controls and risk management system;
- ensure that the external auditor is selected on the basis of a fair and transparent tender process, is credible, competent, has the ability to understand complex related party transactions, its counterparties, and valuations of such transactions and has adequate quality control procedures;
- conduct regular meetings and dialogues with the external audit team without anyone from management present; and
- ensure that, should the External Auditor not be rotated, the lead audit partner is rotated every five (5) years.

The Audit Committee is chaired by Mr. Oliverio L. Laperal, Jr. and has Atty. Demaree J. B. Raval, Mr. Odilon T. Sta. Teresa, Ms. Erlinda I. Bildner and Atty. Victoria C. de los Reyes as members.

Board Risk Oversight Committee

The Board Risk Oversight Committee is responsible for the oversight of a company’s Enterprise Risk Management system to ensure its functionality and effectiveness.

It should be composed of at least three members, at least two of whom shall be independent directors including the chairman of the committee.

The committee has the same members as the Audit Committee.

Corporate Governance Committee

The Corporate Governance Committee is tasked to assist the Board in the performance of its corporate governance responsibilities, including the functions that were formerly assigned to the nomination and remuneration committee. It should be composed of at least three (3) directors, majority of whom should be independent directors, including the Chairperson.

The Committee’s members are Mr. Oliverio L. Laperal, Jr. and Mr. Odilon T. Sta. Teresa while Atty. Demaree J. B. Raval serves as Chairman.

Related Parties Transactions Committee

The Related Party Transactions Committee is tasked with reviewing all material related party transactions of the Company.

It should be composed of at least three (3) members, at least two (2) of whom shall be Independent Directors including the Chairman of the Committee.

The committee has the same members as the Audit Committee.

SIGNIFICANT EMPLOYEES

No single person is expected to make a significant contribution to the business since the Company considers the collective efforts of all its employees as instrumental to the overall success of its performance.

COMPENSATION OF OFFICERS

The following lists the individual compensation of the executive officers for 2022:

Name	Position	Salary	Allowance	Bonus	Total
Katrina C. Ponce-Enrile	President	1,500,000.00	0.00	0.00	1,500,000.00
Victoria C. de los Reyes	Vice President	300,000.00	0.00	0.00	300,000.00
Erlinda I. Bildner	Treasurer	1,200,000.00	0.00	0.00	1,200,000.00
Manolita L. Morales	Asst. Treasurer	1,080,000.00	0.00	0.00	1,080,000.00
John Benedict L. Sioson	Corporate Secretary	1,020,000.00	0.00	0.00	1,020,000.00
Jose Pio J. Seva	Asst. Corp. Secretary	421,444.00	0.00	0.00	421,444.00
Total		5,521,444.00	0.00	0.00	5,521,444.00

The following lists the individual compensation of the executive officers for 2023:

Name	Position	Salary	Allowance	Bonus	Total
Katrina C. Ponce- Enrile*	President	625,000.00	0.00	0.00	625,000.00
Victoria C. de los Reyes**	Vice President	500,000.00	0.00	0.00	500,000.00
Erlinda Bildner	Treasurer	1,200,000.00	0.00	0.00	1,200,000.00
Manolita L. Morales	Asst. Treasurer	1,080,000.00	0.00	0.00	1,080,000.00
John Benedict L. Sioson	Corporate Secretary	1,020,000.00	0.00	0.00	1,020,000.00
Jose Pio J. Seva***	Asst. Corp. Secretary	140,481.00	0.00	0.00	140,481.00
Total		4,565,481.00	0.00	0.00	4,565,481.00

*Until May 2023

**Starting October 2023

***Until April 2023

The following lists the individual compensation of the executive officers for 2024:

Name	Position	Salary	Allowance	Bonus	Total
Victoria C. de los Reyes	President	147,000.00	0.00	0.00	147,000.00
Kara Ponce-Enrile Rhounimi	Vice President	540,000.00	0.00	0.00	540,000.00
Erlinda Bildner	Treasurer	810,000.00	0.00	0.00	810,000.00
John Benedict L. Sioson	Corporate Secretary	579,000.00	0.00	0.00	579,000.00
Clariza A. Reyes	Asst. Corp. Secretary	0.00	0.00	0.00	0.00
Total		2,076,000.00	0.00	0.00	2,076,000.00

The following lists the individual compensation of the executive officers for 2025 (estimated):

Name	Position	Salary	Allowance	Bonus	Total
Victoria C. de los Reyes	President	147,000.00	0.00	0.00	147,000.00
Kara Ponce-Enrile Rhounimi	Vice President	540,000.00	0.00	0.00	540,000.00
Erlinda Bildner	Treasurer	810,000.00	0.00	0.00	810,000.00
John Benedict L. Sioson	Corporate Secretary	579,000.00	0.00	0.00	579,000.00
Clariza A. Reyes	Asst. Corp. Secretary	0.00	0.00	0.00	0.00
Total		2,076,000.00	0.00	0.00	2,076,000.00

There are no other arrangements for compensation either by way of payments for committee participation or special assignments other than reasonable per diem. There are also no outstanding warrants or options held by the Company's CEO, other officers and/or directors.

There are no special employment contracts between the Company and Senior Management.

There are no outstanding warrants and options held by any of the Company's directors and executive officers.

SECURITY OWNERSHIP OF CERTAIN RECORD AND BENEFICIAL STOCKHOLDERS

As of March 31, 2025, and based on the latest available information, except for Philippine Communications Satellite Corporation and Mr. Prudencio C. Somera, Jr., there is no other person or group, directly or indirectly appearing as stockholder on record or beneficial owner of more than 5% of any class of voting shares of the Corporation.

Class	Name, Address of Record Owner and Relationship with Issuer	Name, Address of Beneficial Owner and Relationship with Record Owner	Citizenship	No. of Shares Held	%
Common	Prudencio Somera, 14 San Jose St., Bgy. Kapitolyo, Pasig City	Same	Filipino	100,000,100	10.04
Common	Philippine Communications Satellite Corporation, 12/F Telecom Plaza, 316 Sen. Gil Puyat Avenue, Makati, 79% owner	Philippine Overseas Telecommunications Corporation, 12/F Telecom Plaza, 316 Sen. Gil Puyat Avenue, Makati, 100% owner	Filipino	783,945,590	78.68

SECURITY OWNERSHIP OF THE COMPANY'S DIRECTORS AND MANAGEMENT

As of March 31, 2025, the security ownership of directors and management is as follows:

Class	Name	Nature of Ownership	Citizenship	%
Common	Prudencio C. Somera, Jr.	(R)	Filipino	10.04%
Common	Erlinda I. Bildner	(R)	Filipino	-negligible-
Common	Santiago J. Ranada	(R)	Filipino	0.3%
Common	Victoria C. de los Reyes	(R)	Filipino	0.3%
Common	Kara Ponce-Enrile Rhounimi	(R)	Filipino	-negligible
Common	Directors and Officers as a Group Unnamed	(R)	Filipino	<11%

VOTING TRUST HOLDERS

There is no person holding more than 5% of a class under a voting trust agreement.

CHANGES IN CONTROL

There are no arrangements that may result in a change in control of the Corporation.

DESCRIPTION OF PROPERTY

The Company and its Subsidiaries own or possess the right to use properties and assets that are needed in the course of operating the businesses. The Corporation leases its office space at its current business address at the 12/F Telecoms Plaza Building, 316 Sen. Gil Puyat Avenue, Makati City with a floor area of 160 sq. m. Rent expense amounted to P1.94 million in 2024, P1.85 million in 2023, and P1.78 million in 2022. The Corporation also owns real estate properties in Bagac, Bataan covered by Transfer Certificates of Title Nos. T-273819 to 23, T-273825, T-273527 to 29 and T-273842. These properties were offered by the Philippine Communications Satellite Corporation as debt payment by way of a *dacion en pago*. The Corporation believes that the said parcels of land will prove to be useful in the implementation of its plans to rehabilitate the Montemar Beach Club. The Corporation does not intend to acquire property in the next twelve (12) months.

DESCRIPTION OF THE OFFER SHARES

Information relating to the Common Shares is set forth below. The description is only a summary and is qualified by reference to Philippine law and the Company's Articles of Incorporation ("Articles") and By- Laws ("By-Laws"), both as amended, copies of which are available at the SEC and on the Company's website.

SHARE CAPITAL

A Philippine corporation may issue common or preferred shares, or such other classes of shares with such rights, privileges or restrictions as may be provided for in its articles of incorporation and by-laws. A corporation may increase or decrease its authorized capital stock upon approval by a majority of the board of directors and by shareholders representing at least two-thirds of the outstanding capital stock at a shareholders' meeting duly called for that purpose and is duly approved by the SEC.

All of the Company's shares that are currently issued or authorized to be issued are common shares and have a par value of P1.00 per share. If shares are issued at a price above par, whether for cash or otherwise, the amount by which the subscription price exceed the par value is credited to an account designated as paid-in surplus.

A corporation may acquire its own shares for a legitimate corporate purpose, provided that it has sufficient unrestricted retained earnings in its books to pay for the acquisition and it complies with the other conditions for the purchase. A corporation may acquire its own shares to:

- Eliminate fractional shares arising out of stock dividends;
- Collect or compromise a debt to the corporation arising out of the unpaid subscription in a delinquency sale or to purchase delinquent shares during such sale; and
- Pay dissenting shareholders exercising their appraisal right.

The purchased shares form part of the corporation's treasury shares upon the

corporation's acquisition. A corporation may re-issue or sell the treasury shares at a price to be fixed by the board of directors.

RIGHTS RELATING TO COMMON SHARES

Voting Rights

Each Common Share entitles the holder to one (1) vote.

At each meeting of the stockholders, every stockholder entitled to vote on a particular question or matter involved shall be entitled to one (1) vote for each share of stock standing in his name in the books of the Company at the time of the closing of the transfer books for such meeting.

In the election of Directors, each stockholder, in person or by proxy, is entitled to such number of votes as is equivalent to the product of the number of Common Shares owned by him multiplied by the number of Directors to be elected. The stockholder may cumulate his votes in favor of one (1) or more candidates as he may see fit. A Director may also be removed by the vote of stockholders representing two-thirds ($2/3$) of the outstanding voting shares, in accordance with the provisions of Section 27 of the Revised Corporation Code.

Voting rights cannot be exercised with respect to shares declared delinquent or treasury shares, or with respect to shares upon which its appraisal right has been exercised.

Pre-emptive Rights

Section 38 of the Revised Corporation Code provides that all stockholders of a stock corporation will enjoy pre-emptive right to subscribe to all issues or disposition of shares of any class, in proportion to their respective shareholdings, unless such right is denied by the Articles of Incorporation or an amendment thereto. Under the Company's Articles of Incorporation, no stockholders of any class shall be entitled to any pre-emptive right to purchase, subscribe for, or receive any part of the shares of the corporation, whether issued from its unissued capital, increase in its authorized capital or its treasury stock.

Dividend Rights

Dividends may be declared from the unrestricted retained earnings of the Company at such time and in such percentage or amount as the Board of Directors may deem proper. No dividend shall be declared that will impair the capital stock of the Company.

Under Philippine law, a corporation can only declare dividends to the extent that it has unrestricted retained earnings that represent the undistributed earnings of the corporation that have not been allocated for any purpose. A corporation may pay dividends in cash, in property, or by the issuance of shares (stock dividend). Stock dividends may only be declared and paid with the approval of stockholders representing at least two-thirds of the issued and outstanding capital stock of the corporation voting at a stockholders' meeting duly called for the purpose.

The Revised Corporation Code requires, as a general rule, that a corporation with retained earnings in excess of 100% of its paid-in capital declare and distribute as dividends the amount of such surplus. Notwithstanding this requirement, a corporation may retain all or

any portion of such surplus in the following cases: (a) when justified by definite expansion plans approved by the board of directors of the corporation; (b) when the required consent of any financing institution or creditor to such distribution has not been secured; or (c) when retention is necessary under special circumstances, such as when there is a need for special reserves for probable contingencies.

Appraisal Rights

The Revised Corporation Code grants a shareholder a right of appraisal in certain circumstances where he has dissented and voted against a proposed corporate action, including:

- An amendment of the Articles of Incorporation that has the effect of changing or restricting the rights of any stockholder or class of shares, or of authorizing preferences in any respect superior to those of outstanding shares of any class, or of extending or shortening the term of corporate existence;
- The sale, lease, exchange, transfer, mortgage, pledge or other disposal of all or substantially all the corporate property and assets;
- A merger or consolidation; and
- Investment of corporate funds for any purpose other than the primary purpose of the corporation.

In any of these circumstances, the dissenting shareholder may require the Company to purchase its shares at a fair value, which in default of agreement is determined by three disinterested persons, one of whom shall be named by the shareholder, one by the Company, and the third by the two thus chosen. In the event of a dispute, the SEC will determine any question about whether a dissenting shareholder is entitled to this right of appraisal. This remedy will only be available if the Company has unrestricted retained earnings sufficient to support the purchase of the shares of the dissenting stockholders. From the time the shareholder makes a demand for payment until the Company purchases such shares, all rights accruing on the shares, including voting and dividend rights, shall be suspended, except the right of the shareholder to receive the fair value of the share.

Access to Corporate Books and Records

Stockholders have the right to inspect the books and records of the Company, including the minutes of all Board and stockholders' meetings, and records of business transactions of the Company. However, the right of inspection may be denied if the shareholder seeking to examine the corporate records is not acting in good faith or for a legitimate purpose in making the demand for inspection or has improperly used any information secured through any prior examination of the records of such corporation or any other corporation.

Liquidation Rights

Each shareholder is entitled to a pro rata share in the assets of the Company available for distribution to the stockholders in the event of dissolution, liquidation and winding up, subject to the superior rights of the creditors of the Company.

Derivative Rights

Philippine law recognizes the right of a shareholder to institute proceedings on behalf

of the Company in a derivative action in circumstances where the Company itself is unable or unwilling to institute necessary proceedings to redress wrongs committed against the Company or to vindicate corporate rights such as, for example, where the directors themselves are the malefactors.

TREASURY SHARES

The Company may acquire its own Common Shares, provided that, it has unrestricted retained earnings to pay for the Common Shares to be acquired or purchased and only for a legitimate corporate purpose/s, including, but not limited to: (a) eliminate fractional shares arising out of stock dividends, (b) collect or compromise an indebtedness to the Company, arising out of unpaid subscription, in a delinquency sale, and to purchase delinquent shares sold during said sale; and (c) pay dissenting or withdrawing stockholders entitled to payment for their shares under the provisions of the Revised Corporation Code.

The Common Shares repurchased by the Company shall become treasury shares that may again be disposed of at a reasonable price as may be fixed by the Board of Directors. These treasury shares have neither voting rights nor dividend rights as long as they remain as treasury shares.

As of the date of this Prospectus, the Company does not hold any treasury shares.

STOCK TRANSFER AGENT

The Company's stock and transfer book is maintained at the principal office of the Company's stock transfer agent, Professional Stock Transfer, Inc.

CHANGES IN CONTROL

There are no existing provisions in the amended Articles of Incorporation and amended By-Laws of the Company, which may cause delay, deferment, or in any manner prevent a change in control of the Company.

BOARD OF DIRECTORS

Unless otherwise provided by law, the Company's corporate powers are exercised, business conducted, and all of its property are controlled and held, by the Board of Directors. The Company has 11 directors, 3 of whom are independent directors. They shall be elected by the Company's shareholders who are entitled to vote at the annual meeting and shall hold office for one (1) year until their successors are elected and qualified in accordance with the Company's by-laws.

Any vacancy by reason of death, resignation, or removal of a director prior to the expiration of the director's term, may be filled by the vote of at least a majority of the remaining members of the Board, if still constituting a quorum; otherwise, the vacancy must be filled by the shareholders at a regular or at any special meeting of the shareholders called for that purpose. A director so elected to fill a vacancy shall be elected only for the unexpired term of his predecessor in office.

SHAREHOLDERS' MEETING

Annual or Regular Shareholders' Meetings

Philippine corporations are required to hold an annual meeting of shareholders. Under the Company's by- laws, the annual shareholders' meeting shall be held on third Monday of November of each year if a legal holiday, then on the day following

Special Shareholders' Meetings

Special meetings of shareholders, for any purpose or purposes, may at any time be called by any of the following: (a) majority members of the Board of Directors, at its own instance; (b) the President; or (c) by stockholders owning at least ten percent (10%) of the total issued and outstanding capital stock of the corporation; provided that such stockholders have continuously held such shares for at least one (1) year prior to the Corporate Secretary's receipt of such stockholders' written call for a special meeting and provided further that such call complies with the procedures and requirements set forth in relevant regulations. Such call shall state the purpose or purposes of the meeting, which must affect the legitimate interest of the stockholders, is germane to the stockholders' interest, and should not include the removal of any director.

Notice of Shareholders' Meetings

Whenever shareholders are required or permitted to take any action at a meeting, a written notice of the meeting shall be given which shall state the place, date and time of the meeting, and the purpose or purposes for which the meeting is called. Notices for the meetings shall be sent by the Secretary by personal delivery, by mail telegraph, cable, facsimile, electronic-mail or other electronic means to each stockholder of record entitled to vote thereat at the address and/or facsimile, telegraph number or electronic mail address last known to the Secretary at least twenty-one (21) days before the date of the meeting. Notice for special meetings of stockholders may be sent at least one (1) week before the date of the meeting, or such other period as may be allowed by applicable regulations. Except where expressly required by law, no publication of any notice of a meeting of stockholders shall be required. Each stockholder shall provide his current residential or office address and electronic mail address to the Secretary not later than thirty (30) days after the regular meeting of the stockholders, and shall notify the Secretary of any change in his residential or office address or electronic mail address within five (5) days from the said change. The Secretary shall maintain a record of the current residential or office address, and the electronic mail address of each stockholder of the Corporation. Any notice of any regular or special meeting sent by electronic mail to the last known electronic mail address of a stockholder shall be considered a valid service of the notice upon said stockholder. The notice shall state the place, date and hour of the meeting, and the purpose or purposes for which the meeting is called. Such requirements aforesaid and notice of any meetings may be waived, expressly or impliedly, by any stockholder. When the meeting of the shareholders is adjourned to another time or place, notice of the adjourned meeting need not be provided so long as the time and place to which the meeting is adjourned are announced at the meeting at which the adjournment is decided. At the reconvened meeting, any business may be transacted that might have been transacted on the original date of the meeting.

Quorum

A majority of the issued capital stock of the Company, either in person or by proxy, shall constitute a quorum, and a majority of the quorum shall decide any question before the meeting except as otherwise provided by law. If there is no quorum for the meeting, the meeting shall be adjourned until the required number of Shares shall be present or represented.

Voting

Shareholders may vote at all meetings the number of shares registered in their respective names, either in person or by a duly appointed proxy. Except in cases otherwise provided by law, a majority of the votes cast by the shareholders present in person or by proxy at any meetings is sufficient to approve any resolution.

Fixing Record Dates

For purposes of determining the stockholders entitled to notice of, or to vote or be voted at any meeting of stockholders or any adjournments thereof, or entitled to receive payment of any dividends or other distribution or allotment of any rights, or for the purpose of any other lawful action, or for making any other determination of stockholders, the Board of Directors may provide that the stock and transfer book be closed at least 20 days for regular meeting and 7 days for special meetings before the scheduled date of meeting. In lieu of closing the stock and transfer books, the Board of Directors may fix in advance a date as the record date for any such determination of stockholders. A determination of stockholders of record entitled to notice of or to vote or be voted at a meeting of stockholders shall apply to any adjournment of meeting; provided, however, that the Board of Directors may fix a new record date for the adjourned meeting.

Proxies

Shareholders may vote in person or by proxy. Proxies shall be in writing, signed by the stockholder and filed at least five (5) business days before the scheduled meeting with the Corporate Secretary. Proxies filed with the Secretary may be revoked by the stockholders either in an instrument in writing duly presented and recorded with the Secretary prior to a scheduled meeting or by their personal presences at the meeting. A forum for the validation of chaired by the Corporate Secretary or Assistant Corporate and attended by the transfer agent shall be convened before the meeting. Any questions and issues relating to the validity and sufficiency, both as to form and substance, of proxies shall only be raised during said forum and resolved by the Corporate Secretary. The Corporate Secretary's decision shall be final and binding upon the shareholders, and those not settled at such forum shall be deemed waived and may no longer be raised during the stockholders' meeting.

Unless otherwise provided in the proxy, it shall be valid only for the meeting at which it has been presented to the Corporate Secretary.

Voting in Absentia

Stockholders may also vote through remote communication or in absentia, in which case, they shall be deemed present for purposes of quorum. Provided, however, that the votes are received by the Secretary before the Corporation finishes the tally of votes.

Transfer of Common Shares

All transfer of shares on the PSE shall be effected by means of a book-entry system. Under this system of trading and settlement, a registered shareholder transfers legal title over the shares to such nominee but retains beneficial ownership over the shares. A shareholder transfers legal title by surrendering the stock certificate representing his shares to participants of the PDTC system (i.e., brokers and custodian banks) that, in turn, lodge the same with the PCD Nominee. A shareholder may request his shares to be uplifted from the PDTC, in which case a certificate of stock is issued to the shareholder and the shares are registered in the shareholder's name. See "*The Philippine Stock Market*" section of this Prospectus. Philippine law does not require transfers of shares to be effected on the PSE, but any off-exchange transfers will subject the transferor to a capital gains tax that may be significantly greater than the stock transfer tax applicable to transfers effected on an exchange, and documentary stamp tax. All transfers of shares on the PSE must be effected through a licensed stockbroker in the Philippines.

Issuance of Shares

Subject to otherwise applicable limitations, the Company may issue additional shares to any person for consideration that the Board deems fair, provided that such consideration shall not be less than the par value of the shares. Share certificates may only be issued to a subscriber upon full payment of the subscription together with interest and expenses (in case of delinquent shares). Under PSE rules, only fully paid-up shares may be listed on the PSE.

Share Certificates

Certificates representing the Shares will be issued in such denominations as shareholders may request, except that certificate will not be issued for fractional shares. Shareholders may request the Company's stock transfer agent to split their certificates. Shares may also be lodged and maintained under the book- entry system of the PDTC.

Mandatory Tender Offer

It is mandatory for any person or group of persons acting in concert to make a tender offer to all the shareholders of the target corporation before the intended acquisition of:

- At least 35% of the outstanding voting shares of such outstanding voting shares that are sufficient to gain control of the board in a public company, in one or more transactions within a period of 12 months; such intention should be disclosed and the tender offer shall be made for the percentage sought to all holders of such securities within the said period; or
- At least 35% of the outstanding voting shares or such outstanding voting shares that are sufficient to gain control of the board in a public company directly from one or more stockholders; the tender offer shall be made for all outstanding voting shares; or
- Less than 35% of such equity that will result in ownership of over 51% of the total outstanding equity securities in a public company.

The term "public company" refers to: (i) a corporation with a class of securities listed on an exchange, such as the PSE; or (ii) a corporation with assets of at least P50 million and having

200 or more shareholders with at least 100 shares each.

When the securities tendered pursuant to such an offer exceed the number of shares that the acquiring person or group of persons is willing to acquire, the securities shall be purchased from each tendering shareholder on a pro rata basis according to the number of securities tendered by each security holder. In the event that the tender offer is oversubscribed, the aggregate number of securities to be acquired at the close of such tender offer shall be proportionately distributed to both the selling shareholders with whom the acquirer may have been in private negotiations with and the minority shareholders.

In a mandatory tender offer, the acquirer must offer the highest price paid by him for such shares during the past six months. Where the offer involves payment by transfer or allotment of securities, such securities must be valued on an equitable basis. However, if any acquisitions of even less than 35% would result in ownership of 51% of the total outstanding equity, the acquirer shall make a tender offer for all the outstanding equity securities to all remaining shareholders of the said corporation at a price supported by a fairness opinion provided by an independent financial adviser or equivalent third party. The acquirer in such tender offer shall accept any and all securities thus tendered.

No mandatory tender offer is required in:

- Purchases of shares from unissued capital shares unless it will result in a 50% or more ownership of shares by the purchaser;
- Purchases from an increase in the authorized capital shares of the target company;
- Purchases in connection with a foreclosure proceeding involving a pledge or security where the acquisition is made by a debtor or creditor;
- Purchases in connection with a privatization undertaken by the government of the Philippines;
- Purchases in connection with corporate rehabilitation under court supervision;
- Purchases through an open market at the prevailing market price; or
- Purchases resulting from a merger or consolidation.

FUNDAMENTAL MATTERS

The Revised Corporation Code considers certain matters as significant corporate acts that may be implemented only with the approval of shareholders, including those holding shares denominated as non-voting in the articles of incorporation. These acts, which require board of directors' approval and the approval of shareholders representing at least two-thirds of the issued and outstanding capital stock of the corporation (except for the amendment of by-laws and approval of management contracts in general, which require approval of shareholders representing a majority of the corporation's outstanding capital stock), include:

- Amendment of the articles of incorporation;
- An increase or decrease of capital stock and incurring, creating or increasing bonded indebtedness;
- Delegation to the board of directors of the power to amend or repeal or to adopt new by-laws;
- Sale, lease, exchange, mortgage, pledge or other disposition of all or a substantial part of the corporation's assets;

- Merger or consolidation;
- Investment of corporate funds in any other corporation or for a purpose other than the primary purpose for which the corporation was organized;
- Dissolution of the corporation;
- Denial of pre-emptive rights to shares to be issued in good faith in exchange for property needed for corporate purposes or in payment of a previously contracted debt;
- Declaration or issuance of stock dividends;
- Ratification of a contract between the corporation and a director or officer where the vote of such director or officer was necessary for approval;
- Execution of a management contract where (a) a majority of directors of the managing corporation constitutes the majority of the board of the managed company or (b) shareholders of both the managing and managed corporations represent the same interest and own or control more than one third of the outstanding capital stock entitled to vote;
- Removal of directors; and
- Ratification of contracts with corporations in which a director is also a member of the board, where the interest of the director is substantial in one corporation and nominal in the other.

The approval of shareholders holding a majority of the outstanding capital shares of a Philippine corporation, including non-voting preferred shares, is required for the adoption or amendment of the by-laws of such corporation.

OTHER FEATURES OF COMMON SHARES

The Offer Shares are neither convertible nor subject to redemption. All of the Company's issued shares are fully paid and non-assessable and are free and clear of all liens, claims, and encumbrances. All documentary stamp taxes due on the issuance of all issued shares have been fully paid.

ACCOUNTING AND AUDITING REQUIREMENT

Philippine corporations are required to file copies of their annual consolidated financial statements with the Philippine SEC. Companies listed on the PSE must also file their quarterly consolidated financial statements with the Philippine SEC and the PSE. Shareholders are entitled to be furnished with the most recent financial statements of a Philippine corporation, which include a balance sheet as of the end of the most recent tax year and a profit and loss statement for that year. The Board is required to present to shareholders at every annual meeting a financial report of the operations of the Company for the preceding year.

REGULATORY AND ENVIRONMENTAL MATTERS

GENERAL BUSINESS REGULATORY FRAMEWORK

Revised Corporation Code

The Revised Corporation Code was signed into law on February 20, 2019, and became effective on March 8, 2019. The salient features, among others, of the Revised Corporation Code are as follows:

- Corporations are granted perpetual existence, unless the Articles of Incorporation provide otherwise. Perpetual existence shall also benefit corporations whose certificates of incorporation were issued before the effectiveness of the Code, unless a corporation, upon a vote of majority of the stockholders of the outstanding capital stock notifies the Commission that it elects to retain its specific corporate term under its current Articles of Incorporation;
- Material contracts between the Corporation and its own directors, trustees, officers, or their spouses and relatives within the fourth civil degree of consanguinity or affinity must be approved by at least two-thirds (2/3) of the entire membership of the Board, with at least a majority of the independent directors voting to approve the same;
- The right of stockholders to vote in the election of directors or trustees, or in stockholders' meetings, may now be done through remote communication or in absentia if authorized by the corporation's by-laws. However, as to corporations vested with public interest, voting through remote communication or in absentia are deemed allowed, even if not expressly stated in the by-laws. The stockholders who participate through such means are deemed present for purposes of quorum. When attendance, participation, and voting are allowed by remote communication or in absentia, the notice of meetings to the stockholders must state the requirements and procedures to be followed when a stockholder or member elects either option;
- In case of transfer of shares of listed companies, the Commission may require that these corporations whose securities are traded in trading markets and which can reasonably demonstrate their capability to do so, to issue their securities or shares of stock in uncertificated or scripless form in accordance with the Rules of the Commission.
- As to the filing of the by-laws and any amendments made to the by-laws of any corporation governed by special laws, the Revised Corporation Code requires that a prior certificate of the appropriate government agency to the effect that such bylaws or amendments are in accordance with law, must be submitted.
- A favorable recommendation by the appropriate government agency is likewise required for corporations governed by special laws, before the Philippine SEC approves any merger or consolidation, or any voluntary dissolution.
- The Revised Corporation Code refers to the Philippine Competition Act in case of covered transactions under said law involving the sale, lease, exchange, mortgage, pledge, or disposition of properties or assets; increase or decrease in the capital stock, incurring, creating or increasing bonded indebtedness; or mergers or consolidations covered by the Philippine Competition Act thresholds.

Data Privacy Act of 2012 (Republic Act No. 10173)

Republic Act No. 10173, otherwise known as the Data Privacy Act, protects all forms of information, be it private, personal, or sensitive. It covers all natural and juridical persons involved in the processing of information whether in the government or private sector, and whether in or outside the Philippines.

Under the Data Privacy Act, personal information is defined as any information,

whether recorded in a material form or not, from which the identity of an individual is apparent or can be reasonably and directly ascertained by the entity holding the information, or when put together with other information, would directly and certainly identify an individual. The processing of information is defined as any operation or any set of operations performed upon personal data including, but not limited to, the collection, recording, organization, storage, updating or modification, retrieval, consultation, use, consolidation, blocking, erasure, or destruction of data.

The processing of personal information shall be allowed, subject to compliance with the requirements under the Data Privacy Act, and other laws allowing disclosure of information to the public and adherence to the principles of transparency, legitimate purpose and proportionality. The guidelines for the processing of personal information are as follows:

- Collected for specified and legitimate purposes determined and declared before, or as soon as reasonably practicable after collection, and later processed in a way compatible with such declared, specified and legitimate purposes only;
- Processed fairly and lawfully;
- Accurate, relevant and, where necessary for purposes for which it is to be used the processing of personal information, kept up to date; inaccurate or incomplete data must be rectified, supplemented, destroyed or their further processing restricted;
- Adequate and not excessive in relation to the purposes for which they are collected and processed;
- Retained only for as long as necessary for the fulfillment of the purposes for which the data was obtained or for the establishment, exercise or defense of legal claims, or for legitimate business purposes, or as provided by law; and
- Kept in a form which permits identification of data subjects for no longer than is necessary for the purposes for which the data were collected and processed.

As a general rule, the processing of personal information is permitted, unless otherwise prohibited by law, and when at least one of the following conditions exist:

- The data subject has given his or her consent;
- The processing of personal information is necessary and is related to the fulfillment of a contract with the data subject or in order to take steps at the request of the data subject prior to entering into a contract;
- The processing is necessary for compliance with a legal obligation to which the personal information controller is subject;
- The processing is necessary to protect vitally important interests of the data subject, including life and health;
- The processing is necessary in order to respond to national emergency, to comply with the requirements of public order and safety, or to fulfill functions of public authority which necessarily includes the processing of personal data for the fulfillment of its mandate; or
- The processing is necessary for the purposes of the legitimate interests pursued by the personal information controller or by a third party or parties to whom the data is disclosed, except where such interests are overridden by fundamental rights and freedoms of the data subject which require protection under the Philippine Constitution.

The Data Privacy Act further requires the appointment of a Data Protection Officer (DPO) for all personal information controllers (PICs) and personal information processors (PIPs). The DPO is accountable for ensuring the Company's compliance with all data privacy and security laws and regulations. A PIC may be a natural or juridical person who exercises control over the processing of personal data and furnishes instructions to another person or entity to process personal data on its behalf. A PIP on the other hand, refers to a person or body instructed or outsourced by a PIC to engage in the processing of the personal data of a data subject. The PIC or PIP that employs fewer than 250 persons shall not be required to register unless the processing it carries out is likely to pose a risk to the rights and freedoms of data subjects, the processing is not occasional, or the processing includes sensitive personal information of at least 1,000 individuals.

Anti-Money Laundering Act (Republic Act No. 9160)

Republic Act No. 9160, otherwise known as the Anti-Money Laundering Act or AMLA, is a special law which aims to investigate and criminalize money laundering and other financial crimes, protects financial institutions and other covered entities under the act, and ensures that the Philippines will not be used as a money laundering site for the proceeds of any unlawful activity.

In so doing, the AMLA serves the following functions: (1) creates the financial intelligence unit known as the “Anti-Money Laundering Council” or (“AMLC”); (2) imposes to Covered Entities specific obligations such as customer identification, record keeping, and reporting of covered and suspicious transactions; (3) relaxes strict bank deposit secrecy laws; and (4) provides for remedies, such as bank inquiry and freeze orders, and *ex parte* petitions, seizure, forfeiture, and recovery of dirty money or property.

Money Laundering is defined under the AMLA as a crime whereby the proceeds of an unlawful activity are transacted, thereby making them appear to have originated from legitimate sources. It is committed by any person:

- Knowingly transacting or attempting to transact any money/property which represents, involves or relates to the proceeds of an unlawful activity;
- Knowingly performing or failing to perform an act in relation to any money/property involving the proceeds of any unlawful activity as a result of which he facilitated the offense of money laundering; and
- Knowingly failing to disclose and file with the AMLC any report required to be disclosed and filed.

In addition, the AMLA also considers the failure to keep records, malicious reporting, and breach of confidentiality as punishable acts.

The AMLA requires all covered entities, the exhaustive list is provided in the law, to register with the AMLC. Obligations of reporting or covered institutions include Customer Identification, Recordkeeping, and the Reporting of Covered and Suspicious Transactions.

Covered transactions are defined as single transactions in cash or other equivalent monetary instrument involving a total amount in excess of Five Hundred Thousand (P500,000.00) Pesos within one (1) banking day. Suspicious Transactions, on the other hand, are defined as transactions with covered institutions, regardless of the amounts involved, where

any of the following circumstances exist:

- There is no underlying legal/trade obligation, purpose or economic justification or the client is not properly identified;
- The amount involved is not commensurate with the business or financial capacity of the client;
- The transaction is structured to avoid being the subject of reporting requirements under the AMLA;
- There is a deviation from the client's profile/past transactions;
- The transaction is related to an unlawful activity/offense under the AMLA; and
- Transactions similar or analogous to the above.

In 2018, the AMLC Regulatory Issuance (ARI) A, B, C, No. 2 was issued, on the Guidelines on Digitization of Customer Records. Under said issuance, covered persons are required to digitize all customer records that are within the 5-year retention period for recordkeeping as provided by the AMLA. It also requires all covered persons to develop a central database where the customer records can be easily uploaded and retrieved, accessible at any time by their compliance officer or any other duly authorized officer.

On January 29, 2021, Republic Act No. 11521 was enacted, amending certain provisions of AMLA. The necessary changes were likewise incorporated in the 2018 Implementing Rules and Regulations through the AMLA. In particular, R.A. No. 11521 revised the list of "Covered Persons" under the AMLA to include real estate brokers and developers. As such, real estate brokers and developers are now required to submit a covered transaction report involving any single cash transaction exceeding P7,500,000.00 or its equivalent in any other currency.

Further, R.A. No. 11521 provides the following suspicious transactions with Covered Persons, regardless of the amounts involved, where any of the following circumstances exist:

- there is no underlying legal or trade obligation, purpose or economic justification;
- the client is not properly identified;
- the amount involved is not commensurate with the business or financial capacity of the client;
- taking into account all known circumstances, it may be perceived that the client's transaction is structured in order to avoid being the subject of reporting requirements under the Act;
- any circumstance relating to the transaction which is observed to deviate from the profile of the client and/or the client's past transactions with the covered person;
- the transaction is in any way related to an unlawful activity or offense under the Act that is about to be, is being or has been committed; or
- any transaction that is similar or analogous to any of the foregoing.

Under the AMLA, Covered Persons shall submit covered transaction and suspicious transaction reports to the AMLC, and shall identify and record the true identity of their customers, whether permanent or occasional, and whether natural or juridical persons, or legal arrangements based on official documents. To comply with this, such Covered Persons are obligated to implement appropriate systems of collecting and recording identification information and identification documents, and shall implement and maintain a system of

verifying the true identity of their clients, including validating the truthfulness of the information and confirming the authenticity of the identification documents presented, submitted, and provided by the customer, using reliable and independent sources, documents, data, or information. All records of transactions and records of closed accounts are required to be maintained and stored for five years from the date of a transaction or after their closure, respectively.

Social Security Law (Republic Act No. 1161, as amended)

An employer or any person who uses the services of another person in business, trade, industry or any undertaking is required under Republic Act No. 11199 to ensure coverage of employees following procedures set out by the law and the Social Security System (“SSS”). Under the said law, social security coverage is compulsory for all employees under 60 years of age. An employer must deduct and withhold from its compulsorily covered employees their monthly contributions based on a given schedule, pay its share of contribution and remit these to the SSS within a period set by law and/or SSS regulations.

Home Development Mutual Fund Law (Republic Act No. 9679)

Under the Home Development Mutual Fund Law of 2009, all employees who are covered by the Social Security Act of 1997 must also be registered with and covered by the Home Development Mutual Fund, more commonly referred to as the Pag-IBIG Fund. It is a national savings program as well as a fund to provide affordable shelter financing to Filipino employees. The employer is likewise mandated to deduct and withhold, pay and remit to the Pag-IBIG Fund the respective contributions of the employees under the prescribed schedule.

National Health Insurance Act of 1995 (Republic Act No. 7875)

Under Republic Act No. 7875, employers are likewise required to ensure enrollment of its employees in a National Health Program administered by the Philippine Health Insurance Corporation, a government corporation attached to the Department of Health, tasked with ensuring sustainable, affordable and progressive social health insurance pursuant to the provisions of the National Health Insurance Act of 1995, as amended by the Republic Act No. 11223, otherwise known as the Universal Health Care Act. The registration, accurate and timely deductions, and remittance of contributions to the Philippine Health Insurance Corporation is mandatory as long as there is an employer-employee relationship.

RELATED PARTY TRANSACTIONS

Related party transactions are transfers of resources, services or obligations between the Company and its related parties, regardless of whether a price is charged. Transactions between the Company and related parties are conducted at estimated market rates and on an arm's length basis and in accordance with the Company's Related Party Transactions Policy.

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions. These parties include:

- (a) individuals owning, directly or indirectly through one or more intermediaries, control or are controlled by, or under common control with the Company;
- (b) associates and joint ventures;
- (c) individuals owning, directly or indirectly, an interest in the voting power of the

Company that gives them significant influence over the Company and close members of the family of any such individual; and,

(d) the Company's funded retirement plan.

In considering each possible related party relationship, attention is directed to the substance of the relationship and not merely on the legal form.

All material related party transactions and related party transactions involving directors and/or officers shall be approved by at least two-thirds vote of the Board of Directors (BOD), with at least a majority of the independent directors voting to approve the material related party transactions and related party transactions involving directors and/or officers. In case that a majority of the independent directors' vote is not secured, the material related party transactions and related party transactions involving directors and/or officers may be ratified by the vote of the stockholders representing at least two-third of the outstanding capital stock. For aggregate related party transactions within a 12-month period that breaches the materiality threshold of 10% of the Company's total consolidated assets, the same BOD approval would be required for the transaction/s that meet and exceeds the materiality threshold covering the same related party. Under SEC Memorandum Circular No. 10, Series of 2019, Rules on Material Related Party Transactions for Publicly-listed Companies, the minimum threshold to be considered as a material related party transaction is 10% of the total assets based on the latest audited consolidated financial statements.

Directors with personal interest in a certain related party transaction should abstain from participating in the discussions and voting on the same. In case they refuse to abstain, their attendance shall not be counted for the purposes of assessing the quorum and their votes shall not be counted for purposes of determining approval.

The Company's transactions with related parties pertain to acquisitions of property and cash advances which are unsecured, noninterest-bearing, and due and payable upon demand. The Company's transactions with related parties as of the financial year ended December 31, 2024, and first quarter of 2025 compared to the first quarter of 2024 is as follows:

Amount of Transaction (in Millions)						
Company	Description	Jan to Mar 2025	Jan to Mar 2024	Mar 31, 2025	Mar 31, 2024	Dec 31, 2024
MBCI	Notes Receivable	(P2.3)	(P2.5)	52.0	54.3	P54.3
MBCI	Interest Income	1.1	0.9	1.5	5.1	-
MBCI	Cash Advance	-	0.7	5.0	7.2	5.0
MRDC	Cash Advance	-	(0.2)	-	-	-
Philcomsat	Cash Advance	-	1.0	-	1.2	-
Philcomsat	Lease	(0.5)	(0.5)	2.9	1.7	0.3
Philcomsat	Interest Expense	(0.03)	(0.03)	-	-	-
Philcomsat	Future Subscription	-	-	18.9		18.9
PSTI	Dividend Income	3.0	3.0	-	-	-
Philcomsat	Association Dues	(0.1)	(0.1)	-	-	-
Philcomsat	Utilities	(0.6)	(0.1)	-	-	-
PSTI	Professional Fee	(0.05)	(0.05)	-	-	-

LEGAL AND OTHER MATTERS

Legal matters in connection with the Offer, legality, taxation and permits and licenses have been passed upon by Roxas de los Reyes Laurel Rosario & Gonzales (the “Firm”), Legal Counsel to the Issuer.

Except for Atty. Victoria C. de los Reyes who holds 0.3% of the total issued and outstanding capital stock of the issuer, none of the other lawyers of the Firm have shareholdings in the Company, or any right, whether legally enforceable or not, to nominate persons or to subscribe to the securities of the Company, in accordance with the standards of independence required in the Code of Professional Responsibility and as prescribed by the Supreme Court of the Philippines.

None of the lawyers of the Firm will receive any direct or indirect interest in the Company or in any of the Company’s securities (including options, warrants or rights thereto) pursuant to, or in connection with, the Offer Shares, nor has acted as promoter, underwriter or voting trustee.

John Benedict L. Sioson and Clariza A. Reyes are the Corporate Secretary and Assistant Corporate Secretary, respectively, of the Company

Copies of the following documents may be inspected during business hours at the Company’s principal office:

- Articles of Incorporation and By-Laws of the Company, as amended;
- Financial Statements and Independent Auditors’ Report as at and for the years ended December 31, 2022, 2023, 2024, and first quarter of 2025; and
- Report of Independent Auditors to Accompany Supplementary Information Required by the SEC Filed Separately from the Basic Financial Statements.

INDEPENDENT AUDITORS

The financial statements of the Company were audited by Isla Lipana & Co. for the financial year ended December 31, 2022, 2023, 2024. Said external auditors have no shareholdings in the Company, or any right, whether legally enforceable or not, to nominate persons or to subscribe to the securities of the Company, in accordance with the professional standard on independence set by the Board of Accountancy and the Professional Regulation Commission.

EXTERNAL AUDIT FEES AND SERVICES

The Corporation engaged the services of Isla Lipana & Co to audit its financial statements which comprise the statement of financial position, statement of comprehensive income, changes in equity and cash flows for the years then ended, and notes comprising a summary of significant accounting policies and other explanatory information and to render an opinion on the said statements for year ended December 2024 for which the aggregate amount billed in Philippine Pesos was P581,280. For the year ended December 2023, the aggregate amount billed in Philippine Pesos for the same services was likewise at P581,280. The Corporation did not require other assurance and related services, tax advisory services or any other product or service by the external auditor in 2023 and 2024. The Corporation did not

require tax advisory services for the years 2023 and 2024. The audit committee reviews the requirements of the Corporation for audit and audit related services and approves the fees prior to the auditor undertaking the work. Such services and fees are confirmed by the Board. The financial statements are approved by the Board before release.

INDEPENDENT AUDITORS AND OTHER EXPERTS

INDEPENDENT AUDITOR

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