SECURITIES AND EXCHANGE COMMISSION

SEC FORM 20-IS

INFORMATION STATEMENT PURSUANT TO SECTION 20
OF THE SECURITIES REGULATION CODE

1. Check the appropriate box:

   [ ] Preliminary Information Statement

   [✓] Definitive Information Statement

2. Name of Registrant as specified in its charter	:	**PACIFICA HOLDINGS, INC.**
3. Province, country or other jurisdiction of incorporation or organization	:	**Philippines**
4. SEC Identification Number	:	**013039**
5. BIR Tax Identification Number	:	**320-000-484**
6. Address of Principal Office	:	**China Bank Corporate Center, Lot 2, Samar Loop corner Road 5, Cebu Business Park, Mabolo, Cebu City**
Postal Code	:	**6000**
7. Registrant's telephone number, including area code	:	**(632) 637 8851**
8. Date, time and place of the meeting of security holders	:	**7 October 2022, 2:30 p.m., to be conducted online via Zoom** **The Chairman will conduct the online meeting from the principal place of business of the Company at China Bank Corporate Center, Lot 2, Samar Loop corner Road 5, Cebu Business Park, Mabolo, Cebu City.**
9. Approximate date on which the Information Statement is first to be sent or given to security holders	:	**12 September 2022**
10. <u>In case of Proxy Solicitations:</u> Name of Person Filing the Statement/Solicitor:	:	**Not applicable**
Address and Telephone No.	:	**Not applicable**

11. Securities registered pursuant to Sections 8 and 12 of the Code or Sections 4 and 8 of the RSA (information on number of shares and amount of debt is applicable only to corporate registrants):

Title of each class	Number of Common Stock Outstanding or Amount of Debt Outstanding
Common Shares	**325,000,000**

12. Are any or all of registrant's securities listed on a Stock Exchange?

    Yes [✓]   No [   ]

If yes, disclose the name of such Stock Exchange and the class of securities listed therein.

The common shares of PACIFICA HOLDINGS, INC. are listed on the Philippine Stock Exchange.

PACIFICA HOLDINGS, INC.
China Bank Corporate Center,
Lot 2, Samar Loop corner Road 5
Cebu Business Park, Brgy. Mabolo, Cebu City

NOTICE OF ANNUAL MEETING OF STOCKHOLDERS

G R E T I N G S:

Please be advised that the Annual Meeting of Stockholders of PACIFICA HOLDINGS, INC. (the "**Company**") for the year 2022 will be conducted **online** on **7 October 2022**, at **2:30 p.m.** Stockholders who wish to participate in the proceedings may do so by signing on at the following URL address: [https://registration.pacifica.ph/]

A G E N D A

1. Call to Order

2. Certification of Notice and Quorum

3. Approval of the Minutes of the Annual Stockholders' Meeting held on 26 November 2020

4. Presentation and Adoption of the President's Report and Annual Report and Approval of the Audited Financial Statements for the year 2021;

5. Ratification of all acts of the Board of Directors and Officers since the 2020 Annual Stockholders' Meeting adopted in the ordinary course of business

6. Election of the Members of the Board of Directors including the Independent Directors for the Ensuing Year

7. Appointment of the Company's External Auditors for Fiscal Year 2022

8. Other Matters

The Agenda Details and Rationale are appended to this Notice as Schedule 1.

Minutes of the last Annual Meeting of Stockholders held on 26 November 2020 is available at the website of the Company, http://pacifica.ph/corporate.html, and will be appended to the Information Statement that will be distributed or disseminated to all stockholders as of the record date.

The Board of Directors has set the 7th day of September 2022, as the record date for the determination of stockholders entitled to notice of and to vote at the Annual Stockholders' Meeting.

Given the current circumstances and in order to ensure the safety and welfare of our stockholders in light of the continuing COVID-19 situation, the Company will dispense with the physical attendance of stockholders at the meeting. Consequently, attendance will only be by remote communication, with voting being accomplished *in absentia* through the Company's online voting system at URL address: https://registration.pacifica.ph/ or through the Chairman of the meeting, as proxy.

Stockholders intending to participate by remote communication should pre-register with the Company via the Company's electronic registration and online-voting system at URL address: https://registration.pacifica.ph/ during the given registration period and in any case, no later than 26 September 2022.

Following such pre-registration and subject to validation procedures, stockholders may vote either electronically via the URL provided above, no later than 7 October 2022 or submit duly accomplished proxies on or before 30 September 2022 to the Office of the Corporate Secretary at Picazo Buyco Tan

Fider & Santos Law Office, Penthouse, Liberty Center, 104 H.V. Dela Costa Street, Salcedo Village, Makati City and/or by email to cpalmagil@picazolaw.com or kgpimentel@picazolaw.com. Validation of proxies is set on 4 October 2022 at 2:00 pm.

The detailed rules and procedures for participating in the meeting through remote communication and for casting their votes in absentia are set forth in the Information Statement and Schedule 2 of this Notice.

Very truly yours,

CRISTINA S. PALMA GIL-FERNANDEZ
Corporate Secretary

AGENDA DETAILS AND RATIONALE

1. Call to Order

The Chairman of the Board of Directors, Atty. Lowell L. Yu, will call the meeting to order.

2. Certification of Notice and Quorum

The Corporate Secretary, Atty. Cristina S. Palma Gil-Fernandez will certify that copies of the Notice of Meeting were duly published in the business section of two (2) newspapers of general circulation, and will certify the number of shares represented in the meeting, for the purpose of determining the existence of quorum to validly transact business.

Pursuant to Sections 23 and 57 of the Revised Corporation Code and SEC Memorandum Circular No. 6, Series of 2020, the Corporation has set up a designated web address which may be accessed by the stockholders to participate and vote in absentia on the agenda items presented for resolution at the meeting. A stockholder who votes in absentia or who participates by remote communication shall be deemed present for purposes of quorum.

The following are the rules and procedures for the conduct of the meeting:

(i) Stockholders may register for and attend the meeting remotely through the Company's electronic registration and online-voting system. Stockholders may send their questions or comments prior to the meeting by e-mail at info@pacifica.ph .The Company's electronic registration and online-voting system shall include a mechanism by which questions may be posted live during the meeting. The Company will endeavor to answer all questions submitted prior to and in the course of the meeting, or separately through the Company's investor relations office.

(ii) Each of the Agenda items which will be presented for resolution will be shown on the screen during the live streaming as the same is taken up at the meeting.

(iii) Voting shall only be allowed for stockholders registered in the Company's electronic registration and online-voting system at https://registration.pacifica.ph/ or through the Chairman of the meeting as proxy.

(v) All the items in the Agenda for the approval by the stockholders will need the affirmative vote of stockholders representing at least a majority of the issued and outstanding voting stock represented at the meeting.

(vi) Election of directors will be by plurality of votes and every stockholder will be entitled to cumulate his votes.

(vii) The Company's stock transfer agent and Corporate Secretary will tabulate and validate all votes received.

3. Approval of the minutes of the last stockholders' meeting held on 26 November 2020

The minutes of the last Annual Meeting of Stockholders held on 26 November 2020 will be presented for approval by the stockholders, in keeping with Section 49(a) of the Revised Corporation Code. A copy of such minutes is attached hereto as **Annex "A"** and has been uploaded on the Company's website. If requested, said minutes will also be distributed to the stockholders prior to the meeting.

4. Presentation and Adoption of the President's Report and Annual Report and Approval of the Audited Financial Statements for the year 2021

The President's Report and the Annual Report of the Company for the year 2021 and the audited financial statements of the Company for the year ended 31 December 2021 (a copy of which is attached to this Information Statement) will be presented for the information, understanding, and approval of the stockholders. The President's Report and Annual Report for 2021 will provide context and details on the financial performance and results of operations of the Company for 2021. This report and presentation are in line with the Company's s thrust to observe and abide by the best corporate governance practices. It will allow stockholders to understand the financial condition of the Company and they will be given the opportunity to propound questions to management on matters relating to the performance of the Company.

The comments and feedback from the stockholders and their approval or disapproval of these reports and the financial statements will provide guidance to the Board of Directors in the management of the business of the Company.

5. Ratification of all acts of the Board of Directors and Officers since the 2020 Annual Stockholders' Meeting adopted in the ordinary course of business

The ratification of all acts and resolutions of the Board of Directors and all the acts of management taken or adopted since 26 November 2020 will be sought from the stockholders during the meeting. Copies of the minutes of meetings of the Board of Directors are available for inspection by any stockholder at the principal office of the Company during business hours.

The ratification of the acts and resolutions of the Board and management will also serve as an avenue for the stockholders to better understand how the Board manages the business and operations of the Company. The ratification will also serve as confirmation by the stockholders that they approve of the manner by which the Board and management of the Company have been running its business and affairs.

6. Election of the Members of the Board of Directors including the Independent Directors for the Ensuing Year

The Corporate Secretary will present the names of the persons who have qualified and have been duly nominated for election as directors and independent directors of the Company consistent with the Company's By-Laws and Manual on Corporate Governance and other applicable laws and regulations.

The election of the members of the Board of Directors allows the stockholders to directly participate in the selection of the individuals who will serve in the Board which exercises the corporate powers of the Company.

The procedure for voting by remote communication, in absentia or by proxy, including cumulative voting, is provided in this Information Statement.

7. Appointment of the Company's External Auditors for Fiscal Year 2022

The approval of the stockholders of the company is being sought for the appointment of the external auditor of the Company.

8. Other Matters

Stockholders may be requested to consider such other issues/matters as may be raised throughout the course of the meeting.

9. Adjournment

After all business has been considered and resolved, the Chairman shall declare the meeting adjourned.

Stockholders who will not, are unable or do not expect to attend the meeting in person but would like to be represented thereat may choose to execute and send a duly accomplished proxy to the Office of the Corporate Secretary (Atty. Cristina S. Palma Gil-Fernandez) at Picazo Buyco Tan Fider & Santos Law Office, Penthouse, Liberty Center, 104 H.V. Dela Costa Street, Salcedo Village, Makati City, on or before 3 October 2022. A sample proxy form is provided below. Stockholders may likewise email a copy of the accomplished proxy form to **cpalmagil@picazolaw.com.**

Schedule 2
of Notice of PA Annual General Meeting

**VIRTUAL ANNUAL STOCKHOLDERS' MEETING
AND REQUIREMENTS AND PROCEDURES
FOR ELECTRONIC VOTING IN ABSENTIA**

Please be advised that the Annual Meeting of the stockholders of PACIFICA HOLDINGS, INC. (the "Company" or "PA") will be held on Friday, 7th day of October 2022 at 2:00 p.m.

In order to ensure the safety and welfare of our stockholders in light of the COVID-19 situation, the Company will dispense with the physical attendance of stockholders at the meeting and will allow attendance only by remote communication and by voting in absentia, or voting through the Chairman of the meeting as proxy. Should circumstances change such that public mass gatherings will no longer pose health risk to the public, the Company will timely notify the stockholders if physical attendance will be allowed at the meeting by 3 October 2022. If such will be the case, the guidelines therefor will be provided through a disclosure at the Philippine Stock Exchange or publication of a notice in a newspaper of general circulation.

Registration Period

Registration to vote in absentia or via an absentee ballot may be made through the Company's electronic registration and online-voting system at [https://registration.pacifica.ph/] from 9:00 a.m. of 12 September 2022 until 5:00 p.m. of 26 September 2022. Beyond this time and date, a stockholder may no longer be allowed to register for the Annual Meeting of the stockholders but may still vote through the Chairman of the meeting as proxy, by submitting a duly accomplished proxy form, on or before 3 October 2022.

Registration Requirements

The following are needed for the online registration:

A. <u>For individual Stockholders</u>

1. The unique Stockholder ID which the Stockholder should request from the stock transfer agent ("STA") of PA, Stock Transfer Services, Inc., before commencing with the online registration. Stockholders may reach the PA STA within the Registration Period, Monday to Friday from 9:00 a.m. to 5:00 p.m.
2. Full name of the Stockholder;
3. Valid and current email address;
4. Valid and current contact number, including the area code (landline or mobile number);
5. Citizenship/Nationality; and
6. Digital copy of the Stockholder's valid and unexpired government-issued ID (in JPG format).

B. <u>For corporate Stockholders</u>

1. Secretary's certificate or equivalent document (in case of a non-resident stockholder) attesting to the authority of the representative to vote for and on behalf of the corporation;
2. The unique Stockholder ID which the Stockholder should request from the PA STA before commencing with the online registration. Stockholders may reach the PA STA within the Registration Period, Monday to Friday from 9:00 a.m. to 5:00 p.m.
3. Full name of the Stockholder's Representative;
4. Valid and current email address of the Stockholder's Representative;
5. Valid and current contact number (landline or mobile number) of the Stockholder's Representative;
6. Citizenship/Nationality of the Stockholder's Representative; and
7. Digital copy of the valid and unexpired government-issued ID of the Stockholder's Representative (in JPG format).

C. For Stockholders with shares under Broker Accounts (PCD Nominees)

In addition to the requirements specified in Item A or B above:

1. A certification from the stockholder's broker on the Stockholder's shareholdings in the Company as of the Record Date (in JPG format); and.
2. The unique Broker's ID assigned to stockholder's broker by the PCD, together with sub-ID number assigned by such broker to the stockholder, which the stockholder should request from such broker before commencing with the online registration.

In all cases, incomplete or inconsistent information may result in an unsuccessful registration. As a result, stockholders will not be allowed access to vote electronically *in absentia* but may still vote through the Chairman of the meeting as proxy, by submitting a duly accomplished proxy form, on or before 3 October 2022.

Online Registration Procedure

1. Prior to online registration:

   (a) For shareholders holding share certificates, contact the PA STA to secure your unique Stockholder ID. During the Registration Period, PA STA may be reached, Monday to Friday from 9:00 a.m. to 5:00 p.m, at:

   STOCK TRANSFER SERVICES INC.
   6784, Unit D 34F Rufino Pacific Tower
   Ayala Avenue, Makati, 1200 Metro Manila
   Telephone Number: (02) 5310 1351

   When contacting the PA STA, please be prepared to indicate your stock certificate number/s and corresponding number of shares.

   (b) For stockholders whose shares are lodged under broker accounts, please contact your respective brokers to secure the necessary requirements under Item C (Registration Requirements).

2. Log-in into the Company's electronic registration and online-voting using your unique individual Stockholder ID/Broker's ID. Please ensure that you have prepared the necessary information and requirements.
3. Read the Data Privacy Notice on the Website. If you agree to its terms, please check the box signifying your consent to the processing of your personal information which shall be used only for purposes of Annual Stockholders' Meeting of PA.
4. Enter the information required in the respective fields and upload the digital copies of your valid government-issued photo ID. When all information and digital copies have been uploaded, please click the "Submit" button.

Reminders:

- Please take note of your Stockholder ID/Broker ID and Authentication Code and keep them in a safe place. While the Company shall endeavor to take all reasonable steps to generate replacements, the Company cannot in any way guarantee that it will be able to do so in a timely manner.
- A Stockholder's online registration cannot be completed if any of the mandatory requirements are not submitted.
- Only Stockholders who submitted the complete requirements thru the Website by 26 September 2022, 5:00 P.M., are entitled to participate in the Annual Stockholders' Meeting of PA.
- In any event, stockholders whose registration cannot be completed may still vote through the Chairman of the meeting as proxy, by submitting a duly accomplished proxy form, on or before 3 October 2022.

- In case of any issues relating to your registration in the Website, or in case you lose your Stockholder ID or Authentication Code, pls. send an email to info@pacifica.ph .

Verification of Stockholder Registrations

The Company or the PA STA shall verify the information and details submitted through the Electronic Voting in Absentia System, starting on 12 September 2022.

After verification of complete submission of the required information and documents, the stockholder shall receive an e-mail confirming registration on the Website through the stockholder's e-mail address provided in such registration. Such e-mail confirmation shall include the stockholder's unique Authentication Code and detailed instructions on how to participate and cast votes in the Annual Meeting of the stockholders of the Company.

In the event that you have not received such e-mail notification by 26 September 2022, please call or contact the Company or the PA STA.

Annual Meeting of the Stockholders

The Annual Meeting of the stockholders of PA shall be broadcasted online. The procedure for online voting, as well as the manner by which stockholders may bring up questions or concerns to the Board of Directors, shall be emailed to stockholders who successfully registered before the lapse of the Registration Period and whose registration has been verified.

Data Privacy

Each individual stockholder’s (or that of the corporate stockholder's Authorized representative) data will be collected, stored, processed and used exclusively for the purposes of electronic registration in the Electronic Voting in Absentia System for Annual Meeting of the stockholders. Personal information will be processed and retained in accordance with the Data Privacy Act of 2012 and applicable regulations. The detailed data privacy policy of the Company may be accessed through the Website.

PROXY

The undersigned stockholder of **PACIFICA HOLDINGS, INC.** (the "Company") hereby appoints the Chairman of the meeting, as attorney-in-fact or proxy, with power of substitution, to represent and vote _______________ shares registered in his/her/its name as proxy of the undersigned stockholder, at the Annual Stockholders' Meeting of the Company to be held on 7 October 2022, Friday, **2:30** p.m., to be conducted online, and at any of the adjournments thereof for the purpose of acting on the following matters:

1. Approval of the Minutes of the Annual Stockholders' Meeting held on 26 November 2020.
   ❑ For ❑ Against ❑ Abstain

2. Notation of the President's Report and Approval of the 2021 Audited Financial Statements.
   ❑ For ❑ Against ❑ Abstain

3. Ratification of all acts of the Board of Directors and Management since the last Annual Stockholders' Meeting held on 26 November 2020.
   ❑ For ❑ Against ❑ Abstain

4. Election of Directors for the ensuing year (Please indicate number of votes)

	FOR	**AGAINST**	**ABSTAIN**
1. Lowell L. Yu			
2. Winglip K. Chang			
3. Alexander S. Roleda			
4. Luis R. Yu III			
5. Ian Norman E. Dato			
6. Richard N. Rocha			
7. Christian Francis C. Reyes			
8. Mark Werner J. Rosal			
9. Vittorio P. Lim			

5. Appointment of External Auditors
   ❑ For ❑ Against ❑ Abstain

6. Other Matters
   ❑ For ❑ Against ❑ Abstain

Printed Name of the Stockholder	**Signature of Stockholder/ Authorized Signatory**	**Date**

WE ARE NOT ASKING OR SOLICITING YOU FOR A PROXY.

Instructions

This proxy should be received by the Corporate Secretary on or before 3 October 2022, the deadline for submission of proxies.

This proxy, when properly executed, will be voted in the manner as directed herein by the stockholder(s). If no direction is made, this proxy will be voted for the election of all nominees and for the approval of the matters stated above and for such other matters as may properly come before the meeting in the manner described in the Information Statement.

A stockholder giving a proxy has the power to revoke it at any time before the right granted is exercised. A proxy will also be considered revoked if the stockholder attends the meeting in person and expresses his intention to vote in person.

Notarization of this proxy is not required.

WE ARE NOT ASKING YOU FOR A PROXY.
YOU ARE NOT BEING REQUESTED TO SEND US A PROXY.

INFORMATION STATEMENT

A. GENERAL INFORMATION

Item 1. Date, Time, and Place of Meeting of Security Holders

The Annual Meeting of the stockholders of PACIFICA HOLDINGS, INC. (the "**Company**") will be held on **7 October 2022, Friday, 2:30 p.m., to be conducted via remote communication**.

The Chairman will conduct the online meeting from the principal place of business of the Company at China Bank Corporate Center, Lot 2, Samar Loop corner Road 5, Cebu Business Park, Mabolo, Cebu City.

However, considering the COVID 19 pandemic and to conform with the government's mandate to exercise social distancing and to avoid mass gatherings, attendance and voting in the Annual Meeting by the stockholders shall be done only via remote communication by signing in through [https://registration.pacifica.ph/].

The mailing address of the Company is at the China Bank Corporate Center, Lot 2, Samar Loop corner Road 5, Cebu Business Park, Mabolo, Cebu City.

This Information Statement will be first sent or given to security holders (by posting on PSE Edge and the Company's website) on or around 12 September 2022.

Item 2. Dissenter's Right of Appraisal

Pursuant to the Revised Corporation Code, (1) in case of amendment to 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, (2) in case of sale, lease, exchange, transfer, mortgage, pledge, or other disposition of all or substantially all of the corporate property and assets as provided in the Revised Corporation Code, (3) in case of merger or consolidation, and (4) in case of investment of corporate funds for any purpose other than the primary purpose of the corporation, any stockholder of the Company shall have the right to dissent and demand payment of the fair value of his shares.

As provided in Section 81 of the Revised Corporation Code, this appraisal right may be exercised by any stockholder who shall have dissented to such corporate action, by making a written demand on the Company within thirty (30) days after the date on which the vote was taken, for payment of the fair value of his shares. Failure to make the demand within such period shall be deemed a waiver of the appraisal right.

Within ten (10) days after demanding payment for his shares, a dissenting stockholder shall submit to the Company the certificate(s) of stock representing his shares for notation thereon that such shares are dissenting shares. His failure to do so shall, at the option of the Company, terminate his appraisal rights. No demand for payment as aforesaid may be withdrawn by the dissenting stockholder unless the Company consents thereto.

If the corporate action is implemented or effected, the Company shall pay to such dissenting stockholder, upon surrender of the certificate(s) of stock representing his shares, the fair value thereof as of the day prior to the date on which the vote was taken, excluding any appreciation or depreciation in anticipation of such corporate action.

If within a period of sixty (60) days from the date the corporate action was approved by the stockholders, the withdrawing stockholder and the Company cannot agree on the fair value of the shares, it shall be determined and appraised by three (3) disinterested persons, one of whom shall be named by the stockholder, another by the Company, and the third by the two (2) thus chosen. The findings of the majority of the appraisers shall be final, and their award shall be paid by the Company within thirty (30) days after such award is made. No payment shall be made to any dissenting stockholder unless the Company has unrestricted retained earnings in its books to cover such payment. Upon payment by the

Company of the agreed or awarded price, the stockholder shall forthwith transfer his shares to the Company. The procedure to be followed in exercising the appraisal right shall be in accordance with Sections 80 to 85 of the Revised Corporation Code.

There are no matters or proposed actions as specified in the Notice of Annual Stockholders' Meeting that will give rise to a possible exercise by shareholders of their appraisal rights as provided in the Corporation Code of the Philippines and summarized above.

Item 3. <u>Interest of Certain Persons in or Opposition to Matters to be Acted Upon</u>

Other than the election to office to include the nomination and election of directors and independent directors, there are no matters to be acted upon in which any director or executive officer is involved or has a direct, indirect, or substantial interest. Furthermore, no director has informed the registrant, in writing or otherwise, that he/she intends to oppose any action to be taken by the registrant at the Meeting.

B. CONTROL AND COMPENSATION INFORMATION

Item 4. <u>Voting Securities and Principal Holders Thereof</u>

As of 7 September 2022, the number of shares issued and outstanding of PACIFICA HOLDINGS, INC. ("**PA**" or the "**Company**") is 325,000,000 shares with a par value of Php1.00 per share. As of 7 September 2022, a total of 1,902,150 shares or 0.59% of the outstanding capital stock of the Company are owned by foreigners.

All stockholders of record at the close of business hours on 7 September 2022 (the "**Record Date**") are entitled to notice and to vote at the Annual Stockholders' Meeting.

A stockholder entitled to vote at the Meeting shall have the right to vote in person or by proxy the number of shares registered in his name in the stock and transfer book of the Company as of the Record Date. With respect to the election of directors, said stockholder may vote such number of shares and give one candidate as many votes as the number of directors to be elected multiplied by the number of his shares shall equal, or he may distribute them on the same principle among as many candidates as he shall see fit, provided, that the total number of votes cast by him shall not exceed the number of shares owned by him multiplied by the whole number of directors to be elected.

For this year's meeting, the Board of Directors had adopted a resolution to allow stockholders entitled to notice of, and to attend the meeting, to exercise their right to vote *in absentia.*

The following are the list of the top twenty (20) stockholders of the Company as of 7 September 2022:

	Stockholders' Name	Nationality	Number of Shares	Ownership Percentage
1	Unido Capital Holdings, Inc.	Filipino	198,048,420	60.94%
2	PCD Nominee Corporation (Filipino)	Filipino	90,927,011	27.98%
3	Alexandra L. Laperal	Filipino	3,832,500	1.18%
4	Rosamaria Laperal	Filipino	3,199,000	0.98%
5	Oliverio L. Laperal, Jr.	Filipino	3,072,400	0.95%
6	Victorina Heras	Filipino	3,029,302	0.93%
7	Regina L. Concepcion	Filipino	3,000,000	0.92%
8	Desiderio L. Laperal	Filipino	2,772,500	0.85%
9	LMI Holdings Corporation	Filipino	2,260,000	0.70%
10	PCD Nominee Corporation (Foreign)	Foreign	1,902,150	0.59%
11	Chiong & Company, Inc.	Filipino	477,650	0.15%
12	Oliverio G. Laperal	Filipino	476,192	0.15%
13	Ansaldo, Godinez & Co., Inc.	Filipino	379,300	0.12%
14	Benjamin Co Ca & Co., Inc.	Filipino	371,922	0.11%

15	Vicente Goquiolay & Co., Inc.	Filipino	348,150	0.11%
16	Industrial Horizons, Inc.	Filipino	266,000	0.08%
17	Nieves Sanchez, Inc.	Filipino	263,100	0.08%
18	Tiong Securities, Inc.	Filipino	259,050	0.08%
19	Manotoc, Rosenberg & Co., Inc.	Filipino	215,550	0.07%
20	Emma Laperal	Filipino	200,000	0.06%
		TOTAL	315,300,197	97.01%

Security Ownership of Certain Record and Beneficial Owners

The Company has no knowledge of any person who, as of 7 September 2022, was directly or indirectly the beneficial owner of more than five percent (5%) of the Company's outstanding shares of common stock or who has voting power of investment with respect to shares comprising more than five percent (5%) of the Company's outstanding shares of common stock except as stated below:

Title of Class	Name, Address of Record Owner and Relationship with Issuer	Name, Address of Beneficial Owner and Relationship with Issuer	Citizenship	No. of Shares Held	Percentage
Common shares	Unido Capital Holdings, Inc.[1] Unit 1503, 15/F China Bank Corporate Center, Lot 2, Samar Loop cor. Road 5, Cebu Business Park, Cebu City (Stockholder)	Record owner is beneficial owner	Filipino	198,048,420	60.94%
Common shares	PCD Nominee Corporation[2] 37/F Tower 1, The Enterprise Center, Makati City (Stockholder)	The participants of PCD are the beneficial owners of such shares. Among said beneficial owner is **iHoldings, Inc.** which owns 17.01% of the Company. Atty. Lowell L. Yu is the President and authorized representative of iHoldings, Inc.	Filipino	90,927,011	27.98%
			TOTAL	**289,975,431**	**88.92%**

The respective Board of Directors of the following corporate stockholders of the Company are expected to authorize the person indicated opposite their respective names below to exercise, on behalf of their respective corporations, the voting power over their securities in the Company, to wit:

[1] Unido Capital Holdings, Inc. is a holding company with investments in real and/or personal properties. Mr. Lowell L. Yu is expected to be named, constituted, and appointed as the authorized representative to vote all shares owned by the said corporation.
[2] PCD Nominee Corporation ("PCNC") is a wholly owned subsidiary of Philippine Central Depository, Inc. ("PCD") and is registered owner of the shares in the books of the Company's transfer agent. PCD participants deposit eligible securities in PCD through a process of lodgment, where legal title to the securities is transferred and held in trust by PCNC. The participants of PCD and/or their clients are the beneficial owners of such shares.

Name of Corporate Stockholder	Authorized Representative
Unido Capital Holdings, Inc.	Lowell L. Yu
iHoldings, Inc.	Lowell L. Yu

Security Ownership of Management

The following table shows the shareholdings beneficially held by the directors and executive officers of the Company as of 7 September 2022:

Title of Class	Name of Beneficial Owner	Amount and Nature of Beneficial Ownership		Citizenship	% of Total Outstanding Shares
		Direct	Indirect		
Common	Lowell L. Yu	500	0	Filipino	0.00
Common	Winglip K. Chang	1,000	0	Filipino	0.00
Common	Alexander S. Roleda	500	0	Filipino	0.00
Common	Luis R. Yu III	500	0	Filipino	0.00
Common	Ian Norman E. Dato	500	0	Filipino	0.00
Common	Richard N. Rocha	0	500	Filipino	0.00
Common	Christian Francis C. Reyes	0	500	Filipino	0.00
Common	Mark Werner J. Rosal	500	0	Filipino	0.00
Common	Vittorio P. Lim	0	500	Filipino	0.00
	TOTAL	**3,500**	**1,500**		**0.00**

Voting Trust Holders of 5% or More

The Company is not aware of any voting trust or similar agreements involving the securities of the Company or of any person who holds more than five percent (5%) of a class of securities under a voting trust or similar agreements.

Change in Control

Following the conduct and completion of the mandatory tender offer process in respect of the shares of the minority shareholders of the Company in accordance with the Securities Regulation Code (SRC) and its implementing rules and regulations, as well as the satisfaction of the closing conditions set forth in their respective Sale and Purchase Agreements (SPAs), Deeds of Absolute Sale were executed on 7 February 2017, as indicated below:

(i) By and between 9th Kingdom Investments Corp. and Unido Capital Holdings, Inc. for 13,424,270,000 shares; and

(ii) By and between Mikro-Tech Capital, Inc. and Unido Capital Holdings, Inc. for 1,185,414,000 shares.

On 26 November 2019, the SEC approved certain amendments to the Company's Articles of Incorporation, including the amendment to the Seventh Article of the Articles of Incorporation: (i) increasing the par value of the common shares of stock of the Company from Php 0.005 per share to Php 1.00 per share, resulting in a decrease of the number of common shares of the Company then outstanding from 40 billion shares to 200 million shares, but without a decrease in the aggregate par value thereof; and (ii) increasing the authorized capital stock of the Company from Php200 million divided into 200 million shares with par value of Php 1.00 per share to Php700 million divided into 700 million shares with par value of Php 1.00 per share, or an increase in the authorized capital stock of Php 500 million.

Out of the Php500 million increase in the authorized capital stock of the Company, Unido Capital Holdings, Inc. subscribed to 125,000,000 common shares of the Company at their new par value of Php1.00 per share. Prior to such subscription, Unido Capital Holdings, Inc. owned and held a total of 14,609,684,000 shares at the par value of Php0.005 (or 73,048,420 shares at the par value of Php 1.00

per share) representing 36.52% of the outstanding capital stock of the Company immediately prior to the increase in the authorized capital stock.

The additional subscription of 125,000,000 common shares constitutes 38.46% of the resulting outstanding capital stock of the Company of 325,000,000 shares.

As a result of the additional subscription of 125,000,000 shares, Unido Capital Holdings, Inc. now directly owns a total of 198,048,420 shares, representing 60.94% of the current aggregate outstanding capital stock of the Company.

Item 5. Directors and Executive Officers

No directors or officers of the Corporation are connected and/or affiliated with any government agencies or instrumentalities as reflected in the certification attached hereto as "**Annex B**".

Background Information

Directors and Officers

The following served as directors and principal officers of the Company for the year 2021 in a carryover capacity:

Name	Age	Nationality	Position
Lowell L. Yu	44	Filipino	Chairman
Winglip K. Chang	69	Filipino	President and Chief Executive Officer
Alexander S. Roleda	66	Filipino	Director
Luis Michael R. Yu III	33	Filipino	Director
Ian Norman E. Dato	43	Filipino	Director
Richard N. Rocha	38	Filipino	Director
Christian Francis C. Reyes	40	Filipino	Director
Mark Werner J. Rosal	47	Filipino	Independent Director
Vittorio P. Lim	37	Filipino	Independent Director
Cristina S. Palma Gil-Fernandez	54	Filipino	Corporate Secretary
Maria Elena E. Pocong	43	Filipino	Treasurer

Business Experience and Other Directorships

Directors

The business experience of each of the incumbent directors and officers of the Company for the last five (5) years is as follows:

Lowell L. Yu
Chairman of the Board

Mr. Yu is currently the President of iHoldings Inc. He also holds chairmanship positions at 77 Living Spaces, Inc, Grand Majestic Convention City Corp., 101 Restaurant City, Inc., iKitchen Inc., MyMarket, Inc. and Govago, Inc. He is also a founding partner of Dato and Yu Law offices. He previously worked as an AVP of Business Development of Earth+Style/Quantuvis Resources. Atty. Yu holds a Masters degree in Management from the Asian Institute of Management and a Bachelor of Laws from Siliman University.

Winglip K. Chang
President and Chief Executive Officer

Mr. Chang is the President of Ikitchen, Inc., Grand Majestic Convention City, Inc., and 101 Restaurant City, Inc. He earned his Bachelor's Degree in Electrical Engineering from the Silliman University in Dumaguete City.

Alexander S. Roleda
Director

Mr. Roleda is engaged in the provincial distribution business connected with companies Meritus Prime Co. and Montosco Co. He has been the Proprietor-Manager of Crown Agrivet since 1989. From 1983 to 1988, he was a Pharmacy Manager of Crown Pharmacy. He earned his degree in Business Administration, Major in Management in 1977.

Luis Michael R. Yu III
Director

Mr. Yu is currently a director of Unido Capital Holdings, Inc., iHoldings. Inc., KuyaJ Group Holdings, Inc., Southeastasia Retail, Inc., Ikitchen, Inc., PLK Philippines, Inc., Grand Majestic Convention City, Inc., Manila Comisario Central, Inc., Icuisine, Inc., 100Holdings Ventures, Inc.,, One Vela Holdings, Inc. and 101Restaurant City, Inc., among other companies.

Ian Norman E. Dato
Director

Mr. Dato is a Partner at the Law Firm of Campos Canobas Sy Selva Ligon Dato. He is also a Director of 8990 Holdings, Inc., another listed company. In addition, he is either a director or an officer in approximately 50 corporations. His experience in private law practice includes Dato Inciong and Associates (2013-2021), Ponce Enrile Reyes & Manalastas Law Offices (2012) and Kalaw Sy Vida Selva & Campos (2005-2006). He was in government service between 2003 and 2010 in various capacities, such as: Undersecretary of Justice (2010), Undersecretary of Political Affairs (2008-2010), Assistant Secretary of Political Affairs (2007-2008), and Director in the Presidential Legislative Liaison Office in the Office of the President of the Philippines (2003-2005). He has a Master of Laws degree from University College of London where he graduated with merit in 2011. He obtained his Juris Doctor from the Ateneo de Manila School of Law and a degree in Political Science from the University of the Philippines Diliman.

Richard N. Rocha
Director

Mr. Rocha is currently the Executive Vice President of Camarines Sur Chamber of Commerce and Industry. He also currently serves as the Vice President for Operations of Naga Queenstown Realty & Development, Inc. and of Lyrr Realty Development Corporation. Mr. Rocha is also a director of Bicol-Habitat for Humanity, Inc. He was the Assistant Governor of Rotary International District 3820-Area 4 Group 2 from 2014 to 2015 and was the Club President of Rotary Club of Naga-Camarines Sur from 2011 to 2012. He served as a Director of Camarines Sur Chamber of Commerce and Industry from 2012 to 2013. Mr. Rocha earned his Bachelor's Degree in Business Administration, major in Computer Applications from De La Salle-College of Saint Benilde and studied International Housing Finance (Executive Education) at Wharton School of Business in Pennsylvania. He also passed the examination for real estate broker in 2011.

Christian Francis C. Reyes
Director

Mr. Reyes is currently the Chief Finance Officer of iHoldings, Inc. He was the Vice President and Head of the Trade Division of Metropolitan Bank and Trust Company from 2014 to 2017. He also served as the Vice President of Citibank, N.A. from 2008 to 2014 and held various positions within the organization. From 2008 to 2009, Mr. Reyes was the Product Manager-Citi Transactions Service (Philippines) and Business Development-New Initiatives Lead (Philippines). He was a Regional Sales Associate-Citi Transaction Services (Hongkong) from 2012 to 2013 and was the Regional Supply Chain Product Manager-Citi Transaction Services (Hong Kong) from 2013 to 2014. He holds Bachelor's Degree in Computer Science Major in Information Technology from De La Salle University, and Master's in Business Administration from Asian Institute of Management.

Mark Werner J. Rosal
Independent Director

Atty. Rosal is the Managing Partner of Rosal Diaz Bacalla and Fortuna Law Offices, a Cebu based law firm. He is a practicing lawyer specializing in Mergers and Acquisitions, Corporation Law, Labor Law, and Estate Planning. Atty. Rosal obtained his LLB from the University of San Carlos, Cebu City, in 2002 and was admitted to the Philippine Bar in 2003. He spent his early years in the practice of law at Balgos and Perez Law Offices and Angara Cruz Concepcion Regala and Abello (ACCRALAW).

He has been an Independent Director of Pacifica Holdings, Inc. since August 28, 2015. He has been a Director of LBC Express Holdings, Inc. since April 28, 2015. As part of his law practice, he serves as Independent Director of Rural Bank of Talisay (Cebu) Inc., Director of Wide Gain Property Holdings, Inc., and Sem-Ros Food Corp. (non-operational). He served as a Director of Federal Resources Investment Group, Inc. since April 28, 2015. He has a Bachelor's Degree in Physical Therapy from Cebu Velez College and passed the Physical Therapy Board exams on 1997.

Vittorio P. Lim
Independent Director

Mr. Lim has been President and Executive Director at Apollo Global Capital, Inc. since December 11, 2015. Mr. Lim has been Independent Director of Pacifica Holdings, Inc. since August 28, 2015. Mr. Lim is a Certified Securities Representative of Wealth Securities Inc. He served as Director at Asiabest Group International Inc. since October 7, 2011. He was also a Certified Securities Representative of Tower Securities, Inc. from 2011 to 2014; GS & PDS Broker.

The business experience of each of the persons nominated as directors of the Company (and who are not incumbent directors) for the last five (5) years is as follows:

Officers

The business experience of each of the current principal officers of the Company for the last five (5) years is as follows:

Lowell L. Yu
Chairman of the Board
(See description above)

Winglip K. Chang
President and Chief Executive Officer
*(*See *description* above*)*

Cristina S. Palma Gil-Fernandez
Corporate Secretary

Atty. Palma Gil-Fernandez assumed the position of Corporate Secretary of the Company in September 2012. Atty. Palma Gil-Fernandez graduated with a Bachelor of Arts degree, Major in History (Honors) from the University of San Francisco in 1989, and with a Juris Doctor degree, second honors, from the Ateneo de Manila University in 1995. She is currently a Partner at Picazo Buyco Tan Fider & Santos Law Offices and has 27 years of experience in corporate and commercial law, with emphasis on the practice areas of banking, securities and capital markets (equity and debt), corporate reorganizations and restructurings and real estate. She currently serves as a Corporate Secretary of several large Philippine corporations, including three (3) other publicly-listed Philippine corporations, as Assistant Corporate Secretary to one of the largest publicly-listed infrastructure companies in the Philippines.

Maria Elena E. Pocong
Treasurer

Ms. Pocong is a certified public accountant with more than 15 years of experience in audit and accounting, having extensively practiced accounting for construction, mining, restaurant, retail, and real estate development. She is currently the Finance and Accounting Head of iHoldings, Inc. and its subsidiaries, prior to which, she was an external auditor at SGV & Co. Ms. Pocong landed as Top 19 examinee during the 2000 CPA Board Exam.

Information Required of Directors and Executive Officers

Directors and Executive Officers

As of the date of this Information Statement, the following persons have been nominated to the Board for election at the Annual Stockholders' Meeting and have accepted their nomination:

LOWELL L. YU
WINGLIP K. CHANG
ALEXANDER S. ROLEDA
LUIS MICHAEL R. YU III
IAN NORMAN E. DATO
RICHARD N. ROCHA
CHRISTIAN FRANCIS C. REYES
MARK WERNER J. ROSAL as independent director
VITTORIO P. LIM as independent director

The nominees, other than the nominees for independent directorships, were formally nominated to the Nomination Committee of the Board by Atty. Lowell L. Yu, a shareholder of the Company. The Nomination Committee is chaired by Mr. Vittorio P. Lim, while Mr. Ian Norman E. Dato and Mr. Winglip K. Chang serve as its members.

Mr. Mark Werner J. Rosal and Mr. Vittorio P. Lim are being nominated as independent directors, having possessed the qualifications and none of the disqualifications of an independent director, and were nominated by Atty. Ian Norman E. Dato in accordance with the guidelines for the nomination and election of independent directors pursuant to Rule 38 of the Securities Regulation Code (SRC). Atty. Dato is not related to any of the nominees including Mr. Rosal and Mr. Lim.

The qualifications of all nominated directors, including the nominated independent directors, have been pre-screened in accordance with the Code of Corporate Governance and By-Laws of the Company. Only the nominees whose names shall appear on the final list of candidates are eligible for election as directors (independent or otherwise), in accordance with the procedure set forth in the By-Laws of the Company. No other nominations will be entertained after the preparation of the final list of candidates and no further nominations shall be entertained or allowed during the Annual Stockholders' Meeting.

The amendment of the Company's By-Laws in relation to the procedures on nomination and election of Independent Directors pursuant to SRC Rule 38, as amended, was approved on 14 August 2009.

Certifications of the independent directors are attached hereto as **Annexes "C-1" and "C-2**".

The certification attesting to the fact that none of the directors and officers of the Company holds any position in any capacity in any government agency or instrumentality is hereto attached as **Annex "B"**.

Significant Employees

The Company is not dependent on the services of any particular employee. It does not have any special arrangements to ensure that any employee will remain with the Company and will not compete upon termination.

Family Relationships

Mr. Lowell L. Yu, the Chairman of the Board, and Mr. Luis Michael R. Yu III, Director, are brothers.

Mr. Alexander S. Roleda, Director, is the father-in-law of Mr. Lowell L. Yu, the Chairman of the Board.

Mr. Lowell L. Yu, the Chairman of the Board, and Mr. Luis Michael R. Yu III, Director, are cousins of Mr. Richard N. Rocha, who is nominated as a Director.

Other than the ones disclosed, none of the Directors or Executive Officers or persons nominated or chosen by the Company to become Directors or Executive Officers is related to the others by consanguinity or affinity within the fourth civil degree.

Involvement in Certain Legal Proceedings

The Corporation, at present, is not aware of any legal proceedings involving the Company within the last five (5) years prior to the date of this report, except as stated herein. The case of *Olivero G. Laperal, Sr. v. Pacifica, Inc., Victorina L. Laperal, Rosamaria L. Laperal, Regina L. Concepcion, and Alexandra L. Laperal and Securities Transfer Services, Inc.*, docketed as Civil Case No. 09-122278 and filed in Branch 24 of the Regional Trial Court of Manila, where the Company was impleaded solely to hold in abeyance any issuance of stock certificates in favor of any of the parties to the case pending litigation, is pending amicable settlement between the real parties in interest of the case.

The Company, at present, is not aware of any legal proceedings within the last five (5) years prior to the date of this report that are material to the evaluation of the ability or integrity of any director, any nominee for election as director, executive officer, underwriter, or control person of the Company nor is the Company aware of:

- Any bankruptcy petition filed by or against any business of which any incumbent member of the Board of Directors or senior management of the Company was a general partner or executive officer, either at the time of filing of the bankruptcy petition or within three (3) years prior to that time;
- Any conviction by final judgment in a criminal proceeding, domestic or foreign, pending against any of the incumbent directors or senior management of the Company;
- 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 the involvement of any of the incumbent directors or senior management of the Company in any type of business, securities, commodities, or banking activities; and
- Any finding by a domestic or foreign court of competent jurisdiction (in civil action), the Securities and Exchange Commission or comparable foreign body, or a domestic or foreign exchange or electronic marketplace or said regulatory organization, that any of the incumbent directors or senior management of the Company has violated a securities or commodities law, and the judgment has not been reversed, suspended, or vacated.

Voting Rights

The Company's Shares have full voting rights. However, the Philippine Corporation Code provides that voting rights cannot be exercised with respect to shares declared by the board of directors as delinquent; treasury shares, or if the shareholder has elected to exercise his right of appraisal referred to below.

Certain Relationships and Related Transactions

Except as described below and other than those disclosed in the Company's Annual Report for 2021, Audited Financial Statements as of 31 December 2021, and Quarterly Report for period ended 30 June 2022, the Company has not had any transaction during the last two (2) years in which any Director or Executive Officer or any of their immediate family members had a direct or indirect interest.

For more discussion on Related Party Transactions, please see Notes 8 and 14 of the Financial Statements as of 31 December 2021, which Financial Statements are attached as "**Annex D**".

Appraisals and Performance Report of the Board

As of date, there is no formal appraisal or assessment process in respect of Board performance, although attendance by directors in board meetings are strictly monitored.

Resignation of Directors

No director has resigned from or declined to stand for re-election to the Board since the date of the 2020 Annual Stockholders' Meeting due to any disagreement with the Company relative to its operations, policies, and practices.

Item 6. Compensation of Directors and Executive Officers

Executive Compensation

The aggregate compensation paid or incurred in 2019, 2020, 2021 and estimated to be paid in 2022 to the Chief Executive Officer and senior executive officers of the Company are as follows:

Compensation Table of CEO and four (4) most highly compensated executive officers

	Year	Total [1] (₱)
CEO and the four most highly compensated executive officers Winglip K. Chang (President and CEO) Lowell L. Yu (Chairman of the Board) Ma. Elena E. Pocong (Treasurer)		
....	2019	n/a
	2020	n/a
	2021	n/a
	2022 (est.)	n/a
Aggregate compensation paid to all other officers as a group unnamed		
....	2019	n/a
	2020	n/a
	2021	n/a
	2022 (est.)	n/a

Note:
(1) Includes salary, bonuses, and other income.

The members of the Board of Directors do not receive fixed compensation but are given reasonable *per diem* which usually range from Php5,000 to Php10,000 for every attendance in any regular or special meeting of the Board of Directors. In 2021, 2020, and 2019, respectively, the CEO and the four (4) most highly compensated executive officers did not directly receive compensation from the Company. Prepared procedure for developing a policy on executive remuneration and for fixing the remuneration packages of individual directors and of officers is pending board review and approval.

Standard Arrangements

Other than payment of such reasonable *per diem* there are no standard arrangements pursuant to which directors of the Company are compensated, or were compensated, directly or indirectly, for any services provided as a director and for their committee participation or special assignments for 2013 up to the present.

Other Arrangements

There are no other arrangements pursuant to which any director of the Company was compensated, or to be compensated, directly or indirectly, for any service provided as a director.

Approval by the Board of any pension or retirement plan for the Company is pending until the Company becomes commercially operational.

Employment Contracts

The Company has no special employment contracts with the named executive officers.

Warrants and Options Outstanding

There are no outstanding warrants or options held by the President, the named executive officers, and all officers and directors as a group.

Item 7. Independent Public Accountants

The external auditor of the Company is the accounting firm of Isla Lipana & Co. The Board, upon the recommendation of the Company's Audit Committee, approved the appointment of Isla Lipana & Co. as the Company's independent auditor for 2021 based on their performance and qualifications.

The Audit Committee is composed of Mr. Mark Werner J. Rosal (independent director) as Chairman, and Messrs. Alexander S. Roleda and Christian Francis C. Reyes as members.

The appointment of Isla Lipana & Co. will be presented to the stockholders for their approval at the Annual Stockholders' Meeting.

Representatives of Isla Lipana & Co. for the current year and for the most recently completed fiscal year are expected to be present at the Annual Stockholders' Meeting. They will have the opportunity to make a statement if they desire to do so and are expected to be available to respond to appropriate questions.

Changes in and Disagreements with Accountants on Accounting and Financial Disclosure

The financial statements of the Company as of and for the year ended 31 December 2021 were audited by Isla Lipana & Co. Sycip, Gorres, Velayo & Co. previously acted as the Company's independent public accountant until 2014, while Punongbayan & Araullo acted as the Company's independent public accountant from 2015 until 2020.

There was no event during the two most recent fiscal years where Punongbayan & Araullo and/or Isla Lipana & Co. had any disagreement with the Company with regard to any matter relating to accounting principles or practices or financial statements disclosure or auditing scope or procedure. There was no case of independent accountant to dismiss or to decline to stand for re-election after completion of the current audit.

To comply with the requirements of SRC Rule 68 (3)(b)(iv), the signing partners of Isla Lipana & Co. shall be rotated every five (5) years or earlier. The partner-in-charge for the year 2021 is Mr. Paul Chester U. See. He is likewise the recommended partner-in-charge for the ensuing year.

Further, Isla Lipana & Co. has neither shareholdings in the Company nor any right, whether legally enforceable or not, to nominate persons or to subscribe for the securities of the Company. The foregoing is in accordance with the Code of Ethics for Professional Accountants in the Philippines set by the Board of Accountancy and approved by the Professional Regulation Commission.

Apart from audit-related services, the independent auditors of the Company have not rendered tax, accounting, compliance, advice, planning, and other tax services for the Company within the last two (2) fiscal years.

Item 8. Compensation Plans

The Company has no stock options, warrants or rights plan. There is likewise no other type of compensation plan.

C. ISSUANCE AND EXCHANGE OF SECURITIES

Item 9. Authorization or Issuance of Securities Other than for Exchange

There are no actions or matters to be discussed in the Annual Stockholders' Meeting with respect to the authorization or issuance of securities.

Item 10. Modification or Exchange of Securities

There are no actions or matters to be discussed in the Annual Stockholders' Meeting with respect to the modification of any class of securities of the Company, or the issuance or authorization for issuance of one (1) class of securities of the Company in exchange for outstanding securities of another class.

Item 11. Financial and Other Information

(i) The Audited Financial Statements for the year ended 31 December 2021 is attached hereto as **Annex "D"**.

(ii) Management's Discussion and Analysis of Financial Condition and Results of Operations, market price of shares and dividends, and other data related to the Company's financial information are attached hereto as **Annex "E"**.

(iii) The Quarterly Report for the quarter ended 30 June 2022 is attached hereto as **Annex "F"**.

Item 12. Mergers, Consolidations, Acquisitions, and Similar Matters

There are no actions or matters to be discussed in the Annual Stockholders' Meeting with respect to mergers, consolidations, acquisitions, sales, or other transfers of all or any substantial part of the assets of the Company, liquidation or dissolution of the Company, and similar matters.

Item 13. Acquisition of Disposition of Property

There are no actions or matters to be discussed in the Annual Stockholders' Meeting with respect to the acquisition or disposition of any significant Company property.

Item 14. Restatement of Accounts

There are no actions or matters to be discussed in the Annual Stockholders' Meeting with respect to the restatement of any asset, capital, or surplus account of the Company.

D. OTHER MATTERS

Item 15. Action with Respect to Reports

The following are to be submitted for approval during the Annual Stockholders' Meeting:

(i) President's Report based on the Annual Report and 2021 Audited Consolidated Financial Statements of the Company;

(ii) Annual Report and Audited Financial Statements for the fiscal year ended 31 December 2021; and

(iii) Minutes of the Annual Stockholders' Meeting held on 26 November 2020 ("2020 Annual Meeting") which records the approval and/or ratification by the shareholders of the following matters: (i) Management's Report and the Annual Report of the Company for the year 2019; (ii) the audited financial statements as of December 31, 2019; (iii) the ratification of acts of the Board of Directors and Management during the year 2020; (iv) the election of the members of the Board of Directors (including the Independent Directors) of the Company; (v) the appointment of the external auditor; (vi) issuance of 125,000,000 common shares with par value of Php1.00 per share issued in favor of Unido Capital Holdings, Inc. out of the increase in the authorized capital stock of the Company; and (vii) approval of the listing of the Additional Shares with the Philippine Stock Exchange. The same minutes also describes: [1] the directors who were present during the 2020 Annual Meeting, [2] the voting and vote tabulation procedures used during the 2020 Annual Meeting, [3] the manner by which stockholders were given the opportunity to ask questions, as well as [4] the questions raised and answers given. A copy of said minutes is attached to this Information Statement as **Annex "A"**.

Item 16. Matters Not Required to be Submitted

There is no action to be taken with respect to any matter which is not required to be submitted to a vote of security holders.

Item 17. Amendment of Charter, By-Laws, or Other Documents

No other actions or matters will be discussed with respect to any amendment of the Company's charter, By-Laws, or other documents.

Item 18. Other Proposed Actions

1. Election of the members of the Board of Directors, including the Independent Directors, for the ensuing fiscal year;

2. Ratification of all acts of the Board of Directors and Management since the last annual stockholders' meeting held on 26 November 2020 including:

   (a) all material resolutions adopted by the Board and duly reported by the Company to the SEC and PSE through the filing of SEC Form 17-C;
   (b) all other resolutions adopted by the Board in the ordinary course of business; and
   (c) all other acts executed by Management in the exercise of their functions in the regular and ordinary course of business of the Company; and

3. Appointment of the Company's external auditor for the ensuing fiscal year.

Item 19. Voting Procedures

Manner of Voting

In all items for approval, except in the election of directors, each share of stock entitles its registered owner to one vote.

For the purpose of electing directors, a stockholder may vote such number of his shares for as many persons as there are directors to be elected or he may cumulate said shares and give one candidate as many votes as the number of directors to be elected multiplied by the number of his shares shall equal, or he may distribute them in the same principle among as many candidates as he shall see fit. Considering the COVID 19 pandemic and to conform with the government's mandate to exercise social distancing and to avoid mass gatherings, voting may only be done *in absentia* or through the submission of a duly executed proxy.

Stockholders as or Record Date who have successfully registered their intention to participate in the annual meeting via remote communication and to vote *in absentia,* duly verified and validated by the Company shall be provided with unique log-in credentials to securely access the voting portal and participate and watch the online meeting of the stockholders of the Company. A stockholder voting electronically in absentia shall be deemed present for purposes of quorum.

The requirements and procedure for participating and voting are set forth in **Annex "G"**. Detailed procedure for registration and voting through the Company's online registration and voting system is attached hereto and made an integral part hereof as Schedule 2 of the Notice of Meeting.

The Corporate Secretary and stock transfer agent will be responsible for counting votes based on the number of shares entitled to vote owned by the stockholders who are present or represented by proxies.

The Chairman shall ensure that at least two (2) seats shall be allotted for the election of independent directors as required by the Securities Regulations Code and the Code of Corporate Governance.

Vote Required

With respect to the election of directors, candidates who received the highest number of votes shall be declared elected.

With respect to the approval of the minutes, the adoption of the Audited Financial Statements for the year ended 31 December 2021, as well as the approval or ratification of the other actions set forth under the heading “Other Proposed Actions” above (other than the election of directors), the vote of majority of the outstanding capital stock entitled to vote and represented in the meeting is required to approve such matters.

Method of Counting Votes

The Corporate Secretary and stock transfer agent will be responsible for counting votes based on the number of shares entitled to vote owned by the stockholders who are present or represented by proxies at the Annual Meeting of the stockholders.

Considering the COVID 19 pandemic and to conform with the government’s mandate to exercise social distancing and to avoid mass gatherings, voting may only be done by remote communication, *in absentia* or by proxy.

All votes received shall be tabulated by the Office of the Corporate Secretary with the assistance of the Company’s stock transfer agent. The Corporate Secretary shall report the partial results of voting during the meeting. The actual voting results shall be reflected in the minutes of the meeting.

The detailed instructions for participation through remote communication are set forth in Schedule 2 to the Notice of Meeting.

UNDERTAKING

UPON WRITTEN REQUEST OF A STOCKHOLDER, THE COMPANY WILL PROVIDE, WITHOUT CHARGE, A COPY OF THE COMPANY'S ANNUAL REPORT ON SEC FORM 17-A DULY FILED WITH THE SECURITIES AND EXCHANGE COMMISSION. SUCH WRITTEN REQUEST SHOULD BE ADDRESSED TO:

THE OFFICE OF THE CORPORATE SECRETARY
Penthouse, Liberty Center,
104 H.V. dela Costa Street,
Salcedo Village, Makati City

[Remainder of this page intentionally left blank. Signature page follows.]

SIGNATURE PAGE

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this report is true, complete and correct. This report is signed in ____________ on 12 September 2022.

PACIFICA HOLDINGS, INC.

By:

WINGLIP K. CHANG
President & CEO

MINUTES OF THE ANNUAL STOCKHOLDERS' MEETING
of
PACIFICA HOLDINGS, INC.
26 November 2020

Present

Lowell L. Yu	-	Director/Chairman
Winglip K. Chang	-	Director/President/CEO
Alexander S. Roleda	-	Director
Luis Michael R. Yu III	-	Director
Richard N. Rocha	-	Director
Christian Francis C. Reyes	-	Director
Ian Norman E. Dato	-	Director
Mark Werner J. Rosal	-	Independent Director
Vittorio P. Lim	-	Independent Director

Also Present

Atty. Cristina S. Palma Gil-Fernandez	-	Corporate Secretary
Atty. Rose Ann Joy V. Gonzales	-	Assistant Corporate Secretary

Share Information

Total Number of Issued and Outstanding Shares	325,000,000
Total Number of Shares Represented at the Meeting	273,287,052
Percentage of Shares Represented	84.09%

<u>PROCEEDINGS</u>

I. Call to Order

The virtual meeting, which was conducted online in compliance with the requirements imposed by the Securities and Exchange Commission, was called to order by the Chairman, Mr. Lowell L. Yu, who thereupon presided over the same. The Corporate Secretary, Atty. Cristina S. Palma Gil-Fernandez, recorded the minutes of the proceedings.

II. Certification of Notice and Quorum

At the request of the Chairman, the Corporate Secretary certified that based on the records, notice of the annual meeting of the stockholders of the Company for the year 2020 was published: (i) in print format of the Business Mirror and The Manila Times, and (ii) through a digital print copy also of the Business Mirror and The Manila Times on October 28 and 29, 2020; that there were represented in the meeting, in persons or by proxy, stockholders owning or representing a total of 273,287,052 common shares representing 84.09% of the total issued and outstanding voting stock of the Company; and that there was therefore a quorum at this meeting.

At the request of the Chairman, the Corporate Secretary confirmed that the shareholders have been informed on the manner of voting for this meeting, details of which were provided on pages 25 and 26 of the Definitive Information Statement. The Corporate Secretary explained that a stockholder may vote by either: (i) submitting a proxy in writing, in the form provided in the Information Statement, signed and filed by the stockholder on or before November 19, 2020; or (ii) voting electronically, through Pacifica's Electronic Registration and Online-Voting System at https://registration.pacifica.ph/, in both cases, subject to validation procedures.

The Chairman then reminded the shareholders that they may vote their shares online at any time during the meeting prior to the closing of the polls.

III. Approval of the Minutes of the Annual Stockholders' Meeting held on 5 December 2018

Based on the tally of votes received online, stockholders representing more than a majority of the entire outstanding voting stocks of the Corporation resolved to approve the minutes of the Annual Stockholders' Meeting held on 5 December 2018 in its entirety.

IV. Approval of the Annual Report and Audited Financial Statements for the Year 2019

The President, Mr. Winglip K. Chang, reported on the financial condition and results of operations of the Company for the year 2019.

Based on the tally of votes received online, stockholders representing more than a majority of the entire outstanding voting stocks of the Corporation resolved to approve the Annual Report and Audited Financial Statements of the Company for the fiscal year ended 31 December 2019.

V. Ratification of All Acts of the Board of Directors and of Management since the Last Stockholders' Meeting

Based on the tally of votes received online, stockholders representing more than a majority of the entire outstanding voting stocks of the Corporation resolved to ratify and confirm all acts done or caused to be done by the Board of Directors and management of the Company since the last stockholders' meeting held on 5 December 2018, as set forth in the minutes of the meetings of the Board of Directors held during the same period and in the disclosures made and duly filed with the Securities and Exchange Commission (SEC) and the Philippine Stock Exchange (PSE).

VI. Election of Directors

At the request of the Chairman, the Corporate Secretary reported that the following individuals were nominated for election as directors of the Company:

1. Lowell L. Yu
2. Winglip K. Chang
3. Alexander S. Roleda
4. Luis Michael R. Yu III
5. Richard N. Rocha
6. Christian Francis C. Reyes
7. Ian Norman E. Dato
8. Mark Werner J. Rosal
9. Vittorio P. Lim

The Corporate Secretary identified Messrs. Rosal and Lim as nominees for independent directors. There being no other nominations, and upon motion made and duly seconded, the nominations were declared closed.

The Corporate Secretary informed the stockholders that based on the votes cast in favor of all of the above-named nominees, which was tabulated with the assistance of the Company's stock transfer agent, Securities Transfer Services, Inc., the foregoing persons were elected as members of the Board of Directors. The Chairman accordingly declared the nine (9) nominees duly elected as directors of the Company for the year 2020.

VII. Appointment of External Auditor for Fiscal Year 2020

The Chairman stated that the Company submits for approval of the stockholders the reappointment of the Company's external auditors, Punongbayan & Araullo.

Based on the tally of votes received online, stockholders representing more than a majority of the entire outstanding voting stocks of the Corporation approved the reappointment of Punongbayan & Araullo as the Company's external auditors for fiscal year 2020.

VIII. Ratification of the Issuance of 125,000,000 common shares, with par value of Php1.00 per share in favor of Unido Capital Holdings, Inc. ("Unido") out of the increase in the authorized capital stock of the Company (the "Additional Shares")

At the request of the Chairman, the President explained that on 26 October 2017, the Board of Directors and stockholders of the Company approved the increase of the authorized capital stock of the Company from Two Hundred Million Pesos (PhP200,000,000.00) to up to Five Billion Pesos (PhP5,000,000,000.00). Pursuant to resolutions of the Board of Directors on 18 September 2018 and 5 December 2018, the first tranche of the increase in the authorized capital stock of the Company from Two Hundred Million Pesos (PhP200,000,000.00) to Seven Hundred Million Pesos (PhP700,000,000.00) or an increase of Five Hundred Million Pesos (PhP500,000,000.00) was implemented. The Additional Shares were issued out of the Five Hundred Million Pesos (PhP500,000,000.00) increase in the authorized capital stock of the Company approved by the Securities and Exchange Commission on 26 November 2019.

Based on the tally of votes received online, stockholders representing more than a majority of the entire outstanding voting stocks of the Corporation resolved to ratify the issuance by the Company to Unido of the Additional Shares at their par value of Php1.00 per share.

The Corporate Secretary noted that based on the tally of votes received online, as well as voting instructions covered by proxies submitted for this meeting, out of 19,947,052 non-Related Parties or minority shareholders who have registered online and/or submitted proxies for this meeting, a total of 19,947,052 such shareholders or 100% have voted in favor of ratifying the issuance by the Company to Unido of the Additional Shares at their par value of Php1.00 per share. Consequently, the requirements of the Philippine Stock Exchange in relation to the issuance of shares to a Related Party (such as Unido) have been complied with.

IX. Approval of the listing of the Additional Shares with the Philippine Stock Exchange

Based on the tally of votes received online, stockholders representing more than a majority of the entire outstanding voting stocks of the Corporation resolved to approved the listing with the Philippine Stock Exchange (PSE) of the Additional Shares in favor of Unido.

X. Adjournment

There being no further business to transact, the meeting was, upon motion made and seconded, adjourned.

[*Signature page follows*.]

Certified correct:

CRISTINA S. PALMA GIL-FERNANDEZ
Corporate Secretary

ANNEX B

REPUBLIC OF THE PHILIPPINES)
MAKATI CITY, METRO MANILA) S.S.

SECRETARY'S CERTIFICATE

I, **CRISTINA S. PALMA GIL-FERNANDEZ**, of legal age, Filipino, and with office address at the Penthouse, Liberty Center, 104 H.V. dela Costa Street, Salcedo Village, Makati City, after having been duly sworn in accordance with law, hereby certify that:

1. I am the duly appointed and incumbent Corporate Secretary of **PACIFICA HOLDINGS, INC.** (the "Corporation"), a corporation duly organized and existing under the laws of the Republic of the Philippines, with principal office address at China Bank Corporate Center, Lot 2, Samar Loop corner Road 5, Cebu Business Park, Brgy. Mabolo, Cebu City.

2. Based on the respective representations and certifications of the directors and officers of the Corporation, as well as the records of the Corporation presently in my custody, none of the directors or officers of the Corporation holds any position in any capacity in any government agency or instrumentality.

3. The foregoing is in accordance with the records of the Corporation in my custody.

IN WITNESS WHEREOF, I have hereunto affixed my signature this AUG 2 6 2022 at Makati City, Metro Manila.

CRISTINA S. PALMA GIL-FERNANDEZ
Corporate Secretary

SUBSCRIBED AND SWORN to before me on AUG 2 6 2022, affiant exhibiting to me her Passport No. P5655630A issued on 18 January 2018 at DFA NCR South, Philippines.

Doc. No. 313;
Page No. 64;
Book No. X;
Series of 2022.

PAOLO DANIEL ROLANDO R. ANONUEVO
Appointment No. M-198
Notary Public for Makati City
Until December 31, 2022
Liberty Center-Picazo Law
104 H.V. Dela Costa Street, Makati City
Roll of Attorney's No. 75352
PTR No. 8855518/Makati City/01-04-2022
IBP No. 171541/RSM/01-03-2022
MCLE Exempted-Admitted to the bar in 2020

CERTICATION OF INDEPENDENT DIRECTOR

I, **VITTORIO P. LIM**, Filipino, of legal age and a resident of 82 Sanso Street, Corinthian Gardens, Quezon City, after having been duly sworn to in accordance with law do hereby declare that:

1. I am a nominee for independent director of **PACIFICA HOLDINGS, INC.** and have been its independent director since October 2015.

2. I am affiliated with the following companies or organizations (including Government-Owned and Controlled Corporations):

COMPANY/ORGANIZATION	POSITION/RELATIONSHIP	PERIOD OF SERVICE
Apollo Global Capital, Inc.	President	2015 to present
V2S Property Developer Co., Inc.	President	current
B and P Realty, Inc.	Corporate Secretary	current
Champaca Development Corp.	Corporate Secretary	current
PX2 Enterprise Co., Inc.	Corporate Secretary	current
VNP Properties Development Inc.	Corporate Secretary	current
Zelle Dev't. Corporation	Corporate Secretary	current
Tarlac Centerpoint	Corporate Secretary	current
Panlilio Centerpoint	Corporate Secretary	current
Vini Agro Products, Inc.	Treasurer	current

3. I possess all the qualifications and none of the disqualifications to serve as an Independent Director of PACIFICA HOLDINGS, INC., as provided for in Section 38 of the Securities Regulation Code, its Implementing Rules and Regulations and other SEC issuances.

4. I am related to the following director/officer/substantial shareholder of ___(covered company and its subsidiaries and affiliates) other than the relationship provided under Rule 38.2.3 of the Securities Regulation Code. (where applicable)

NAME OF DIRECTOR/OFFICER/ SUBSTANTIAL/ SHAREHOLDER	COMPANY	NATURE OF RELATIONSHIP
Victor Y. Lim, Jr.	Premiere Horizon Alliance Corporation	Father

5. To the best of my knowledge, I am not the subject of any pending criminal or administrative investigation or proceeding/ I disclose that I am the subject of the following criminal/administrative investigation or proceeding (as the case may be):

OFFENSE CHARGED/INVESTIGATED	TRIBUNAL OR AGENCY INVOLVED	STATUS
NONE		

6. (For those in government service/affiliated with a government agency or GOCC) I have the required written permission or consent from the (head of the agency/department) to be an independent director in N/A, pursuant to Office of the President Memorandum Circular No. 17 and Section12, Rule XVIII of the Revised Civil Service Rules.

7. I shall faithfully and diligently comply with my duties and responsibilities as independent director under the Securities Regulation Code and its Implementing Rules and Regulations, Code of Corporate Governance and other SEC issuances.

8. I shall inform the Corporate Secretary of PACIFICA HOLDINGS, INC. of any changes in the abovementioned information within five days from its occurrence.

Done, this AUG 26 2022 day of ________, at MAKATI CITY.

VITTORIO P. LIM
Affiant

SUBSCRIBED AND SWORN to before me this AUG 26 2022 day of ________ at MAKATI CITY, affiant personally appeared before me and exhibited to me his/her PASSPORT NO. P6412108B issued at DFA NCR East on 02 March 2021

Doc No. 314;
Page No. 64;
Book No. X;
Series of 2022.

PAOLO DANIEL ROLANDO R. ANONUEVO
Appointment No. M-198
Notary Public for Makati City
Until December 31, 2022
Liberty Center-Picazo Law
104 H.V. Dela Costa Street, Makati City
Roll of Attorney's No. 75352
PTR No. 8855518/Makati City/01-04-2022
IBP No. 171541/RSM/01-03-2022
MCLE Exempted-Admitted to the bar in 2020

CERTICATION OF INDEPENDENT DIRECTOR

I, **MARK WERNER J. ROSAL,** Filipino, of legal age and a resident of No. 39, Villa Terrace Subdivision, Green Hills Road, Brgy., Casuntingan, Mandaue City, after having been duly sworn to in accordance with law do hereby declare that:

1. I am a nominee for independent director of **PACIFICA HOLDINGS, INC.** and have been its independent director since October 2015.

2. I am affiliated with the following companies or organizations (including Government-Owned and Controlled Corporations):

COMPANY/ORGANIZATION	POSITION/RELATIONSHIP	PERIOD OF SERVICE
RBFHV Law Offices	Managing Partner	2009 - present
Rural Bank of Talisay (Cebu) Inc.	Independent Director	May 2017 – present
LBC Express Holdings Inc.	Director	April 28, 2015 to present
Wide Gain Property Holdings Inc.	Director	Current
Sem-Ros Food Corp.	Director	Current
Cebu Agaru Motors Inc.	Director	Current

3. I possess all the qualifications and none of the disqualifications to serve as an Independent Director of PACIFICA HOLDINGS, INC., as provided for in Section 38 of the Securities Regulation Code, its Implementing Rules and Regulations and other SEC issuances.

4. I am related to the following director/officer/substantial shareholder of ______(covered company and its subsidiaries and affiliates) other than the relationship provided under Rule 38.2.3 of the Securities Regulation Code. (where applicable)

NAME OF DIRECTOR/OFFICER/ SUBSTANTIAL/ SHAREHOLDER	COMPANY	NATURE OF RELATIONSHIP
NONE		

5. To the best of my knowledge, I am not the subject of any pending material criminal or administrative investigation or proceeding/ I disclose that I am the subject of the following criminal/administrative investigation or proceeding (as the case may be):

OFFENSE CHARGED/INVESTIGATED	TRIBUNAL OR AGENCY INVOLVED	STATUS
NONE		

6. (For those in government service/affiliated with a government agency or GOCC) I have the required written permission or consent from the (head of the agency/department) to be an independent director in _____N/A______, pursuant to Office of the President Memorandum Circular No. 17 and Section12, Rule XVIII of the Revised Civil Service Rules.

7. I shall faithfully and diligently comply with my duties and responsibilities as independent director under the Securities Regulation Code and its Implementing Rules and Regulations, Code of Corporate Governance and other SEC issuances.

8. I shall inform the Corporate Secretary of PACIFICA HOLDINGS, INC. of any changes in the abovementioned information within five days from its occurrence.

Done, this August 23, 2022 at Cebu City, Philippines.

MARK WERNER J. ROSAL
Affiant

SUBSCRIBED AND SWORN to before me this 23 AUGUST 2022 at Cebu City, Philippines, affiant personally appeared before me and exhibited to me his Driver's License No. G01-94-170902, expiring on 2023/03/09.

Doc No. 386 ;
Page No. 79 ;
Book No. 45 ;
Series of 2022.

ATTY. RILVEN CHRISTIAN A. VIRTUDAZO
ROLL NO. 62013
NOTARY PUBLIC
CEBU CITY, PHILIPPINES

ATTY. RILVEN CHRISTIAN A. VIRTUDAZO
COMMISSION NO. 73-16; NOTARY PUBLIC - CITY OF CEBU
ROLL NO. 62013
To expire on December 31, 2022 by virtue of BM3795
RM. 302, 8990 BLDG., Negros St., CDP, Cebu City
IBP NO. 198049; January 13, 2022 ; Cebu City
PTR NO. 3245817; Oct. 20, 2021 ; Cebu City
MCLE COMPLIANCE NO. VI-0008283; May 4, 2015

ANNEX D

COVER SHEET
for
AUDITED FINANCIAL STATEMENTS

SEC Registration Number

1	3	0	3	9						

COMPANY NAME

P A C I F I C A   H O L D I N G S   I N C

PRINCIPAL OFFICE (No./Street/Barangay/City/Town/Province)

C H I N A B A N K   C O R P O R A T E   C E N T E R   L O T
2   S A M A R   L O O P   C O R N E R   R O A D 5   C E B U
B U S I N E S S   P A R K   B R G Y   M A B O L O   C E B U
C I T Y

Form Type	Department requiring the report	Secondary License Type, if Applicable
AFS18	SEC	NA

COMPANY INFORMATION

Company's Email Address	Company's Telephone Number/s	Mobile Number
info@pacifica.ph	(632) 637-8854	09989657889

No. of Stockholders	Annual Meeting (Month/Day)	Fiscal Year (Month/Day)
3,293	November 26, 2020	December 31

CONTACT PERSON INFORMATION

The designated contact person ***MUST*** be an Officer of the Corporation

Name of Contact Person	Email Address	Telephone Number/s	Mobile Number
MARIA ELENA POCONG	mepocong@iholdings.ph	(032) 260-0005	0999.228.7103

CONTACT PERSON's ADDRESS

11/F TECH TOWER BLDG., SUMILON ROAD, CEBU BUSINESS PARK, HIPODROMO, CEBU CITY

Note 1: In case of death, resignation or cessation of office of the officer designated as contact person, such incident shall be reported to the Commission within thirty (30) calendar days from the occurrence thereof with information and complete contact details of the new contact person designated.

2: All boxes must be properly and completely filled-up. Failure to do so shall cause the delay in updating the corporation's records with the Commission and/or non-receipt of Notice of Deficiencies. Further, non-receipt of Notice of Deficiencies shall not excuse the corporation from liability for its deficiencies.

Isla Lipana & Co.

Independent Auditor's Report

The Board of Directors and the Shareholders of
Pacifica Holdings, Inc.
(A subsidiary of Unido Capital Holdings, Inc.)
China Bank Corporate Center, Lot 2, Samar Loop corner Road 5
Cebu Business Park
Brgy. Mabolo, Cebu City

Report on the Audit of the Financial Statements

Our Opinion

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Pacifica Holdings, Inc. (the "Company") as at December 31, 2021, and its financial performance and its cash flows for the year then ended in accordance with Philippine Financial Reporting Standards (PFRS).

What we have audited

The financial statements of the Company comprise:

- the statement of financial position as at December 31, 2021;
- the statement of total comprehensive income for the year ended December 31, 2021;
- the statement of changes in equity for the year ended December 31, 2021;
- the statement of cash flows for the year ended December 31, 2021; and
- the notes to the financial statements, which include a summary of significant accounting policies.

Basis for Opinion

We conducted our audit in accordance with Philippine Standards on Auditing (PSA). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Company in accordance with the Code of Ethics for Professional Accountants in the Philippines (Code of Ethics), together with the ethical requirements that are relevant to our audit of the financial statements in the Philippines, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics.

Our Audit Approach

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements. In particular, we considered where management made subjective judgments; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including among other matters, consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

We tailored the scope of our audit in order to perform sufficient work to enable us to provide an opinion on the financial statements as a whole, taking into account the structure of the Company, the accounting processes and controls, and the industry in which the Company operates.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined that there are no key audit matters to communicate in our report.

Other Information

Management is responsible for the other information. The other information comprises the information included in the SEC Form 20-IS (Definitive Information Statement) and SEC Form 17-A (Annual Report) but does not include the financial statements and our auditor's report thereon. The SEC Form 20-IS (Definitive Information Statement) and SEC Form 17-A (Annual Report) are expected to be made available to us after the date of this auditor's report.

Our opinion on the financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

Other Matter

The financial statements of the Company as at and for the years ended December 31, 2020 and 2019 were audited by another firm of auditors whose reports dated April 14, 2021 expressed an unmodified opinion on those statements.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with PFRS, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with PSA will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with PSA, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure, and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements as at and for the year ended December 31, 2021 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication. We have gone through the evaluation process in determining key audit matters in accordance with relevant auditing standards and determined there are no key audit matters to be communicated.

Isla Lipana & Co.

Report on the Bureau of Internal Revenue Requirement

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information in Note 15 to the financial statements is presented for purposes of filing with the Bureau of Internal Revenue and is not a required part of the basic financial statements. Such supplementary information is the responsibility of management and has been subjected to the auditing procedures applied in our audit of the basic financial statements. In our opinion, the supplementary information is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

The engagement partner on the audit resulting in this independent auditor's report is Paul Chester U. See.

Isla Lipana & Co.

Paul Chester See

Paul Chester U. See
Partner
CPA Cert. No. 104941
P.T.R. No. 0011425; issued on January 6, 2022 at Makati City
SEC A.N. (individual) as general auditors 104941-SEC, Category A;
valid to audit 2021 to 2025 financial statements
SEC A.N. (firm) as general auditors 0142-SEC, Category A;
valid to audit 2020 to 2024 financial statements
T.I.N. 202-215-515
BIR A.N. 08-000745-122-2021; issued on March 2, 2021; effective until March 1, 2024
BOA/PRC Reg. No. 0142, effective until January 21, 2023

Makati City
April 27, 2022

Statement Required by Rule 68
Securities Regulation Code (SRC)

To the Board of Directors and Shareholders of
Pacifica Holdings, Inc.
(A subsidiary of Unido Capital Holdings, Inc.)
China Bank Corporate Center, Lot 2, Samar Loop corner Road 5
Cebu Business Park
Brgy. Mabolo, Cebu City

We have audited the financial statements of Pacifica Holdings, Inc. (the "Company") as at and for the year ended December 31, 2021, on which we have rendered the attached report dated April 27, 2022.

In compliance with SRC Rule 68 and based on the certification received from the Company's corporate secretary, the Company has three thousand one hundred sixty-seven (3,167) shareholders each owning one hundred (100) or more shares as at December 31, 2021.

Isla Lipana & Co.

Paul Chester See

Paul Chester U. See
Partner
CPA Cert. No. 104941
P.T.R. No. 0011425; issued on January 6, 2022 at Makati City
SEC A.N. (individual) as general auditors 104941-SEC, Category A;
valid to audit 2021 to 2025 financial statements
SEC A.N. (firm) as general auditors 0142-SEC, Category A;
valid to audit 2020 to 2024 financial statements
T.I.N. 202-215-515
BIR A.N. 08-000745-122-2021; issued on March 2, 2021; effective until March 1, 2024
BOA/PRC Reg. No. 0142, effective until January 21, 2023

Makati City
April 27, 2022

Isla Lipana & Co.

Statement Required by Rule 68
Securities Regulation Code (SRC)

To the Board of Directors and Shareholders of
Pacifica Holdings, Inc.
(A subsidiary of Unido Capital Holdings, Inc.)
China Bank Corporate Center Lot 2, Samar Loop corner Road 5
Cebu Business Park
Brgy. Mabolo, Cebu City

We have audited the financial statements of Pacifica Holdings, Inc. (the "Company") as at and for the year ended December 31, 2021, on which we have rendered the attached report dated April 27, 2022. The supplementary information shown in Schedules A, B, C, D, E, F and G, Reconciliation of Retained Earnings Available for Dividend Declaration, and the Map showing the relationships between and among the Company and its ultimate parent company, middle parent, subsidiaries or co-subsidiaries and associates, as additional components required by Rule 68 of the SRC, are presented for purposes of filing with the Securities and Exchange Commission and are not required parts of the basic financial statements. Such supplementary information is the responsibility of management and has been subjected to auditing procedures applied in the audit of the basic financial statements. In our opinion, the supplementary information has been prepared in accordance with Rule 68 of the SRC.

Isla Lipana & Co.

Paul Chester See

Paul Chester U. See
Partner
CPA Cert. No. 104941
P.T.R. No. 0011425; issued on January 6, 2022 at Makati City
SEC A.N. (individual) as general auditors 104941-SEC, Category A;
valid to audit 2021 to 2025 financial statements
SEC A.N. (firm) as general auditors 0142-SEC, Category A;
valid to audit 2020 to 2024 financial statements
T.I.N. 202-215-515
BIR A.N. 08-000745-122-2021; issued on March 2, 2021; effective until March 1, 2024
BOA/PRC Reg. No. 0142, effective until January 21, 2023

Makati City
April 27, 2022

Isla Lipana & Co.

Statement Required by Rule 68
Securities Regulation Code (SRC)

To the Board of Directors and Shareholders of
Pacifica Holdings, Inc.
(A subsidiary of Unido Capital Holdings, Inc.)
China Bank Corporate Center, Lot 2, Samar Loop corner Road 5
Cebu Business Park
Brgy. Mabolo, Cebu City

We have audited in accordance with Philippine Standards on Auditing the financial statements of Pacifica Holdings, Inc. (the "Company") as at and for the year ended December 31, 2021 and have issued our report thereon dated April 27, 2022. Our audit was made for the purpose of forming an opinion on the basic financial statements taken as a whole. The Supplementary Schedule on Financial Soundness Indicators, including their definitions, formulas, calculations, and their appropriateness or usefulness to the intended users, are the responsibility of the Company's management. These financial soundness indicators are not measures of operating performance defined by Philippine Financial Reporting Standards (PFRS) and may not be comparable to similarly titled measures presented by other companies. This schedule is presented for the purpose of complying with the revised Rule 68 of the SRC issued by the Securities and Exchange Commission, and is not a required part of the basic financial statements prepared in accordance with PFRS. The components of these financial soundness indicators have been traced to the Company's financial statements as at December 31, 2021 and 2020, and for each of the three years in the period ended December 31, 2021 and no material exceptions were noted.

Isla Lipana & Co.

Paul Chester See

Paul Chester U. See
Partner
CPA Cert. No. 104941
P.T.R. No. 0011425; issued on January 6, 2022 at Makati City
SEC A.N. (individual) as general auditors 104941-SEC, Category A;
valid to audit 2021 to 2025 financial statements
SEC A.N. (firm) as general auditors 0142-SEC, Category A;
valid to audit 2020 to 2024 financial statements
T.I.N. 202-215-515
BIR A.N. 08-000745-122-2021; issued on March 2, 2021; effective until March 1, 2024
BOA/PRC Reg. No. 0142, effective until January 21, 2023

Makati City
April 27, 2022

Pacifica Holdings, Inc.
(A subsidiary of Unido Capital Holdings, Inc.)

Statement of Financial Position
As at December 31, 2021
(With comparative figures as at December 31, 2020)
(All amounts in Philippine Peso)

	Notes	2021	2020
A S S E T S			
Current assets			
Cash in banks	2	17,114,625	19,010,659
Due from a related party	8	94,022,260	-
Total assets		111,136,885	19,010,659
LIABILITIES AND EQUITY			
Current liabilities			
Accrued expenses and other payables	4	1,270,314	326,747
Total liabilities		1,270,314	326,747
Equity			
Capital stock	9	324,883,332	231,133,332
Additional paid-in capital	9	10,163,756	10,163,756
Deficit		(225,180,517)	(222,613,176)
Total equity		109,866,571	18,683,912
Total liabilities and equity		111,136,885	19,010,659

The notes on pages 1 to 22 are integral part of these financial statements.

Pacifica Holdings, Inc.
(A subsidiary of Unido Capital Holdings, Inc.)

Statement of Total Comprehensive Income
For the year ended December 31, 2021
(With comparative figures for the years ended December 31, 2020 and 2019)
(All amounts in Philippine Peso)

	Notes	2021	2020	2019
Operating expenses	5	2,856,403	1,812,860	3,860,625
Finance income	6	(289,062)	(779)	(2,159)
Loss before tax		2,567,341	1,812,081	3,858,466
Income tax expense	7	-	-	-
Net loss for the year		2,567,341	1,812,081	3,858,466
Other comprehensive income		-	-	-
Total comprehensive loss for the year		2,567,341	1,812,081	3,858,466
Loss per share				
Basic and diluted loss per share	10	0.00790	0.00558	0.01834

The notes on pages 1 to 22 are integral part of these financial statements.

Pacifica Holdings, Inc.
(A subsidiary of Unido Capital Holdings, Inc.)

Statement of Changes in Equity
For the year ended December 31, 2021
(With comparative figures for the years ended December 31, 2020 and 2019)
(All amounts in Philippine Peso)

	Capital stock (Note 9)	Additional Paid-in Capital (Note 9)	Deficit	Total
Balances at January 1, 2019	199,883,332	10,163,756	(216,942,629)	(6,895,541)
Transactions with owners				
Issuance of shares during the year	31,250,000	-	-	31,250,000
Total comprehensive loss for the year	-	-	(3,858,466)	(3,858,466)
Balances at December 31, 2019	231,133,332	10,163,756	(220,801,095)	20,495,993
Total comprehensive loss for the year	-	-	(1,812,081)	(1,812,081)
Balances at December 31, 2020	231,133,332	10,163,756	(222,613,176)	18,683,912
Transactions with owners				
Collections of subscriptions receivables	93,750,000	-	-	93,750,000
Total comprehensive loss for the year	-	-	(2,567,341)	(2,567,341)
Balances at December 31, 2021	324,883,332	10,163,756	(225,180,517)	109,866,571

The notes on pages 1 to 22 are integral part of these financial statements.

Pacifica Holdings, Inc.
(A subsidiary of Unido Capital Holdings, Inc.)

Statement of Changes in Equity
For the year ended December 31, 2021
(With comparative figures for the years ended December 31, 2020 and 2019)
(All amounts in Philippine Peso)

	Notes	2021	2020	2019
Cash flows from operating activities				
Loss before income tax		(2,567,341)	(1,812,081)	(3,858,466)
Adjustments for:				
Finance income	6	(289,062)	(779)	(2,159)
Impairment of input value added tax (VAT)	3	188,714	149,406	152,562
Operating cash flow before working capital changes		(2,667,689)	(1,663,454)	(3,708,063)
Decrease in other current assets		(188,714)	(149,406)	(102,562)
Increase (decrease) in due to related party		-	(8,818,812)	3,966,231
Increase in accrued expenses and other payables		943,567	175,747	16,500
Net cash provided by (used in) operations		(1,912,836)	(10,455,925)	172,106
Cash flows from investing activities				
Collections from related parties	8	-	28,000,000	-
Interest received	2	16,802	779	2,159
Loan granted to a related party	8	(93,750,000)	-	-
Advances provided to related parties	8	-	-	(30,500,000)
Net cash provided by (used in) investing activities		(93,733,198)	28,000,779	(30,497,841)
Cash flows from financing activities				
Collections of subscriptions receivables	9	93,750,000	-	-
Proceeds from subscription of shares	9	-	-	31,250,000
Net cash provided by financing activities		93,750,000	-	31,250,000
Net increase (decrease) in cash in banks		(1,896,034)	17,544,854	924,265
Cash in banks at January 1		19,010,659	1,465,805	541,540
Cash in banks at December 31	2	17,114,625	19,010,659	1,465,805

The notes on pages 1 to 22 are integral part of these financial statements.

Pacifica Holdings, Inc.
(A subsidiary of Unido Capital Holdings, Inc.)

Notes to the Financial Statements
As at and for the year ended December 31, 2021
(With comparative figures as at December 31, 2020 and
for the years ended December 31, 2020 and 2019)
(In the notes, all amounts are shown in Philippine Peso, unless otherwise stated)

Note 1 - General information

(a) Corporate information

Pacifica Holdings Inc. (the Company) was incorporated in the Philippines and registered with the Securities and Exchange Commission (SEC) on September 2, 1957.

The Company's shares of stock are listed for trading in the Philippine Stock Exchange (PSE).

The Company was established to primarily engage in discovery, exploration, development and exploitation of mineral oils and gaseous substances, gold, silver, copper, iron and other metal ores, and other mineral substances. The Company had not started its commercial operations since the renewal of its corporate life in 2007. As such, on October 26, 2017, the Board of Directors (BOD) approved the amendments to the Company's Articles of Incorporation (AOI) as concurred by at least 2/3 of the Company's shareholders, which includes the change in the primary purpose of the Company to reflect that of a holding company. This was approved by SEC on November 26, 2019.

In 2019, the Company became a subsidiary of Unido Capital Holdings, Inc. (UCHI or ultimate and immediate parent company). Prior to 2019, UCHI and iHoldings, Inc. had majority ownership of the Company, with 36.52% and 27.65% ownership interest, respectively. UCHI holds 60.94% ownership interest in the Company as at December 31, 2021, 2020 and 2019 (Note 9). UCHI currently conducts business as an investment holding company.

The Company and UCHI's registered office, which is also their principal place of business, is located at China Bank Corporate Center, Lot 2, Samar Loop corner Road 5, Cebu Business Park, Brgy. Mabolo, Cebu City.

(b) Coronavirus Disease ("COVID-19") impact

The COVID-19 pandemic started to become widespread in the Philippines in early March 2020. The measures taken by the government to contain the virus have affected economic conditions and resulted in business disruptions. The situation ensued as at December 31, 2021 and thereafter. While the unfavorable situation is currently expected to be temporary, management has assessed that such does not have a significant impact on the Company as its revenue is mainly from interest earned on cash deposited in banks and loans granted to related party.

(c) Approval and authorization for the issuance of financial statements

These financial statements have been approved and authorized for issuance by the Company's BOD on April 27, 2022.

Note 2 - Cash in banks

Cash in banks, which pertain to demand and savings deposits, amounts to P17,114,625 and P19,010,659 as at December 31, 2021 and 2020, respectively. Cash in banks generally earn interest based on prevailing bank deposit rates, which amounted to P16,802, P779 and P2,159 for 2021, 2020, and 2019 respectively, and is presented as part of finance income in the statements of total comprehensive income (Note 6).

Note 3 - Other current assets

Other current assets as at December 31 consist of:

	2021	2020
Input value added tax (VAT)	443,839	255,125
Allowance for impairment	(443,839)	(255,125)
	-	-

The analysis of allowance for impairment of input VAT is presented below.

	Note	2021	2020
Beginning balance		255,125	629,390
Impairment during the year	5	188,714	149,406
Write off during the year		-	(523,671)
Ending balance		443,839	255,125

Note 4 - Accrued expenses and other payables

Accrued expenses and other payables as at December 31 consist of:

	2021	2020
Accrued professional fees	1,222,820	298,000
Others	47,494	28,747
	1,270,314	326,747

Note 5 - Operating expenses

Operating expenses for the years ended December 31 consist of:

	Note	2021	2020	2019
Professional fees		1,554,000	1,213,309	1,084,000
Taxes and licenses		983,872	279,747	2,543,827
Impairment of input VAT	3	188,714	149,406	152,562
Printing		76,520	18,048	38,910
Transportation and travel		42,097	-	32,326
Communication		9,000	12,000	9,000
Advertising		-	140,350	-
Others		2,200	-	-
		2,856,403	1,812,860	3,860,625

Note 6 - Finance income

Finance income for the years ended December 31 consist of:

	Notes	2021	2020	2019
Interest income from loans receivable from a related party	8	272,260	-	-
Interest income from banks	2	16,802	779	2,159
		289,062	779	2,159

Note 7 - Income taxes

There is no tax expense reported in the statements of total comprehensive income for the years ended December 31, 2021, 2020 and 2019 because the Company is both in gross and taxable loss positions in those years.

Realization of future tax benefit related to the deferred income tax assets is dependent on many factors, including the Company's ability to generate taxable income during the periods in which those temporary differences are expected to be recovered. The Company's management has considered these factors in reaching its conclusion not to recognize deferred income tax assets as management assessed that realization of the related tax benefits through future taxable income is not probable within the carryover period. Accordingly, the Company did not recognize the deferred income tax assets relating to net operating loss carry-over (NOLCO).

Unrecognized deferred income tax assets on NOLCO amounted to P1,938,236 and P2,017,660 as at December 31, 2021 and 2020, respectively.

Details of the NOLCO that can be claimed as deductions from future taxable income for three (3) to five (5) consecutive years following the date of incurrence, are as follows:

Year of incurrence	Year of expiration	2021	2020
2017	2020	-	2,067,526
2018	2021	1,367,018	1,367,018
2019	2022	3,695,063	3,695,063
2020	2025	1,663,453	1,663,453
2021	2026	2,394,429	-
Total		9,119,963	8,793,060
Expired		(1,367,018)	(2,067,526)
		7,752,945	6,725,534
Tax rate		25%	30%
		1,938,236	2,017,660

In accordance with Republic Act No. 11494, *Bayanihan to Recover as One Act*, NOLCO incurred in 2021 and 2020 can be claimed as a deduction from the gross income until 2026 and 2025, respectively.

Corporate Recovery and Tax Incentives for Enterprises Act (CREATE)

On March 26, 2021, (RA No.11534), otherwise known as CREATE, was signed into law. Among the salient provisions of CREATE include changes to the Corporate Income Tax (CIT) as follows:

1. CIT rate shall be reduced to 25% beginning July 1, 2020 for domestic corporations and resident foreign corporations (RFCs) while January 1, 2021 for non-resident foreign corporations. Domestic corporations with net taxable income not exceeding P5 million and with total assets not exceeding P100 million, excluding land on which the particular business entity's office, plant and equipment are situated, are subject to 20% income tax.

2. Beginning July 1, 2020 until June 30, 2023:
   a. Temporary reduction on the income tax rate of proprietary educational institutions and hospitals to 1%.
   b. Temporary reduction of the minimum corporate income tax rate to 1% for domestic corporations and RFCs.
3. Repeal of the optional CIT of 15% of gross income for domestic corporations and RFCs.

As at December 31, 2020, the CREATE Act was not considered as substantively enacted for financial reporting purposes. As such, the Company utilized the RCIT rate of 30%. For the year ended December 31, 2021, the CREATE ACT is fully enacted and as a result, the Company utilized the RCIT rate of 25% for both financial and tax reporting purposes.

The Company is subject to minimum corporate income tax (MCIT), which is computed at 1% of gross income (2% of gross income - 2020 and 2019), as defined under the tax regulations or the regular corporate income tax, whichever is higher. No MCIT was reported for the years ended December 31, 2021, 2020 and 2019 as the Company did not earn revenue and other income subject to MCIT.

The Company opted to claim itemized deductions in computing their income tax due in 2021, 2020 and 2019.

The reconciliation between income tax benefit computed at the statutory tax rate and the actual income tax expense for the years ended December 31 as shown in the statements of total comprehensive income follows:

	2021	2020	2019
Tax on pretax loss at applicable statutory tax rate	(641,835)	(543,624)	(1,157,540)
Income tax effects of:			
Unrecognized deferred income tax asset on NOLCO	598,607	499,036	1,108,519
Non-deductible expenses	47,429	44,822	49,669
Non-taxable income	(4,201)	(234)	(648)
	-	-	-

Note 8 - Related party transactions

In the normal course of business, the Company transacts with companies which are considered related parties under Philippine Accounting Standards (PAS) 24, "*Related Party Disclosures*".

The transactions and outstanding balances of the Company as at and for the years ended December 31 with related parties are as follows:

		Transactions			Outstanding balance Receivables (Payables)	
	Notes	2021	2020	2019	2021	2020
Parent Company	8 (a)					
Advances to		-	(2,000,000)	2,500,000	-	-
Deposit for future stock subscriptions	8 (a)	-	-	(2,500,000)	-	-
Shareholders						
Accommodation payments	8 (c)	-	148,340	3,966,231	-	-
Advances from	8 (d)	-	938,177	-	-	-
Loans receivable						
Principal	8 (b)	93,750,000	-	-	93,750,000	-
Interest income	8 (b)	272,260	-	-	272,260	-
Entities under common ownership						
Advances to	8 (a)	-	(26,000,000)	26,000,000	-	-

No impairment is recognized on the outstanding receivables from a related party.

Unless otherwise stated, the outstanding receivables and payables from and to related parties are unsecured, non-interest-bearing and are generally settled in cash upon demand or through offsetting arrangement.

(a) Advances to related parties

In 2019, the Company granted advances to related parties for its working capital requirements. The outstanding balance of advances are presented under due from related parties in the 2019 statement of financial position. This was fully settled in 2020. No new advances granted during 2021.
The movements in this account are summarized below.

	2020	2019
Balance at beginning of the year	28,000,000	-
Collections during the year	(28,000,000)	-
Advances during the year	-	30,500,000
Application of deposit for future stock subscriptions	-	(2,500,000)
	-	28,000,000

In 2019, the intended purpose of the deposit for future stock subscriptions did not materialize, as such, this was applied as payment of the advances to the related parties.

(b) Loans receivable

In November 2021, a loan with a principal amount of P93,750,000 and bearing interest of 2% annually was granted to iHoldings Inc., a shareholder. The loan has a term of one (1) year and to be collected in cash and are neither covered by any security nor collateral.

Interest income earned for the year ended December 31, 2021 amounted to P272,260 (Note 6).

(c) Accommodation payments

In 2020 and 2019, the Company's shareholders accommodated certain expenses, including principal and interest payments on its bank loan, on behalf of the Company amounting to P148,340 and P3,966,231, respectively. As at December 31, 2020, there is no outstanding payable to its shareholders. There is no similar transaction in 2021.

(d) Advances from related shareholder

In 2020, the Company obtained cash advances from its shareholder for working capital purposes amounting to P938,177 which was fully settled during the year. There is no similar transaction in 2021.

(e) Key management compensation

The Company's key management functions are being handled by a related party at no cost to the Company. As such, there are no short-term or long-term compensation paid to key management personnel for the years ended December 31, 2021, 2020 and 2019.

Note 9 - Equity

(a) Capital stock

The Company's capital stock as at December 31 consists of:

	2021		2020	
	Shares	Amount	Shares	Amount
Common shares - P1 par value				
Authorized	700,000,000	700,000,000	700,000,000	700,000,000
Issued	199,825,000	199,825,000	199,825,000	199,825,000
Subscribed	125,175,000	125,175,000	125,175,000	125,175,000
Subscription receivable	-	(116,668)	-	(93,866,668)
	125,175,000	125,058,332	125,175,000	31,308,332
Total issued and subscribed	325,000,000	324,883,332	325,000,000	231,133,332

Details of subscriptions receivable as at December 31, are as follows:

	2021	2020
Balance at beginning of the year	93,866,668	93,866,668
Collections during the year	(93,750,000)	-
	116,668	93,866,668

On October 26, 2017, the Company's BOD approved several amendments to the Company's AOI as concurred by at least 2/3 of the Company's shareholders, which include, among others the following: (1) effecting a reverse share split by increasing the par value from P0.005 to P1.00 per share; and (2) increasing the authorized capital stock of the Company to P5,000,000,000 divided in 5,000,000,000 shares with a par value of P1.00 per share, which shall be implemented in one or more tranches.

Prior to the approval of the foregoing amendments by SEC in 2019, the Company had 40,000,000,000 subscribed shares with par value of P0.005 or an aggregate par value of P200,000,000 (inclusive of 35,000,000 subscribed shares with an aggregate par of P175,000) and a subscription receivable of P116,668.

As a result of the reverse share split, the number of authorized capital stock of the Company decreased from 40,000,000,000 shares with a par value of P0.005 per share to 200,000,000 shares with a par value of P1.00 per share. Subsequently, on September 18, 2018, the BOD resolved to approve the implementation of the (1) first tranche of the increase in the authorized capital stock of the Company from P200,000,000 divided into 200,000,000 shares with a par value of P1.00 per share to P700,000,000 divided into 700,000,000 shares with par value of P1.00 per share; and (2) the increase in the par value of the shares of stock of the Company from P0.005 per share to P1.00 per share.

In 2018, the Company applied the foregoing amendments for approval by SEC. These were subsequently approved by SEC on November 26, 2019. Out of the P500,000,000 increase in the authorized capital stock, P125,000,000 of which were subscribed by UCHI. Collection for the additional 125,000,000 shares subscriptions were made in 2021 and 2019 amounting to P93,750,000 and P31,250,000, respectively.

(b) Listing with PSE

On November 23, 1959, the Company offered a portion of its shares for listing with the PSE. The number of common shares registered was 25,345,216,000 with an issue price of P0.005. As at December 31, 2021 and 2020, the number of holders of such securities is 3,292 and 3,293, respectively. As at the same dates, the Company has 3,167 shareholders, owning 100 or more shares of the Company's capital stock. The closing market price of the Company's shares as at December 31, 2021 and 2020 is P3.20 and P3.19, respectively. The total number of issued shares not listed with the PSE were 198,273,920 as at December 31, 2021 and 2020.

On June 21, 2011, pursuant to the approval by the BOD, a delinquency sale was held for all 14,654,784,000 delisted delinquent shares in accordance with the provisions of the Corporation Code of the Philippines and the Securities Regulation Code, the results of which were reported to SEC and the PSE. The delinquency sale was undertaken by the Company in its principal office and in the presence of a Notary Public. During the said auction, a total of 14,654,784,000 shares were bought by the winning bidders. Pursuant to the rules of the delinquency sales, payment of the winning bid shall be made on or before August 4, 2011. As at May 2, 2012, all winning bidders have fully paid their bids and have been issued certificates of shares.

The public auction of the delisted delinquent shares was ratified on October 16, 2015 during the Company's annual shareholders meeting.

As at December 31, 2021 and 2020, 126,726,080 common shares of the Company remain listed with the PSE while the remaining 198,273,920 unlisted shares are in the process of relisting for both years. As at the same dates, the Company has no other securities listed in any capital markets.

Note 10 - Loss per share

Basic and diluted loss per share for the years ended December 31 are as follows:

	2021	2020	2019
Net loss	2,567,341	1,812,081	3,858,466
Weighted average number of outstanding shares	325,000,000	325,000,000	210,416,667
Basic and diluted loss per share	0.00790	0.00558	0.01834

On November 26, 2019, the Company effected a reverse share split by increasing the par value to P1.00 per share and decreasing the number of shares (Note 9). In computing the loss per share, the number of shares presented for the year ended December 31, 2019 have been retroactively adjusted to reflect the reverse share split.

The Company has no potentially dilutive common shares as at December 31, 2021, 2020 and 2019. Therefore, basic and diluted loss per share is the same.

Note 11 - Commitments and contingencies

There are commitments and contingent liabilities that arose in the normal course of the Company’s operations that are not reflected in the financial statements. As at December 31, 2021, and 2020, management is of the opinion that losses, if any, that may arise from these commitments and contingencies will not have a material effect on the Company’s financial statements.

Note 12 - Financial risk and capital management and fair value estimation

12.1 Financial risk management

The Company's activities expose it to a variety of financial risks from its use of financial instruments: market risk, credit risk, and liquidity risk. The Company's overall risk management program seeks to minimize potential adverse effects on the financial performance of the Company.

The Company's risk management is coordinated with the BOD and focuses on actively securing the Company's short to medium term cash flows by minimizing the exposure to financial markets. The Company does not enter into derivatives financial instruments for trading or speculative purposes.

The policies for managing specific risks are summarized below.

(a) Market risk

Market risk is the risk that changes in market prices, such as interest rates, foreign exchange rates and price risk, will affect the Company's total comprehensive income or the value of its financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing return. The management of these risks is discussed as follows:

(i) Cash and fair value interest rate risk

Interest rate risk arises from the possibility that changes in interest rates would unfavorably affect future cash flows from financial instruments.

The Company’s interest-bearing financial instruments are limited to cash in banks (Note 2) and due from a related party (Note 8). These financial instruments are not exposed to fair value interest rate risk as these are carried at amortized cost. Management believes that the related cash flow risk on cash in banks is relatively low due to immaterial changes on interest rates within the duration of these financial instruments. The Company’s interest rate from loans receivable from a related party is fixed and not subject to repricing and hence, does not expose the Company to interest rate risk.

(ii) Foreign currency exchange risk

The Company is not exposed to foreign exchange risk since the Company has no transactions that are denominated in currencies other than the Philippine Peso, its functional currency.

(iii)Price risk

The Company is not exposed to price risk due to the absence of material equity investments classified as either fair value through profit or loss (FVPL) or fair value through other comprehensive income (FVOCI) wherein changes to fair value are directly recognized through profit or loss and equity, respectively. Furthermore, the Company is not subject to commodity price risk.

(b) Credit risk

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in a financial loss to the Company. The Company's credit risk arises primarily from its cash in banks (Note 2) and due from a related party (Note 8).

The Company continuously monitors defaults of counterparties, identified either individually or by group, and incorporates this information into its credit risk controls. The Company's policy is to deal only with creditworthy counterparties.

Exposure to credit risk arises from potential default of the counterparty, with a maximum exposure equal to the carrying amounts of these financial assets. The Company uses internal ratings to determine the quality of its financial assets. The Company determined that its financial assets are all considered high grade financial assets.

The maximum exposures to credit risk, pertaining to financial assets, as at December 31 are as follows:

	Notes	2021	2020
Cash in banks	2	17,114,625	19,010,659
Due from a related party	8	94,022,260	-
		111,136,885	19,010,659

Credit quality of financial assets

(i) Cash in banks

Cash deposited/placed in banks are considered stable as the banks qualify as universal banks as defined by the Philippine Banking System and are approved by the BOD to minimize credit risk. The amounts deposited in these banks are disclosed in Note 2.

(ii) Due from a related party

For due from a related party which are repayable on demand, the Company uses a 12-month expected credit losses or the general approach. Accordingly, expected credit losses (ECLs) are based on the assumptions that there are expected credit losses that result from default events that are possible within the 12 months after the reporting date. Management considers if the related party has sufficient accessible highly liquid assets in order to repay the loan if demanded at the reporting date. If the Company cannot immediately collect its receivables, management considers the expected manner of recovery to measure ECL. If the recovery strategies indicate that the outstanding balance of the receivables can be collected, the ECL is limited to the effect of discounting the amount due over the period until cash is realized, which may already be negligible. Management assessed that the outstanding receivables from a related party amounting to P94.02 million as at December 31, 2021 (2020 - nil) are recoverable since its related party was assessed to have capacity to pay the advances upon demand. Hence, impairment is not necessary.

(c) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as these falls due. The Company aims to maintain flexibility in funding by monitoring and ensuring that there are available funds to operate the day-to-day activities through available funding from bank borrowings and advances from related parties.

Based on management's assessment, the Company has adequate assets available in order to ensure settlement of liabilities maturing within 12 months and to support daily working capital requirements.

As at December 31, 2021 and 2020, the Company's maximum liquidity risk is the total carrying amounts of accrued expenses and other payables (Note 4) with maturities of within six months, which are presented as current liabilities in the statements of financial position. The Company expects to settle these financial liabilities within their contractual maturity date.

12.2 Capital management

The Company considers as capital its equity including capital stock, additional paid-in capital and deficit as shown in the statements of financial position. The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern, so that it can provide returns for shareholders and benefits for other stakeholders upon commencement of revenue generating activities and to maintain an optimal capital structure to reduce the cost of capital.

The Company maintains a capital base to cover risk inherent in the business. The primary objective of the Company's capital management is to ensure that it maintains an adequate and strong capital base to support its business.

There were no changes made in the capital management policies of the Company for the years ended December 31, 2021 and 2020.

Capital as at December 31 is summarized below.

	2021	2020
Total liabilities	1,270,314	326,747
Equity	109,866,571	18,683,912
Debt-to-equity ratio	0.01:1.00	0.02:1.00

The Company manages its capital structure and makes adjustments in the light of changes in economic conditions. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholder, pay-off existing debts, return capital to shareholder or issue new shares.

The BOD has overall responsibility for monitoring capital in proportion to risk. Profiles for capital ratios are set in the light of changes in the external environment and the risks underlying the Company's business, operations and industry.

12.3 Fair value estimation of financial assets and liabilities

The Company does not hold financial instruments traded in active markets which might be affected by quoted market prices as at December 31, 2021 and 2020. The Company's financial assets and liabilities relate to cash in banks (Note 2), due from a related party (Note 8), and accrued expenses and other payables (Note 4). Their carrying amounts as reported in the statements of financial position approximate their fair values due to liquidity, short maturities and nature of such items.

As at December 31, 2021 and 2020, the Company does not have financial instruments that are measured using the fair value hierarchy.

Note 13 - Critical accounting estimates and assumptions and judgments

The preparation of the financial statements in conformity with Philippine Financial Reporting Standards (PFRS) requires management to make estimates, assumptions and judgments that affect the amounts reported in the financial statements and the related notes. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Company makes estimates, assumptions and judgments concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates, assumptions and judgments that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

13.1 Critical accounting estimates and assumptions

(a) Impairment of due from a related party

The measurement of the allowance for ECL on financial assets at amortized cost is an area that requires the use of significant assumptions about the future economic conditions and credit behaviour (e.g., likelihood of counterparty defaulting and the resulting losses). Explanation of the inputs, assumptions and estimation used in measuring ECL is further detailed in Note 12.1.

The Company has established a policy to perform an assessment, at the end of each reporting period, whether a financial instrument's credit risk has increased significantly since initial recognition, by considering the change in the risk of default occurring over the remaining life of the financial instrument.

The balance of due from a related party is considered as high-grade financial assets as the related party have good financial standing and highly liquid. The expected credit loss is determined to be immaterial by management.

Details about the ECL assessment on the Company's due from a related party are disclosed in Note 12.1.

(b) Impairment of non-financial assets

In assessing impairment, management estimates the recoverable amount of each asset or cash-generating units based on expected future cash flows and uses an interest rate to calculate the present value of those cash flows. Estimation uncertainty relates to assumptions about future operating results and the determination of a suitable discount rate (Note 14.5).

Though management believes that the assumptions used in the estimation of fair values reflected in the financial statements are appropriate and reasonable, significant changes in those assumptions may materially affect the assessment of recoverable values and any resulting impairment loss could have a material adverse effect on the results of operations.

Impairment loss recognized on the other current assets are discussed in Note 3.

13.2 Critical management judgments in applying accounting policies

(a) Income taxes

Significant judgment is required in determining income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain in the ordinary course of business. The Company recognizes liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due.

Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred income tax provisions in the period in which such determination is made. Further, recognition of deferred income tax assets depends on management's assessment of the probability of available future taxable income against which the temporary differences can be applied. The details of unrecognized deferred income tax assets are shown in Note 7.

The Company reviews the carrying amounts of deferred income tax assets at each reporting date and reduces the amounts to the extent that it is no longer probable that sufficient taxable profit will allow all or part of its deferred income tax assets to be utilized.

As at December 31, 2021, and 2020, the deferred tax assets are not recognized because based on management's assessment, there would be no sufficient future taxable profits yet against which the carry forward benefits of unused NOLCO could be utilized (Note 7).

(b) Recoverability of input VAT

The Company performs an assessment of the recoverability of the input VAT as at year-end. This assessment requires judgment regarding the ability of the Company to generate future revenues subject to VAT. Based on management's assessment and judgment, total input VAT amounting to P443,839 as at December 31, 2021 (2020 - P255,125) may not be fully recoverable, hence, allowance for impairment is necessary as at reporting date. The Company's input VAT is disclosed in Note 3.

Note 14 - Summary of significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

14.1 Basis of preparation

The financial statements of the Company have been prepared in accordance with PFRS. The term PFRS in general includes all applicable PFRS, PAS, and interpretations of the Philippine Interpretations Committee (PIC), Standing Interpretations Committee (SIC) and International Financial Reporting Interpretations Committee (IFRIC) which have been approved by the Financial Reporting Standards Council (FRSC) and adopted by the SEC.

The financial statements of the Company have been prepared using historical cost basis.

The Company does not qualify for PFRS for small and medium-sized entities (SME) even if it met the threshold criteria of having total assets of more than P100 million to P350 million or total liabilities of more than P100 million to P250 million considering that the Company is required to file financial statements under Part II of the SEC Securities Regulations Code (SRC) Rule (i.e. issuers of securities to the public).

The preparation of financial statements in conformity with PFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Company's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 13.

(a) New standards, and amendments and interpretations to existing standards adopted by the Company

The following amendments to existing standards are effective for the financial year beginning on January 1, 2021 which are relevant to the Company's financial statements:

- *Interest Rate Benchmark Reform - Amendments to PFRS 9, PAS 39, PFRS 7, PFRS 4 and PFRS 16 (effective January 1, 2021).* These amendments that were issued in August 2020 address issues that arise during the reform of an interest rate benchmark rate, including the replacement of one benchmark rate with an alternative one.

  The key reliefs provided by the amendments are as follows:
  - Changes to contractual cash flows. When changing the basis for determining contractual cash flows for financial assets and liabilities (including lease liabilities), the reliefs have the effect that the changes that are required by an interest rate benchmark reform (that is, are necessary as a direct consequence of IBOR reform and are economically equivalent) will not result in an immediate gain or loss in the income statement.

- Hedge accounting. The hedge accounting reliefs will allow most PAS 39 or PFRS 9 hedge relationships that are directly affected by IBOR reform to continue. However, additional ineffectiveness might need to be recorded.

The amendments do not have a significant impact on the financial statements of the Company.

No new standards, and other amendments and interpretations to existing standards that are effective beginning January 1, 2021 are expected to be relevant to the Company's financial reporting.

(b) New standards, and amendments and interpretations to existing standards not yet adopted by the Company

A number of new standards, and amendments and interpretations to existing standards are effective for the Company's annual periods after January 1, 2021 and have not been early adopted nor applied by the Company in preparing these financial statements. None of these are expected to be relevant and have an effect on the financial statements of the Company, while the most relevant ones are set out as follows:

- *Classification of Liabilities as Current or Non-current - Amendments to PAS 1 (effective January 1, 2023)*

  The narrow-scope amendments to PAS 1, "*Presentation of Financial Statements*" clarify that liabilities are classified as either current or non-current, depending on the rights that exist at the end of the reporting period. Classification is unaffected by the expectations of an entity or events after the reporting date (e.g. the receipt of a waver or a breach of covenant). The amendments also clarify what PAS 1 means when it refers to the 'settlement' of a liability.

  The amendments could affect the classification of liabilities, particularly for entities that previously considered management's intentions to determine classification and for some liabilities that can be converted into equity.

  They must be applied retrospectively in accordance with the normal requirements in PAS 8, "*Accounting Policies, Changes in Accounting Estimates and Errors*".

  The amendments are not expected to have a material impact on the Company's classification of liabilities. The amendments provided clear guidance which will support the Company's assessment.

- *Disclosure of Accounting Policies - Amendments to PAS 1 and PFRS Practice Statement 2 (effective January 1, 2023)*

  The amendments require entities to disclose their material rather than their significant accounting policies. The amendments define what is 'material accounting policy information' and explain how to identify when accounting policy information is material. They further clarify that immaterial accounting policy information does not need to be disclosed. If it is disclosed, it should not obscure material accounting information.

  To support this amendment, PFRS Practice Statement 2, "*Making Materiality Judgements*" was also amended to provide guidance on how to apply the concept of materiality to accounting policy disclosures.

- *Definition of Accounting Estimates - Amendments to PAS 8 (effective January 1, 2023)*

  The amendment to PAS 8, "*Accounting Policies, Changes in Accounting Estimates and Errors*" clarifies how companies should distinguish changes in accounting policies from changes in accounting estimates. The distinction is important, because changes in accounting estimates are applied prospectively to future transactions and other future events, but changes in accounting policies are generally applied retrospectively to past transactions and other past events as well as the current period.

- *Deferred Tax related to Assets and Liabilities arising from a Single Transaction - Amendments to PAS 12 (effective January 1, 2023)*

  The amendments to PAS 12. "*Income Taxes*" require companies to recognize deferred tax on transactions that, on initial recognition, give rise to equal amounts of taxable and deductible temporary differences. They will typically apply to transactions such as leases of lessees and decommissioning obligations and will require the recognition of additional deferred tax assets and liabilities.

  The amendment should be applied to transactions that occur on or after the beginning of the earliest comparative period presented. In addition, entities should recognize deferred tax assets (to the extent that it is probable that they can be utilized) and deferred tax liabilities at the beginning of the earliest comparative period for all deductible and taxable temporary differences associated with:
  - right-of-use assets and lease liabilities, and
  - decommissioning, restoration and similar liabilities, and the corresponding amounts recognized as part of the cost of the related assets.

  The cumulative effect of recognizing these adjustments is recognized in retained earnings, or another component of equity, as appropriate.

  PAS 12 did not previously address how to account for the tax effects of on-balance sheet leases and similar transactions and various approaches were considered acceptable. Some entities may have already accounted for such transactions consistent with the new requirements. These entities will not be affected by the amendments.

Unless otherwise stated, the Company is still assessing the impact of the above amendments to existing standards. However, initial assessment is that adoption of these is not expected to significantly impact the Company's financial reporting. New standards, and other amendments and interpretations to existing standards that are effective after January 1, 2021 are not relevant to the Company's financial reporting.

14.2 Cash in banks

Cash in banks earn interest at the respective bank deposit rates. These are carried in the statement of financial position at amortized costs.

14.3 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. The Company recognizes a financial instrument in the statement of financial position, when, and only when, it becomes a party to the contractual provisions of the instrument.

<u>Financial assets</u>

(a) Classification

The Company classifies its financial assets in the following measurement categories: FVPL, FVOCI and amortized cost. The Company did not hold financial assets under the category financial assets at FVPL and FVOCI as at December 31, 2021 and 2020.

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. Interest income from these financial assets, if any, is included in other income using the effective interest rate method. Any gain or loss arising on derecognition is recognized directly in the statement of total comprehensive income and presented under other income and expense. Impairment losses, if any, are presented in the statement of total comprehensive income under operating expenses.

The classification depends on an entity's business model for managing its financial assets and the contractual terms of the cash flows. The Company's financial assets measured at amortized cost comprise cash in banks (Note 14.2) and due from a related party (Note 14.11) in the statement of financial position.

(b) Recognition and measurement

(i) Initial recognition and measurement

Regular-way purchases and sales of financial assets are recognized on the trade date (the date on which the Company commits to purchase or sell the asset). Financial assets not carried at fair value through profit or loss are initially recognized at fair value plus transaction costs.

(ii) Subsequent measurement

Financial assets measured at amortized cost are carried at amortized cost using the effective interest method.

(c) Impairment

The Company assesses on a forward-looking basis the expected credit loss associated with its debt instruments carried at amortized cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

Loss allowances of the Company are measured on either of the following bases:

- 12-month expected credit losses or the general approach: these are expected credit losses that result from default events that are possible within the 12 months after the reporting date (or for a shorter period if the expected life of the instrument is less than 12 months); or
- Lifetime expected credit losses or the simplified approach: these are expected credit losses that result from all possible default events over the expected life of a financial instrument or contract asset.

At the end of the reporting period, the Company assesses and recognizes allowance for expected credit loss (ECL) on its financial assets measured at amortized cost. The measurement of ECL involves consideration of broader range of information that is available without undue cost or effort at the reporting date about past events, current conditions, and reasonable and supportable forecasts of future economic conditions (i.e., forward-looking information) that may affect the collectability of the future cash flows of the financial assets. Measurement of the ECL is determined by a probability - weighted estimate of credit losses over the expected life of the financial instruments evaluated based on a range of possible outcome.

The Company applies a general approach in calculating ECLs for cash in banks and due from a related party.

For receivables, the Company assesses impairment on a collective basis as they possess shared credit risk characteristics.

The Company recognizes a loss allowance based on either 12-month ECLs or lifetime ECLs, depending on whether there has been a significant increase in credit risk on these financial assets since initial recognition. The Company determines whether there has been a significant increase in credit risk since initial recognition by comparing the risk of default occurring over the expected life of the financial asset between the reporting date and the date of the initial recognition. In making this assessment, the Company considers both quantitative and qualitative information that may indicate an actual or expected deterioration of the credit quality of the financial assets.

The carrying amount of the financial asset is reduced through the use of an allowance account, and the amount of the loss is charged against profit or loss in the statement of total comprehensive income. When the financial asset remains uncollectible after the Company has exerted all legal remedies, it is written-off against the allowance account. Subsequent recoveries of amounts previously written-off are credited to profit or loss in the statement of total comprehensive income. Whilst cash in banks and due from a related party are subject to impairment under PFRS 9, there is no impairment loss recognized on these accounts.

The Company considers a financial asset in default when contractual payments are past due. However, in certain cases, the Company may also consider a financial asset to be in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Company. A financial asset is written-off when there is no reasonable expectation of recovering the contractual cash flows.

(d) Derecognition

Financial assets are derecognized when the rights to receive cash flows from the financial assets have expired or have been transferred and the Company has transferred substantially all the risks and rewards of ownership.

Financial liabilities

(a) Classification

The Company classifies its financial liabilities in the following categories: financial liabilities at fair value through profit or loss (including financial liabilities held for trading and those that designated at fair value); and other financial liabilities. The Company's financial liabilities are limited to other financial liabilities at amortized cost.

Financial liabilities at amortized cost pertains to issued financial instruments that are not classified as at fair value through profit or loss and contain contract obligations to deliver cash or another financial asset to the holder or to settle the obligation other than the exchange of a fixed amount of cash. Other financial liabilities include accrued expenses and other payables (Note 14.7).

(b) Recognition and measurement

(i) Initial recognition

Other financial liabilities at amortized cost are initially recognized at fair value less transaction costs.

(ii) Subsequent measurement

Other financial liabilities are carried at amortized cost using the effective interest method.

(c) Derecognition

Financial liabilities are derecognized when extinguished, i.e., when the obligation is discharged or is cancelled, expires, or paid.

Offsetting of financial assets and financial liabilities

Financial assets and liabilities are offset and the net amount is reported in the statement of financial position when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty. The Company has no financial instruments that met the offsetting criteria as at December 31, 2021 and 2020.

14.4 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The fair value of a non-financial asset is measured based on its highest and best use. The asset's current use is presumed to be its highest and best use. The fair value of financial and non-financial liabilities takes into account non-performance risk, which is the risk that an entity will not fulfil an obligation.

The Company classifies its fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1);
- inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (Level 2); and
- inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (Level 3).

The appropriate level is determined on the basis of the lowest level input that is significant to the fair value measurement.

The fair value of financial instruments traded in active markets is based on quoted market prices at the reporting date. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. The quoted market price used for financial assets is the current bid price. These instruments are included in Level 1.

The fair value of assets and liabilities that are not traded in an active market (for example, over-the-counter derivatives) is determined by using valuation techniques. These valuation techniques maximize the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the asset or liability is included in Level 2. If one or more of the significant inputs is not based on observable market data, the asset or liability is included in Level 3. The Company uses specific valuation technique such as discounted cash flow analysis to determine fair value for the remaining financial instruments.

The Company does not hold financial and non-financial assets and liabilities that are measured using the fair value hierarchy as at December 31, 2021 and 2020.

14.5 Other current assets

Other current assets pertain to other resources controlled by the Company as a result of past events. They are recognized in the financial statements when it is probable that the future economic benefits will flow to the Company and the asset has a cost or value that can be measured reliably.

Other recognized assets of similar nature, where future economic benefits are expected to flow to the Company beyond one year after the end of the reporting period are classified as non-current assets.

Input VAT is stated at historical cost less provision for impairment, if any. Provision for unrecoverable input VAT, if any, is maintained by the Company at a level considered adequate to provide for potential uncollectible portions of the claims. The Company, on a continuing basis, makes a review of the status of the claims designed to identify those that may require provision for impairment losses. Input VAT is derecognized once applied against output VAT or claimed for refund.

14.6 Impairment of non-financial assets

The Company's non-financial assets, if any, are subject to impairment testing. Individual assets or cash-generating units are tested for impairment whenever events or changes in circumstances indicate that the carrying amount of those assets may not be recoverable.

For purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). As a result, some assets are tested individually for impairment either individually or at the cash-generating unit level.

Impairment loss is recognized in profit or loss for the amount by which the asset's or cash-generating unit's carrying amount exceeds its recoverable amounts which is the higher of its fair value less costs to sell and its value in use. In determining value in use, management estimates the expected future cash flows from each cash-generating unit and determines the suitable interest rate in order to calculate the present value of those cash flows. The data used for impairment testing procedures are directly linked to the Company's latest approved budget, adjusted as necessary to exclude the effects of asset enhancements. Discount factors are determined individually for each cash-generating unit and reflect management's assessment of respective risk profiles, such as market and asset specific risk factors.

All assets are subsequently reassessed for indications that an impairment loss previously recognized may no longer exist. An impairment loss is reversed if the asset's or cash generating unit's recoverable amount exceeds its carrying amount.

14.7 Accrued expenses and other payables

Accrued expenses and other payables are recognized in the period in which the related money, goods or services are received or when a legally enforceable claim against the Company is established. These are classified as current liabilities if payment is due within one year or less. If not, these are presented as non-current liabilities. These are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method. Other accounting policies relevant to financial liabilities classified under accrued expenses and other payables are discussed in Note 14.3.

14.8 Provisions and contingencies

Provisions are recognized when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and the amount has been reliably estimated. Provisions are not recognized for future operating losses. Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognized even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognized as finance cost in the statement of total comprehensive income.

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources embodying economic benefits will be required to settle the obligation, the provision shall be reversed and derecognized in the statement of financial position.

Contingent liabilities are not recognized in the financial statements. These are disclosed unless the possibility of an outflow of resources embodying economic benefits is remote. Contingent assets are not recognized in the financial statements but disclosed when an inflow of economic benefit is probable. If it becomes virtually certain that an inflow of economic benefits will arise, the asset and the related income are recognized in the financial statements.

14.9 Equity

(a) Capital stock

The Company's capital stock is composed of common shares with par value. The amount of proceeds from the issuance or sale of common shares representing the aggregate par values is credited to capital stock. Additional paid-in capital includes any premium received on the issuance of capital stock. Any transaction costs associated with the issuance of shares are deducted from additional paid-in capital, net of tax.

The subscribed capital stock is reported in equity less the related subscription receivable.

Subscriptions receivable represents the unpaid portion of the par value of the subscribed shares. The amount is presented as a deduction from equity.

After initial recognition, capital stock is carried at historical cost and is classified as equity in the statement of financial position.

(b) Retained earnings (deficit)

Retained earnings (deficit) include current year and prior year's results of operations, net of dividends declared, if any.

(c) Dividend distribution

Dividend distribution to the Company's shareholders is recognized as a liability in the period in which the dividends are approved by the Company's Board of Directors.

14.10 Income and expense recognition

As indicated in Note 1, the Company is operating as a holding entity and as such, its revenue mainly consists of interest income from cash deposited in banks and loans granted to shareholder.

Interest income is recognized on a time-proportion basis using the effective interest method. It is subject to final withholding tax and is presented net of the said tax. Other income is recognized when earned.

Expenses are charged through profit or loss in the statement of total comprehensive as incurred.

14.11 Current and deferred income tax

Income tax expense comprises current and deferred income taxes. Income tax expense is recognized in profit or loss, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case, the income tax expense is also recognized in other comprehensive income or directly in equity, respectively.

The current income tax expense is calculated on the basis of the tax laws enacted or substantively enacted at the reporting date where the Company operates and generates taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements.

Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted at reporting date and are expected to apply when the related deferred income tax asset is realized, or the deferred income tax liability is settled.

Deferred income tax assets are recognized for all deductible temporary differences to the extent that it is probable that future taxable profit will be available against which the temporary differences, unused tax losses and unused tax credits can be utilized.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax assets and liabilities relate to income taxes levied by the same taxation authority where there is an intention to settle the balances on a net basis.

Deferred income tax assets and liabilities are derecognized when relevant temporary differences have been realized and settled, respectively. The Company reassesses at each reporting the need to recognize previously unrecognized deferred income tax asset.

14.12 Related party relationships and transactions

(a) Related party relationship

A related party relationship exists when one party has the ability to control, directly or indirectly through one or more intermediaries, the other party or exercise significant influence over the other party in making financial and operating decisions. Such relationship also exists between and/or among entities which are under common control with the reporting enterprise, or between, and/or among the reporting enterprises and their key management personnel or directors.

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

(b) Related party transaction

Related party transaction is a transfer of resources, services or obligations between a reporting entity and a related party regardless of whether a price is charged or not.

Transactions amounting to ten percent (10%) or more of the total assets based on the latest audited financial statements that were entered into with related parties are considered material.

All individual material related party transactions shall be approved by at least 2/3 vote of the BOD, with at least a majority of the independent directors voting to approve the material related party transactions. In case that a majority of the independent directors' vote is not secured, the material related party transaction may be ratified by the vote of the shareholders representing at least 2/3 of the outstanding share capital. For aggregate related party transactions within a 12-month period that breaches the materiality threshold of 10% of the Company's total assets based on the latest audited financial statements, the same board approval would be required for the transactions that meet and exceed the materiality threshold covering the same related party.

14.13 Foreign currency transactions and translations

(a) Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which an entity operates (the "functional currency"). The financial statements are presented in Philippine Peso, which is the Company's functional and presentation currency.

(b) Transactions and balances

Foreign currency transactions are translated into Philippine Peso using the exchange rates prevailing at the dates of the transactions or valuation where items are remeasured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized though profit or loss in the statement of total comprehensive income.

14.14 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Company's executive committee, its chief operating decision maker. The executive committee is responsible for allocating resources and assessing performance of the operating segments.

In identifying its operating segments, management generally follows the Company's products and service lines as well as geographical location of its operation. Since the Company is operating as a holding entity (Note 1), the Company has no business segments.

14.15 Earnings (or loss) per share

Basic earnings (or loss) per share (EPS) is computed by dividing net income attributable to common shareholders of the Company by the weighted average number of common shares issued and outstanding, adjusted retroactively for any share dividend, share splits or reverse share splits declared during the current period.

Diluted EPS is computed by adjusting the weighted average number of common shares for the effects of dilutive potential common shares. Currently, the Company does not have dilutive potential shares outstanding; hence, the diluted loss per share is equal to the basic loss per share.

14.16 Events after the end of the period

Post year-end events that provide additional information about the Company's financial position at the reporting date (adjusting events) are reflected in the financial statements. Post year-end events that are not adjusting events are disclosed in the notes to the financial statements when material.

Note 15 - Supplementary information required by the Bureau of Internal Revenue (BIR)

The following supplementary information required by Revenue Regulation (RR) No. 15-2010 is presented for purposes of filing with the BIR and is not a required part of the basic financial statements.

(a) Output value-added tax (VAT)

The Company did not report any transaction that is subject to output VAT during 2021 relative to current status of its business where there are no reported revenues from operations.

(b) Input value-added tax (VAT)

Movements in input VAT for the year ended December 31, 2021 follow:

	Amount
January 1	255,125
Add: Current year's domestic purchases of services	188,714
December 31	443,839

The outstanding balance of the input VAT is presented under other current assets account in the statement of financial position.

(c) Importations

The Company did not have importations during the year ended December 31, 2021.

(d) Excise tax

There were no transactions subject to excise tax for the year ended December 31, 2021.

(e) Documentary stamp tax

Documentary stamp taxes paid for the year ended December 31, 2021 amounted to P703,125 related to loan agreement. The amount is recorded as part of taxes and licenses account under operating expenses in the statement of total comprehensive income.

(f) All other local and national taxes

All other local and national taxes paid for the year ended December 31, 2021 consist of:

	Amount
Annual listing and filing fees	261,000
Business and local taxes	16,759
Community registration fee	660
Annual registration fee	500
Others	1,828
	280,747

(g) Withholding taxes

The Company does not have transactions during the year ended December 31, 2021 that were subject to expanded and final withholding taxes.

(h) Deficiency tax assessments and tax cases

As at December 31, 2021, the Company is not a party to any outstanding tax assessment with the BIR or any outstanding tax case that is under preliminary investigation, litigation and/or prosecution in courts or bodies outside of the BIR.

Pacifica Holdings, Inc.
(A subsidiary of Unido Capital Holdings, Inc.)

Supplementary Schedules as Required by Rule 68 of the Securities Regulation Code
December 31, 2021

Schedules	Description
A	Financial Assets
B	Amounts Receivable from Directors, Officers, Employees, Related Parties and Principal Stockholders (Other than Related Parties)
C	Amounts Receivable from Related Parties which are Eliminated during the Consolidation of the Financial Statements
D	Long Term Debt
E	Indebtedness to Related Parties (Long-Term Loans from Related Companies)
F	Guarantees of Securities of Other Issuers
G	Share Capital
	Reconciliation of Retained Earnings Available for Dividend Declaration
	A Map Showing the Relationships between and among the Parent Company and its Ultimate Parent Company, Middle Parent, Subsidiaries or Co-subsidiaries and Associates
	Schedule of Financial Soundness Indicator

Pacifica Holdings, Inc.
(A subsidiary of Unido Capital Holdings, Inc.)

Schedule A - Financial Assets
As at December 31, 2021

Description of each issue	Principal amount of bonds and notes	Amount shown in the statement of financial position	Income received and accrued
Financial assets at amortized cost			
Cash in banks	17,114,625	17,114,625	16,802
Due from a related party	93,750,000	94,022,260	272,260
	110,864,625	111,136,885	289,062

Pacifica Holdings, Inc.
(A subsidiary of Unido Capital Holdings, Inc.)

Schedule B - Amounts Receivable from Directors, Officers, Employees, Related Parties and Principal Stockholders (Other than Related Parties)
As at December 31, 2021

Name and designation of debtor	Balance at beginning of year	Additions	Amounts collected	Amounts written-off	Current	Non-current	Balance at the end of the year
Advances to directors, officers, employees*	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Due from related party iHoldings, Inc.	-	94,022,260	-	-	94,022,260	-	94,022,260
Total receivables from related party	-	94,022,260	-	-	94,022,260	-	94,022,260

**As required by Rule 68 of the Securities Regulation Code, this schedule shall be filed with respect to each person among the directors, officers and employees from whom an aggregate indebtedness of more than P1 million or one percent (1%) of total assets, whichever is less, is owed for items arising outside the ordinary course of business. There were no advances with respect to each person among the directors, officers and employees amounting to more than P1 million outside the ordinary course of business as at December 31, 2021.*

Pacifica Holdings, Inc.
(A subsidiary of Unido Capital Holdings, Inc.)

Schedule C - Amounts Receivable from Related Parties which are eliminated during the consolidation of the financial statements
As at December 31, 2021

Name and designation of debtor	Balance at beginning of year	Additions	Amounts collected	Amounts written-off	Current	Non-current	Balance at the end of the year
N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Pacifica Holdings, Inc.
(A subsidiary of Unido Capital Holdings, Inc.)

Schedule D - Long Term Debt
As at December 31, 2021

Title of Issue and type of obligation	Amount authorized by indenture	Amount shown under caption "Current portion of long-term debt" in related balance sheet	Amount shown under caption "long-term debt" in related balance sheet	Notes
N/A	N/A	N/A	N/A	N/A

Pacifica Holdings, Inc.
(A subsidiary of Unido Capital Holdings, Inc.)

Schedule E - Indebtedness to Related Parties (Long-Term Loans from Related Companies)
As at December 31, 2021

Name of related party	Balance at the beginning of the year	Balance at the end of the year
N/A	N/A	N/A

Pacifica Holdings, Inc.
(A subsidiary of Unido Capital Holdings, Inc.)

Schedule F - Guarantees of Securities of Other Issuers
As at December 31, 2021

Name of issuing entity of securities guaranteed by the Company for which this statement is filed	Title of issue of each class of securities guaranteed	Total amount guaranteed and outstanding	Amount owned by person for which statement is filed	Nature of guarantee
N/A	N/A	N/A	N/A	N/A

Pacifica Holdings, Inc.
(A subsidiary of Unido Capital Holdings, Inc.)

Schedule G - Capital stock
As at December 31, 2021

Title of issue	Number of authorized shares	Number of issued and outstanding	Number of shares reserved for options, warrants, conversion, and other rights	Number of shares held by related parties	Directors, officers, and employees	Others
Common shares - P1 par value	700,000,000	325,000,000	N/A	253,340,000	5,000	71,655,000

Pacifica Holdings, Inc.
(A subsidiary of Unido Capital Holdings, Inc.)

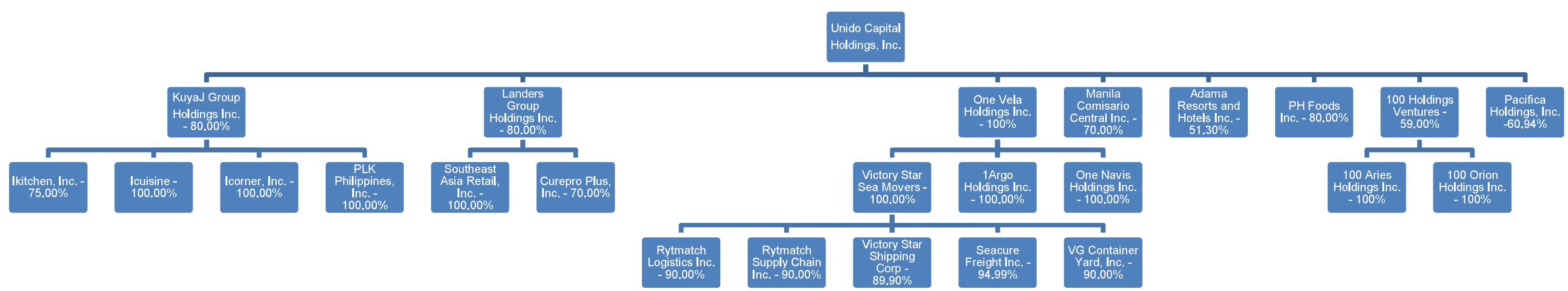
Reconciliation of Retained Earnings Available for Dividend Declaration
As at December 31, 2021
(All amounts in Philippine Peso)

The Company has a deficit as at December 31, 2021. Presented below is an analysis of the deficit for the purposes of this reconciliation requirement.

Deficit at beginning of year	(222,613,176)
Net loss for the year	(2,567,341)
Deficit at end of year	(225,180,517)

Pacifica Holdings, Inc.
(A subsidiary of Unido Capital Holdings, Inc.)

A Map Showing the Relationships between and among the Company and its
Ultimate Parent Company, Middle Parent, Subsidiaries or Co-subsidiaries and Associates
As at December 31, 2021



Pacifica Holdings, Inc.
(A subsidiary of Unido Capital Holdings, Inc.)

Schedule of Financial Soundness Indicator
As at and for the year ended December 31, 2021
(With comparative ratios as at and for the year ended December 31, 2020)

	Formula	2021	Formula	2020
Current ratio[1]		87.49		58.18
Total current assets	111,136,885		19,010,659	
Divide by: Total current liabilities	1,270,314		326,747	
Current ratio	87.49		58.18	
Acid test ratio[2]		87.49		58.18
Total current assets	111,136,885		19,010,659	
Less: Inventories	-		-	
Other Current assets	-		-	
Quick assets	111,136,885		19,010,659	
Divide by: Total current liabilities	1,270,314		326,747	
Acid test ratio	87.49		58.18	
Solvency ratio[3]		0.01		0.02
Total Liabilities	1,270,314		326,747	
Divide by: Total assets	111,136,885		19,010,659	
Solvency ratio	0.01		0.02	
Debt-to-equity ratio[4]		0.01		0.02
Total liabilities	1,270,314		326,747	
Divide by: Total equity	109,866,571		18,683,912	
Debt-to-equity ratio	0.01		0.02	
Asset-to-equity ratio[5]		1.01		1.02
Total assets	111,136,885		19,010,659	
Divide by: Total equity	109,866,571		18,683,912	
Assets-to-equity ratio	1.01		1.02	
Interest rate coverage ratio[6]*		N/A		N/A
Earnings before interest and taxes (EBIT)	-		-	
Divide by: Interest expense	-		-	
Interest rate coverage ratio	N/A		N/A	
Return on equity[7]*		N/A		N/A
Net profit	-		-	
Divide by: Total equity	-		-	
Return on equity	N/A		N/A	
Return on assets[8]*		N/A		N/A
Net profit	-		-	
Divide by: Total assets	-		-	
Return on assets	N/A		N/A	
Net profit margin[9]*		N/A		N/A
Net profit	-		-	
Divide by: Total revenue	-		-	
Net profit margin	N/A		N/A	
Loss per share (Php)[10]		0.00784		0.00558
Net loss	2,567,341		1,812,081	
Divide by: Weighted average number of outstanding shares	325,000,000		325,000,000	
Loss per share (Php)	0.00790		0.00558	

*The Company has not generated revenues yet from its commercial operations.

[1] Current assets/Current liabilities
[2] Quick assets (Current assets less inventories and other current assets)/Current liabilities
[3] Total liabilities/Total assets
[4] Total liabilities/ Total equity
[5] Total assets/ Total equity
[6] Earnings before interest and taxes/Interest expense
[7] Net income attributable to owners of the Company/Average total equity
[8] Net income attributable to owners of the Company/Average total assets
[9] Net income/Revenue
[10] Net loss attributable to ordinary equity holders of the Company/Weighted average number of ordinary shares

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULT OF OPERATION

Plan of Operation

Pacifica Holdings, Inc. (the “Corporation”) has not commenced commercial operations to date.

On 16 July 2007, the Company redirected the focus of its business to exploration, operation, management, and marketing of mining claims after the SEC approved its Amended Articles of Incorporation reflecting changes dealing with the reversion of its primary purpose to mineral exploration, extending the corporate life for another fifty (50) years, and changing the par value from Php1.00 to Php0.005.

In preparation for its mining activities, additional amendments to the Articles of Incorporation have been approved by the stockholders on 23 November 2007 which include an increase in the Company’s authorized capital stock to 500 million and the declassification of “Class B” shares. The declassification of “Class B” was approved by the SEC on 10 December 2008.

Having redirected its purpose to mining, the Company began looking for mining-related business opportunities. During the stockholders’ meeting on 14 August 2009, the stockholders approved the execution of an Operating Agreement between the Company and Zam-Iron Mining Corporation (Zam-Iron), which Operating Agreement was signed on 8 December 2009. Under the Operating Agreement, the Company was granted an exclusive right to explore, develop, and extract mining products from Kabalasan Mining Rights, which covers potential gold, silver, and iron deposits in Kabasalan and Siay, Zamboanga, Sibugay Province, containing 136.5 meridional blocks or 11,056.50 hectares. Further, the consideration for the rights granted will be in the form of royalties which shall be paid by the Company to Zam-Iron. It was approved then that the loan of Php50 million extended by the Company to Zam-Iron on 2 January 2008 would be treated as advanced royalties.

On 15 November 2013, Zam-Iron informed the Company that it received a letter from the Mines and Geosciences Bureau IX stating that its office had issued an Order of Denial for mining exploration with finality. Zam-Iron’s next recourse was to file an appeal to the Mines and Geosciences Bureau central office in Manila. To date, no update was given by Zam-Iron to the Company regarding the status of their application and operations.

On 22 November 2013, the Company informed Zam-Iron that insofar as it was concerned, Zam-Iron failed to fulfill its obligations under the Memorandum of Agreement signed on 2 January 2008 and Operating Agreement signed in December 2009 and was thus deemed in default. The Company demanded for the full refund of Php50 million prepaid royalties with interest and waived its right in the event of default to take over the operation and production of the mining operation since Zam-Iron failed to secure the necessary exploration permit.

Consequently, the Company determined that its prepaid royalties to Zam-Iron may no longer be realized since the Mines and Geosciences Bureau Region IX had issued in 2013 an order of denial to Zam-Iron for the latter’s application for mining exploration with finality. Accordingly, the Company provided full allowance for probable losses for the prepaid royalties in 2013. The carrying value of prepaid royalties amounted to nil as of 31 December 2014 and 2013 and was included in the impairment and write-off on 28 August 2015.

Moreover, the Company also started to get involved in power-related business activities as another business option. Power plant operation is one of its secondary purposes. In 2009 and 2010, it participated in various biddings of the Power Sector Assets and Liabilities Management Corporation (PSALM) for projects like appointment as IPP Administrator for the contracted capacities of the San Roque Multi-Purpose Hydroelectric Power Plant in San Manuel, Pangasinan; Bakun Hydroelectric Power Plant in Alilem, Ilocos Sur; Benguet Mini-Hydro in Benguet, Cordillera Administrative Region; Ilijan Combined Cycle Power Plant in Batangas City; Malaya Thermal Power Plant in Pililia, Rizal; Unified Leyte Geothermal Power Plants in Leyte and the Naga Power Plant Complex in Naga, Cebu. Unfortunately, the Company lost the biddings to its opponents.

For the years ending 31 December 2021 and fiscal year ending 31 December 2020, the Company experienced net losses amounting to Php2.6M and Php1.8M, respectively. In 2019, the Company's net loss amounted to Php3.9M. The gap is primarily attributable to taxes and professional fees related to the increase in capital stock in 2019. In 2018, the Company's Php1.6M loss was mainly due administrative expenses. In 2017, the Company experienced a net loss of Php2.2M. It has not generated any revenue since it operated.

Fund requirements for the current and preceding years have been sourced internally. Management also initiated to source funds to satisfy the cash requirements for the acquisition or purchase of mining claims, rights, and power-related business as may be cautiously identified by the Company. On 21 June 2011, the Company conducted a delinquency sale on its unpaid subscriptions. On 4 December 2015, the Company applied for the relisting of these delisted delinquent shares. As of 31 December 2015, the application is pending before the PSE.

As additional steps to source funds, the Company is looking at an increase in authorized capitalization and the invitation of strategic partners to invest in the Company. In fact, during the annual stockholders' meeting on 26 October 2017, the stockholders approved to increase the Corporation's authorized capital stock from Php200 million up to an amount to be determined by the Board not exceeding Php5 billion.

On 26 November 2019, the SEC approved certain amendments to the Company's Articles of Incorporation, including the amendment to the Seventh Article of the Articles of Incorporation: (i) increasing the par value of the common shares of stock of the Company from Php 0.005 per share to Php 1.00 per share, resulting in a decrease of the common shares of the Company then outstanding from 40 billion shares to 200 million shares; and (ii) increasing the authorized capital stock of the Company from Php200 million divided into 200 million shares with par value of Php 1.00 per share to Php700 million divided into 700 million shares with par value of Php 1.00 per share, or an increase in the authorized capital stock of Php 500 million. The increase in the authorized capital stock of the Company from Php200 million to Php700 million will allow the Company to be poised to issue additional shares as a way of raising funds for future opportunities of growth.

The Company has sufficient funds in its bank accounts to support its anticipated fund requirements for the next twelve (12) months.

To date, the Company is still non-operational.

Notably, the Company has been recently transformed into a holding company. As such, its primary activities are now confined to investing, purchasing, obtaining, subscribing, acquiring, owning, using, holding, selling, conveying, assigning, transferring, exchanging, mortgaging, pledging, taking options to, dealing in, or disposing of real and personal properties of every kind and description. Product research and development is no longer a priority of the Company.

There is no intended purchase or sale of plant or significant equipment of the Company within the next twelve (12) months. Neither is there any significant change in the number of the Company's employees.

In December 2019, a novel strain of corona virus (Covid-19) was reported to have surfaced in China. The World Health Organization has declared the outbreak as a "public health emergency of international concern." Covid-19 started to become widespread in the Philippines in early March 2020, causing the government to declare the country in a state of public health emergency, followed by implementation of enhanced community quarantine and social distancing measures and restrictions within the Luzon area and later on to other cities and provinces in the country. This resulted in a wide-ranging business suspension – disrupting the economy and financial market in general.

Management has not been aware of any case of Covid-19 infection among its people and the outbreak has not had a significant impact to the Company, considering it has not yet started commercial operations.

In support of and in compliance with the government measures to protect the welfare and interest of the Company's stakeholders, including its counterparties, the Company has implemented safety measures. Management will continue to monitor and assess the ongoing development and respond accordingly.

The losses incurred by the Company are essentially due to its lack of revenue and commercial operation. In the normal course of business, the Company makes various commitments and incurs certain contingent liabilities. The Company's management is exploring options to strengthen the balance sheet, address liquidity constraints, or pursue acquisitions or initiatives to reverse such losses in the next twelve (12) months, despite its current non-operating state. At any rate, the Company's management believes such losses will not have a material effect on the financial statements of the Company.

Analysis and Financial Condition and Results of Operations

Full Fiscal Years

Since the Company has no commercial operation to date and has not generated revenues for the fiscal years ending 31 December 2021, 2020, and 2019, it posted losses. Losses are generally attributed to administrative expenses incurred plus the occasional impairment and write-off of uncollectible assets. The following table shows the consolidated financial highlights of the Company for the current fiscal year ended 31 December 2021 with comparative figures of the previous years and as of 31 December 2020 and 2019.

	31 December 2021	31 December 2020	31 December 2019
Income Statement Data			
Total Revenues	289,062	779	2,159
Net Loss	2,567,341	1,812,081	3,858,466
Balance Sheet Data			
Total Current Assets	111,136,885	19,010,659	29,465,805
Furniture, Fixtures & Equipment	0	0	0
Other Non-Current Assets	0	0	0
Total Assets	111,136,885	19,010,659	29,465,805
Total Liabilities	1,270,314	326,747	8,969,812
Stockholders' Equity	109,866,571	18,683,912	20,495,993
Total Liabilities & Stockholders' Equity	111,136,885	19,010,659	29,465,805
Current Ratio	87.488	58.182	3.285
Solvency Ratio	87.488	58.182	3.285
Debt-to-Equity Ratio	0.0116	0.0175	0.4376

Full Fiscal Years.

Based on the above table, the following are key performance indicators of the Company for 2021, 2020, and 2019:

(i) Current net loss of Php2.6 million, and net loss of Php1.8 million in 2021 and 2020 are mainly due to administrative expenses. It is the same scenario with 2019 loss of Php3.9 million

(ii) Stringent controls are utilized on incurring expenses. Management maintains a generally cautious stance in identifying mining opportunities in order to maximize the Company's gross margin. Consequently, Management has taken a conservative stand in approving any potential mining or power-related activity and will keep the same stance in the next twelve (12) months.

(iii) Working Capital Ratio or Current Ratio – This will measure how liquid the Company is and its ability to meet its current obligations. It is computed by dividing total current assets with the total current liabilities.

This liquidity of the Company for fiscal year 2021 increased to 87.488 from 58.182 in 2020. The current ratio of the Company in 2019 was 3.285 wherein the Company recognized expenses of administrative nature.

(iv) Debt Management Ratio or Solvency Ratio – This is computed by dividing the total liabilities by the total assets.

For 2021, the solvency ratio increased to 87.488 due primarily to the increase in the current assets in the form of due from a related party.

(v) Debt-to-Equity Ratio – This will explain the relationship between how the assets were financed by the Company's creditors and its stockholders. This is computed by dividing the total liabilities over the stockholders' equity.

For 2021, the debt-to-equity ratio decreased to 0.0116 due to the additional capital infusion during the year.

By comparing accounts in the Balance Sheets and Statements of Operations for the period ending 31 December 2021, 2020, and 2019, the following are the material changes and their causes:

Changes in Financial Condition.

2021 vs. 2020

(i) Current Assets

Current assets increased from Php19,010,659 in 2020 to Php111,136,885 in 2021 . This was due to increase in due to a related party.

(ii) Input Taxes

In 2021 and 2020, input tax resulted to nil due to impairment loss provided.

(iii) Property and Equipment

There was no acquisition of property and equipment for 2021 and 2020. The current period balance of property and equipment resulted to nil after it was determined to be impaired and its corresponding accumulated depreciation was closed to Retained Earnings.

(iv) Current Liabilities

The current liabilities increased from Php327K in 2020 to Php1.27M in 2021 due to accruals of professional fees and other expenses.

(v) Deficit

Comprehensive losses for the fiscal years ended 31 December 2021 and 2020 represent impairment and write-off of various accounts and administrative expenses. The losses on these periods caused the continued increase in Deficit.

2020 vs. 2019

(i) Current Assets

Current assets decreased from Php29,465,805 in 2019 to Php19,010,659 in 2020 . This was due to payment of related party advance during the year..

(ii) Input Taxes

In 2020 and 2019, input tax resulted to nil due to impairment loss provided.

(iii) Property and Equipment

There was no acquisition of property and equipment for 2020 and 2019. The current period balance of property and equipment resulted to nil after it was determined to be impaired and its corresponding accumulated depreciation was closed to Retained Earnings.

(iv) Current Liabilities

The current liabilities decreased from Php8.97 million in 2019 to Php327K in 2020 due to significant payment made to a related party during the year.

(v) Deficit

Comprehensive losses for the fiscal years ended 31 December 2020 and 2019 represent impairment and write-off of various accounts and administrative expenses. The losses on these periods caused the continued increase in Deficit

2019 vs. 2018

(i) Current Assets

Current assets increased from Php591,540 in 2018 to Php29,465,805 in 2019 . This was due to increase in cash in bank and receivables.

(ii) Input Taxes

In 2019 and 2018, input tax resulted to nil due to impairment loss provided.

(iii) Property and Equipment

There was no acquisition of property and equipment for 2019 and 2018. The current period balance of property and equipment resulted to nil after it was determined to be impaired and its corresponding accumulated depreciation was closed to Retained Earnings.

(iv) Current Liabilities

The current liabilities increased from Php7.49 million in 2018 to Php8.97M in 2019 million due to additional advances from a related party obtained for working capital requirements and deposits for future stock subscription.

(v) Deficit

Comprehensive losses for the fiscal years ended 31 December 2019 and 2018 represent impairment and write-off of various accounts and administrative expenses. The losses on these periods caused the continued increase in Deficit.

Changes in Operating Results.

2021 vs 2020 vs 2019

The Company has not yet commenced commercial operations. There were no mining activities or exploration as of 31 December 2019. The exploration works for Zam-Iron were not commenced. On 15 November 2013, Zam-Iron received a letter from the Mines and Geosciences Bureau IX stating that their office had issued an Order of Denial for mining exploration with finality. Zam-Iron's next recourse was to file an appeal to the Mines and Geosciences Bureau central office in Manila. The Company had already determined that its prepaid royalties to Zam-Iron may no longer be realized. Accordingly, the Company provided full allowance for probable losses for the prepaid royalties in 2013. The carrying value of prepaid royalties amounted to nil as of 31 December 2014 and 2013. The Company thereafter deemed that the recovery of the Company's receivables was remote. The Board of Directors on 28 August 2015 unanimously approved the impairment and write-off of the following items from its books of account: (i) accounts receivable from 9th Kingdom Investment, Inc., (ii) advances to Mikro-Tech Capital, Inc., (iii) prepaid royalties in favor of Zam-Irom Mining Corporation, (iv) accounts receivable from LRSI and Stradec, and (v) retained deficit. This was ratified by the stockholders during the annual stockholders' meeting on 16 October 2015.

On 26 November 2019, the SEC approved certain amendments to the Company's Articles of Incorporation, including the amendment of the Second Article to: (i) change the primary purpose of the Company to reflect that of a holding company, (ii) to include the power to guarantee as among the Company's secondary purposes, and (iii) to align such secondary purposes to the business of the Company as a holding company.

In 2019, the Comprehensive Loss increased from Php1.6 million in 2018 to Php3.5 million due to increase in administrative expenses. The decrease in the Comprehensive Losses to Php2.2 million in 2017 from Php2.5 million in 2016 is due to the impairment and write-off of various accounts above-mentioned. The Company did not participate in bidding activities in 2019 and 2018.

Material Events and Uncertainties.

For 2021 and 2020, the Company has nothing to report on the following other than the disclosures mentioned in the Notes to financial statements and discussed above:

(i) Any known trends, demands, commitments, events, or uncertainties that will result in or that are reasonably likely to result in the Company's liquidity increasing or decreasing in any material way.

(ii) Events that will trigger direct or contingent financial obligation that are material to the Company, including any default or acceleration of obligation. The Company is not in default or in breach of any note, loan, lease or other indebtedness or financing arrangements requiring it to make payments. The Company has no trade payables and there is no significant amount in its other payables that has not been paid within the stated terms.

(iii) 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.

(iv) Any material commitment for capital expenditures.

(v) Any known trends, events, or uncertainties that have had or that are reasonably expected to have a material favorable or unfavorable impact on net sales/revenues, income from continuing operations.

(vi) Any significant elements of income or loss that did not arise from the issuer's continuing operations.

(vii) Any seasonal aspects that had a material effect on the financial condition or results of operations.

MARKET FOR ISSUER'S COMMON EQUITY AND RELATED STOCKHOLDER MATTERS

Market Information

Pacifica Holdings, Inc. shares are actively traded in the Philippine Stock Exchange. The following are the quarterly high and low prices of the Company's shares traded at the Philippine Stock Exchange, Inc. for the last three (3) years:

Quarter	2022 Common Shares		2021 Common Shares		2020 Common Shares		2019 Common Shares	
	High	Low	High	Low	High	Low	High	Low
1st	3.120	2.500	6.940	3.060	6.200	2.400	0.058	0.036
2nd	2.940	2.010	3.990	3.500	3.300	2.400	0.044	0.038
3rd	-	-	3.670	3.000	3.800	2.730	0.042	0.038
4th	-	-	3.350	2.840	4.400	3.010	7.880	4.000

As of 25 August 2022, the closing price of the Company's common shares listed in the PSE is Php2.16.

Holders

The Company's capital stock consists of common shares. As of 31 July 2022, 99.41% are Filipino-owned while 0.59% are foreign-owned.

There are 1,454 stockholders as of 31 July 2022 and the common shares issued and outstanding are 325,000,000,000.

Below is a list of the top twenty (20) stockholders as of 31 July 2022:

	Stockholders' Name	Nationality	Number of Shares	Ownership Percentage
1	Unido Capital Holdings, Inc.	Filipino	198,048,420	60.94%
2	PCD Nominee Corporation	Filipino	90,927,011	27.98%
3	Alexandra L. Laperal	Filipino	3,832,500	1.18%
4	Rosamaria Laperal	Filipino	3,199,000	0.98%
5	Oliverio L. Laperal, Jr.	Filipino	3,072,400	0.95%
6	Victorina Heras	Filipino	3,029,302	0.93%
7	Regina L. Concepcion	Filipino	3,000,000	0.92%
8	Desiderio L. Laperal	Filipino	2,772,500	0.85%
9	LMI Holdings Corporation	Filipino	2,260,000	0.70%
10	PCD Nominee Corporation (Foreign)	Foreign	1,902,150	0.59%
11	Chiong & Company, Inc.	Filipino	477,650	0.15%
12	Oliverio G. Laperal	Filipino	476,192	0.15%
13	Ansaldo, Godinez & Co., Inc.	Filipino	379,300	0.12%
14	Benjamin Co Ca & Co., Inc.	Filipino	371,922	0.11%
15	Vicente Goquiolay & Co., Inc.	Filipino	348,150	0.11%
16	Industrial Horizons, Inc.	Filipino	266,000	0.08%
17	Nieves Sanchez, Inc.	Filipino	263,100	0.08%
18	Tiong Securities, Inc.	Filipino	259,050	0.08%
19	Manotoc, Rosenberg & Co., Inc.	Filipino	215,550	0.07%
20	Emma Laperal	Filipino	200,000	0.06%
		TOTAL	315,300,197	97.01%

Dividends

The Corporation has not declared any cash or stock dividend during the past three years.

Recent Sale of Unregistered Securities

On June 21, 2011, the Corporation conducted a delinquency sale of 14,654,784,000 delisted delinquent shares, the results of which were reported to the Securities and Exchange Commission and the Philippine Stock Exchange. This corporate act confirms the Corporation's initiative to source funds. As of the date of the preparation of this report, all winning bidders have fully paid their bids.

On 26 November 2019, the SEC approved certain amendments to the Company's Articles of Incorporation, including the amendment to the Seventh Article of the Articles of Incorporation: (i) increasing the par value of the common shares of stock of the Company from Php 0.005 per share to Php 1.00 per share, resulting in a decrease of the common shares of the Company then outstanding from 40 billion shares to 200 million shares; and (ii) increasing the authorized capital stock of the Company from Php200 million divided into 200 million shares with par value of Php 1.00 per share to Php700 million divided into 700 million shares with par value of Php 1.00 per share, or an increase in the authorized capital stock of Php 500 million.

Out of the Php500 million increase in the authorized capital stock of the Company, Unido Capital Holdings, Inc. subscribed to 125,000,000 common shares of the Company at their new par value of Php1.00 per share. Prior to such subscription, Unido Capital Holdings, Inc. owned and held a total of 14,609,684,000 shares at the par value of Ph 0.005 (or 73,048,420 shares at the par value of Php 1.00 per share) representing 36.52% of the outstanding capital stock of the Company immediately prior to the increase in the authorized capital stock.

The additional subscription of 125,000,000 shares constitutes 38.46% of the resulting outstanding capital stock of the Company of 325,000,000 shares. As a result of the additional subscription of 125,000,000 shares, Unido Capital Holdings, Inc. now directly owns a total of 198,048,420 shares, representing 60.94% of the current aggregate outstanding capital stock of the Company.

Financial Statements

The Audited Financial Statements for the year ended 31 December 2021 is attached hereto as Annex "D". The Quarterly Report for the quarter ended 30 June 2022 is likewise attached hereto as Annex "F". The Interim Unaudited Financial Statements of the Corporation for the period ended 30 June 2022 are incorporated herein by reference.

Information on Independent Accountant

The external auditor of the Company is the accounting firm of Isa Lipana & Co. The Board, upon the recommendation of the Company's Audit Committee, approved the appointment of Isla Lipana & Co. as the Company's independent auditor for 2022 based on their performance and qualifications. The Audit Committee is composed of Mr. Mark Werner J. Rosal (independent director) as Chairman, and Messrs. Alexander S. Roleda and Christian Francis C. Reyes as members.

The appointment of Isla Lipana & Co. will be presented to the stockholders for their approval at the Annual Stockholders' Meeting.

Representatives of Isla Lipana & Co. for the current year and for the most recently completed fiscal year are expected to be present at the Annual Stockholders' Meeting. They will have the opportunity to make a statement if they desire to do so and are expected to be available to respond to appropriate questions.

Changes in and Disagreements with Accountants on Accounting and Financial Disclosure

The financial statements of the Company as of and for the year ended 31 December 2021 were audited by Isla Lipana & Co. Sycip, Gorres, Velayo & Co. previously acted as the Company's independent public accountant until 2014, while Punongbayan & Araullo acted as the Company's independent public accountant from 2015 until 2020.

There was no event during the two most recent fiscal years where Punongbayan & Araullo and/or Isla Lipana & Co. had any disagreement with the Company with regard to any matter relating to accounting principles or practices or financial statements disclosure or auditing scope or procedure. There was no case of independent accountant to dismiss or to decline to stand for re-election after completion of the current audit.

To comply with the requirements of SRC Rule 68 (3)(b)(iv), the signing partners of Isla Lipana & Co. shall be rotated every five (5) years or earlier. The partner-in-charge for the year 2021 is Mr. Paul Chester U. See. He is likewise the recommended partner-in-charge for the ensuing year.

Further, Isla Lipana & Co. has neither shareholdings in the Company nor any right, whether legally enforceable or not, to nominate persons or to subscribe for the securities of the Company. The foregoing is in accordance with the Code of Ethics for Professional Accountants in the Philippines set by the Board of Accountancy and approved by the Professional Regulation Commission.

Apart from audit-related services, the independent auditors of the Company have not rendered tax, accounting, compliance, advice, planning, and other tax services for the Company within the last two (2) fiscal years.

Audit and Audit-Related Fees

The following table sets forth the aggregate fees billed for the past year for professional services rendered by of Isla Lipana & Co. (2021) and Punongbayan & Araullo (2020):

Year	Audit & Audit-Related Fees	Tax Fees	Other Fees
2021	500,000	0	0
2020	350,000	0	52,500

No aggregate fees were billed in the past fiscal year for professional services rendered by the external auditor for tax accounting, compliance, advice, planning and any other form of tax services.

No other aggregate fees were billed in the past fiscal year for products and services provided by the external auditor.

The Audit Committee has approved the payment of the above audit fees for the audit service rendered by Isla Lipana & Co and Punongbayan & Araullo.

CORPORATE GOVERNANCE

On 31 May 2017, the Company submitted its revised Manual on Corporate Governance, in compliance with the leading practices on good corporate governance and related SEC rules and regulations.

Pursuant to SEC Memorandum Circular No. 15, series of 2017 mandating all publicly-listed companies to submit an Integrated Annual Corporate Governance Report (I-ACGR), the Company filed its I-ACGR for the year ended 31 December 2021 on 30 May 2022.

ANNEX F

SEC NUMBER **013039**
FILE NUMBER ____________
PSE CODE ____________

PACIFICA HOLDINGS, INC.
(Company's Full Name)

Chinabank Corporate Center, Lot 2
Samar Loop corner Road 5
Cebu Business Park, Brgy. Mabolo, Cebu City
(Company's Address)

(632) 637-8851
(Telephone Number)

December 31
(Calendar Year Ended)

SEC FORM 17-Q
Form Type

(Amendment Designation (If Applicable)

June 30, 2022
(Period Ended Date)

(Secondary License Type and File Number)

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-Q

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

1. For the quarterly period ended **June 30, 2022**

2. Commission identification number **013039** 3. BIR Tax Identification No.**000-484-693**

PACIFICA HOLDINGS, INC

4. Exact name of issuer as specified in its charter

Manila, Philippines

5. Province, country or other jurisdiction of incorporation or organization

6. Industry Classification Code: ______ (SEC Use Only)

China Bank Corporate Center
Lot 2, Samar Loop corner Road 5
Cebu Business Park, Brgy. Mabolo, Cebu City **6000**

7. Address of issuer's principal office Postal Code

(032) 260-0005

8. Issuer's telephone number, including area code

PACIFICA, INC. / c/o Manila Harbour Center, R-10, Vitas, Tondo, Manila / June 2020

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

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

Title of Each Class	Number of Shares of Common Stock Outstanding
Common Shares	325,000,000

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

Yes [/] No [ ]
If yes, state the name of such Stock Exchange and the class/es of securities listed therein:
Philippine Stock Exchange **Common shares**

12. Indicate by check mark whether the registrant:

(a) has filed all reports required to be filed by Section 17 of the Code and SRC Rule 17 thereunder or Sections 11 of the RSA and RSA Rule 11(a)-1 thereunder, and Sections 26 and 141 of the Corporation Code of the Philippines, during the preceding twelve (12) months (or for such shorter period the registrant was required to file such reports)
Yes [/] No [ ]

(b) has been subject to such filing requirements for the past ninety (90) days.
Yes [/] No [ ]

PART I--FINANCIAL INFORMATION

Item 1. Financial Statements.

The Financial Statements attached are the balance sheets as of June 30, 2022 and December 31, 2021, and the related statements of comprehensive operations, changes in stockholders' equity and cash flows for the current financial year to date, with comparative statements for the comparable year-to-date period of the immediately preceding financial year.

The interim financial reports are prepared in compliance with generally accepted accounting principles.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations.

(1) Plan of Operation

Pacifica Holdings, Inc. (the "Corporation) was incorporated on September 2, 1957 to engage in the exploration, drilling and exploitation of oil, gas and other volatile substances. Its conversion into a holding company in October 6, 2000 did not result to any commercial operation due to timing and funding constraints.

In 2007, the Corporation redirected its business focus to exploration, operation, management and marketing of mining claims. Pursuant thereto, the SEC on August 31, 2007 approved its Amended Articles of Incorporation reverting its primary purpose to mineral exploration, extending the corporate life for another 50 years and changing the par value from 1.00 to 0.005.

The foregoing events are vital to permit the Corporation to engage in mineral exploration and development and other business opportunities within its purposes as may be identified by the Company.

After the Corporation renewed its corporate life in 2007 with its primary purpose as a mining company, the management started looking for mining opportunities. During the stockholders' meeting on August 14, 2009, it was approved that the Corporation shall enter an Operating Agreement with Zam-Iron Mining Corporation (Zam-Iron) granting the Corporation the exclusive right to explore, utilize and develop the Kabasalan Mining Rights for the purpose of extracting mining products. In consideration for the rights granted by Zam-Iron, the Corporation will pay Zam-Iron royalties at a stipulated price. The loan of P50 million extended by the Corporation to Zam-Iron on January 2, 2008 was applied as advanced royalty payments. Moreover, the management is continuously looking for mining opportunities and negotiating for possible investors and technical partners.

The Corporation lost its bid for Ilijan and Malaya power plants to its opponents while in the others, the bidding process was indefinitely deferred. Despite the downturns, the Corporation does not close its doors to business opportunities in power related activities.

On November 15, 2013, Zam-Iron Mining Corp. (Zam-Iron) informed the Corporation that it received a letter from the Mines and Geosciences Bureau IX stating that its office has issued an Order of Denial for mining exploration with finality. Zam-Iron's next recourse was to file an appeal to the Mines and Geosciences Bureau central office in Manila. To date, no update was given by Zam-Iron to the Company regarding the status of their application and operations.

On November 22, 2013, the Corporation informed Zam-Iron that insofar as it is concerned, Zam-Iron has failed to fulfill its obligations under the Memorandum of Agreement (MOA) signed on January 2, 2008 and Operating Agreement signed in December 2009 and is deemed in default. The Corporation demanded for the full refund of P50,000,000 prepaid royalties with interest and waived its right in the event of default to take over the operation and production of the mining operation since Zam-Iron failed to secure the necessary exploration permit.

On August 28, 2015, given that the recovery of the Corporation's receivables within the next 12 months has been deemed remote, the Board of Directors of the Corporation unanimously approved the impairment and write-off of the following items from its books of accounts: (1) accounts receivable from 9th Kingdom Investments, Inc., (2) advances to Mikro-Tech Capital, Inc; (3) prepaid royalties in favor of Zam-Iron Mining Corporation, (4) accounts receivables from LRSI and Stradec, and (5) retained deficit. This was ratified by the stockholders during the Corporation's annual stockholders' meeting on October 16, 2015.

On November 26, 2019, the SEC approved the following amendments to the Corporation's Articles of Incorporation:

(a) amendment of the Title and First Article to change the name of the Corporation from Pacifica, Inc. to Pacifica Holdings, Inc.;

(b) amendment of the Second Article to: (i) change the primary purpose of the Corporation to reflect that of a holding company, (ii) to include the power to guarantee as among the Corporation's secondary purposes, and (iii) to align such secondary purposes to the business of the Corporation as a holding company;

(c) amendment of the Third Article to change the principal address of the Corporation from Manila to China Bank Corporate Center, Lot 2, Samar Loop corner Road 5, Cebu Business Park, Brgy. Mabolo, Cebu City;

(d) amendment of the Seventh Article of the Articles of Incorporation: (i) increasing the par value of the common shares of stock of the Corporation from Php 0.005 per share to Php 1.00 per share, resulting in a decrease of the common shares of the Corporation then outstanding from 40 billion shares to 200 million shares; and (ii) increasing the authorized capital stock of the Company from Php200 million divided into 200 million shares with par value of Php 1.00 per share to Php700 million divided into 700 million shares with par value of Php 1.00 per share, or an increase in the authorized capital stock of Php 500 million.

For the second quarter ending June 30, 2022 and calendar year ending December 31, 2021, the Corporation experienced net losses amounting to Php297,204 and Php2,567,341, respectively, attributed to administrative expenses incurred.

For the year ending December 31, 2020 and 2019, the Corporation's net losses were Php1.812 million and 3.858 million, respectively. Moreover, in 2018 and 2017, revenues were not generated and material losses of Php1.616 million and Php2.219 million, respectively, were experienced in view of allowance for probable losses on royalties and allowance for doubtful accounts.

Key Performance Indicators of the Company

Since the Company has no commercial operation to date and has not generated revenues for the current period ending June 30, 2022 and fiscal years ending December 31, 2021 and 2020, it posted losses. Losses for the current period being reported and fiscal years December 31, 2021 and 2020 are attributed to administrative expenses incurred. The table sets forth the comparative key performance indicators of the Company for the current interim period with comparative figures for the periods ending June 30, 2022 and 2021, December 31, 2021 and 2020:

	June 30, 2022	December 31, 2021	June 30, 2021	December 31, 2020
Total Revenues	0	0	0	0
Net Loss	600,888	2,567,341	1,355,857	0
Total Current Assets	109,827,997	111,136,885	17,811,802	1,812,081
Other Non-Current Assets	0	0	0	19,010,659
Plant, Property and Equipment	0	0	0	0
Total Assets	109,827,997	111,136,885	17,811,802	19,010,659
Current Liabilities	562,314	1,270,314	483,747	326,747
Non-current Liabilities	0	0	0	0
Stockholders' Equity	109,265,683	109,866,571	17,328,055	18,683,912
Total Liabilities & Stockholders' Equity	109,827,997	111,136,885	17,811,802	19,010,659
Current Ratio	195.315	87.488	36.821	58.182
Solvency Ratio	195.315	87.488	36.821	58.182
Debt to Equity Ratio	0.0051	0.0116	0.0279	0.0175

(a) Net loss for the quarter ending June 30, 2022 resulted to Php 297,204 or by a Php589,295 decrease from last year of the same period.

(b) Stringent controls are utilized on incurring expenses. Management maintains a generally cautious stance in identifying mining opportunities in order to maximize the Corporation's gross margin.

(c) Working Capital Ratio or Current Ratio – This will measure how liquid the corporation is and its ability to meet its current obligations. It is computed by dividing total current assets with the total current liabilities.

(d) Debt Management Ratio or Solvency Ratio – This is computed by dividing the total liabilities by the total assets.

(e) Debt Equity Ratio – This will explain the relationship between how the assets were financed by the Corporation's creditors and its stockholders. This is computed by dividing the total liabilities over the stockholders' equity.

By comparing accounts in the Balance Sheets and Statements of Operations for the interim period ending June 30, 2022 with comparable data for December 31, 2021 and interim period from preceding year, the following are the material changes and their causes:

Changes in Financial Condition

(a) Current Assets

The decrease of Current Assets, as of June 30, 2022 is due to the administrative expenses paid during the quarter while the increase as of December 31, 2021 is the result of granting of an advance to a related party.

(b) Input Taxes

Input taxes have increased during the period because of fees paid to professionals.

(c) Property and Equipment

There have no acquisition of property and equipment in 2022, 2021 and 2020.

(d) Current Liabilities

The current liabilities decrease to Php562,314 7 as of June 30, 2022 primarily due to payment of accruals.

(e) Deficit

Comprehensive losses as of June 30, 2022 and for calendar years ending December 31, 2021 and 2020 contribute to the Deficit. These losses are attributable to administrative expenses.

Changes in Operating Results

The Corporation has not yet started commercial operations as of June 30, 2022. On 26 November 2019, the SEC approved the certain amendments to the Corporation's Articles of Incorporation including the amendment of the Second Article to: (i) change the primary purpose of the Corporation to reflect that of a holding company, (ii) to include the power to guarantee as among the Corporation's secondary purposes, and (iii) to align such secondary purposes to the business of the Corporation as a holding company.

Net loss for the quarter ending June 30, 2022 resulted to Php 297,204 or by a Php 589,295 decrease from last year of the same period given the administrative expenses incurred during the recent quarter. Compared to the December 31, 2021 performance, the net loss during the recent quarter is a decrease by PhP 2,270,137 due to administrative expenses incurred. Net loss for the period ending December 31, 2020 materially decreased from 2019 of the same period due to registration charges related to the increase in capital effected in 2019.

Material Events and Uncertainties

For the interim periods, the Corporation has nothing to report on the following other than the disclosures mentioned in the notes to financial statements and discussed above:

(i) Any known trends, demands, commitments, events or uncertainties that will result in or that are reasonably likely to result in the Corporation's liquidity increasing or decreasing in any material way.

(ii) Events that will trigger direct or contingent financial obligation that is material to the Corporation, including any default or acceleration of obligation. The Corporation is not in default or in breach of any note, loan, ease or other indebtedness or financing arrangements requiring it to make payments. The Company has no trade payables and there is no significant amount in its other payables that has not been paid within the stated terms.

(iii) Material off-balance sheet transactions, arrangements, obligations (including contingent obligations) and other relationships of the Corporation with unconsolidated entities or other persons created during the reporting period. - A disclosure is made in Notes 11 and 12 to Financial Statements and in the Company plan of operation.

(iv) Any material commitment for capital expenditures.

(v) Any known trends, events or uncertainties that have had or that are reasonably expected to have a material favorable or unfavorable impact on net sales/revenues, income from continuing operations.

(vi) Any significant elements of income or loss that did not arise from the issuer's continuing operations.

(vii) Any seasonal aspects that had a material effect on the financial condition or results of operations.

PART II – OTHER INFORMATION

Other than the additional disclosures discussed below, there are no information not disclosed in SEC Form 17-C prior to preparation of this report:

i. The discussion in item 11 of the Notes to Financial Statements shall be consistent for the interim period being reported. The Company's financial instruments still pertain to cash, advances to related parties, accounts payable and accrued expenses resulting from Company's operations. The main purpose of these financial instruments is to fund the Company's administrative costs while it has no commercial operationsyet.

ii. The discussion on item 2 of the Notes to Financial Statements as to Amendments to PAS 1, *Presentation of Financial Statements,* shall be consistent for the interim period being reported. As the Company has no other comprehensive income, the Company has elected to present one statement of comprehensive income.

iii. The same accounting policies and methods of computation are followed in the interim financial statements as compared with the most recent annual financial statements.

iv. The Company has no significant seasonality or cyclicality in its business operations that would have a material effect on the financial condition or results of operations.

v. There are no items affecting assets, liabilities, equity, net income, or cash flows that are unusual because of their nature, size or incidents.

vi. There are no changes in estimates of amounts reported in prior interim periods of the current financial year or changes in estimates of amounts reported in prior financial years.

vii. There are no issuances, repurchases, and repayments of debt and equity securities this interim period.

viii. There are no dividends paid (aggregate or per share) separately for ordinary shares and other shares.

ix. Segment reporting is not applicable to the Company.

x. There are no material events subsequent to the end of the interim period that have not been reflected in the unaudited financial statements for the interim period.

xi. There is no effect in changes in the composition of the issuer during the interim period, including business combinations, acquisitions or disposal of subsidiaries and long-term investments, restructurings, and discounting operations.

xii. There are no changes in contingent liabilities or contingent assets since the last annual balance sheet.

xiii. There are no material contingencies and any other events or transactions that are material to an understanding of the current interim period.

PACIFICA, INC.

BALANCE SHEETS

June 30, 2022 (Unaudited) and December 31, 2021 and 2020 (Audited)

	Unaudited June 30, 2022	Audited December 31, 2021	Audited December 31, 2020
ASSETS			
Current Assets			
Cash in banks (Note 6)	**15,644,744**	17,114,625	19,010,659
Advances for Liquidation (Note 7)	**-**	-	-
Input taxes (Note 7)	**160,993**	-	-
Due from related parties	**94,022,260**	94,022,260	-
Total Current Assets	**109,827,997**	111,136,885	-
TOTAL ASSETS	**109,827,997**	111,136,885	19,010,659
LIABILITIES AND EQUITY			
Current Liabilities			
Accrued expenses and other liabilities	**562,314**	1,270,314	326,747
Due to a related party (Note 12)	**-**	-	-
Total Current Liabilities	**562,314**	1,270,314	326,747
Non-current Liabilities			
Deposit for future stock subscription	**-**	-	-
Total Non-current Liabilities	**-**	-	-
Total Liabilities	**562,314**	1,270,314	326,747
Equity			
Capital stock –2019 ₱1.00 par value; 2018 ₱0.005 par value (Note 13)			
Authorized – 2019 700,000,000 shares, 2018 -40,000,000,000 shares			
Issued and outstanding: 2019 - 199,825,000; 2018 - 39,965,000,000 total shares held by all stockholders	**324,883,332**	324,883,332	199,825,000
Subscribed and partially paid shares – 2019 - 125,175,000; 2018 - 35,000,000	**-**	-	125,175,000
Subscriptions receivable	**-**	-	(93,866,668)
Additional paid-in Capital	**10,163,756**	10,163,756	10,163,756
Deficit	**(225,781,405)**	(225,180,517)	(222,613,176)
Total Equity	**109,265,683**	109,866,571	18,683,912
TOTAL LIABILITIES AND EQUITY	**109,827,997**	111,136,885	19,010,659

See accompanying Notes to Financial Statements.

PACIFICA, INC.

STATEMENTS OF COMPREHENSIVE INCOME

For the 6 months period ended June 30, 2022, 2021 and 2020 (Unaudited)

	6 mos. Jan-Jun, 2022	6 mos. Jan-Jun, 2021	6 mos. Jan-Jun, 2020
INCOME			
Interest income (Note 9)	**4,065**	9,260	146
	4,065	9,260	146
EXPENSES (Note 10)			
Professional fees	**352,928**	706,000	853,400
Membership, association dues and fees			
Salaries and wages			
Transportation and travel			25,404
Rent			
Representation and entertainment			
Utilities			
Taxes and licenses	**251,425**	299,820	
Printing and supplies	**600**	306,200	
Depreciation			
Courier		42,097	
Others		11,000	473
	604,953	1,365,117	879,277
NET LOSS	**600,888**	1,355,857	879,131
OTHER COMPREHENSIVE INCOME/(LOSS)	**-**	-	-
TOTAL COMPREHENSIVE LOSS	**600,888**	1,355,857	879,131
BASIC/DILUTED LOSS PER SHARE (Note 14)	**(0.00184889)**	(0.00417187)	(0.00270502)

PACIFICA, INC.

STATEMENTS OF COMPREHENSIVE INCOME

For the 3 months period ended June 30, 2022, 2021 and 2020 (Unaudited)

	3 mos. Apr-Jun, 2022	3 mos. Apr-Jun, 2021	3 mos. Apr-Jun, 2020
INCOME			
Interest income (Note 9)	**2,016**	4,597	71
	2,016	4,597	71
EXPENSES (Note 10)			
Professional fees	**298,720**	532,000	232,000
Membership, association dues and fees			
Salaries and wages			
Transportation and travel			
Rent			
Representation and entertainment			
Utilities			
Taxes and licenses			
Printing and supplies	**500**	306,000	
Courier		42,097	
Depreciation			
Others		11,000	
	299,220	891,097	232,000
NET LOSS	**297,204**	886,500	231,929
OTHER COMPREHENSIVE INCOME/(LOSS)	**-**	-	-
TOTAL COMPREHENSIVE LOSS	**297,204**	886,500	231,929
BASIC/DILUTED LOSS PER SHARE (Note 14)	**(0.00091447)**	(0.00272769)	(0.00071363)

See accompanying Notes to Financial Statements.

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PACIFICA, INC.

STATEMENT OF CHANGES IN STOCKHOLDERS' EQUITY

As at June 30, 2022, 2021 and 2020 (Unaudited)

	Capital Stock (Notes 13)		Subscriptions Receivable	Additional Paid-in Capital		
	Issued	Subscribed	(Note 13)	(Note 13)	Deficit	Total
BALANCES AT DECEMBER 31, 2019	199,825,000	125,175,000	(93,866,668)	10,163,756	(220,801,095)	20,495,993
Collection of subscriptions receivable	-	-	-	-	-	-
Issuance of capital stock	-	-	-	-	-	-
Net loss from Jan to Jun 2020	-	-	-	-	(879,131)	(879,131)
BALANCES AT June 30, 2020	**199,825,000**	**125,175,000**	**(93,866,668)**	**10,163,756**	**(221,680,226)**	**19,616,862**
BALANCES AT DECEMBER 31, 2020	199,825,000	125,175,000	(93,866,668)	10,163,756	(222,613,176)	18,683,912
Collection of subscriptions receivable	-	-	-	-		
Issuance of capital stock	-	-	-	-		
Net loss from Jan to Jun 2021	-	-	-	-	(1,355,857)	(1,355,857)
BALANCES AT June 30, 2021	**199,825,000**	**125,175,000**	**(93,866,668)**	**10,163,756**	**(223,969,033)**	**17,328,055**
BALANCES AT DECEMBER 31, 2021	324,883,332	-	-	10,163,756	(225,180,517)	109,866,571
Collection of subscriptions receivable	-	-	-	-		
Issuance of capital stock	-	-	-	-		
Net loss from Jan to Jun 2022	-	-	-	-	(600,888)	**(600,888)**
BALANCES AT June 30, 2022	**199,825,000**	**125,175,000**	**(93,866,668)**	**10,163,756**	**(225,781,405)**	**109,265,683**

PACIFICA, INC.

INTERIM STATEMENTS OF CASH FLOWS

For the 6 months period ended June 30, 2022, 2021 and 2020 (Unaudited)

	Jun 30, 2022	Jun 30, 2021	Jun 30, 2020
CASH FLOWS FROM OPERATING ACTIVITIES			
Net loss	**(600,888)**	(1,355,857)	(231,929)
Impairment of receivables			
Gain on reversal of payables			
Loss on write-off of furniture, fixtures and equipment			
Adjustment for depreciation			
Unrealized foreign exchange			
Provision for probable losses on input tax			
Interest Income			
Provision for doubtful accounts			
Operating loss before working capital changes		(231,929)	(231,929)
Decrease (increase) in:			
Input taxes	**(160,993)**	(143,953)	-
Advances for liquidation			
Increase (decrease) in accounts payable and accrued expenses	**(708,000)**	157,000	232,000
Decrease in prepaid expenses		-	-
Increase in receivables		-	-
Increase in accrued expenses		-	-
Decrease in income tax payable		-	-
Net cash used in operating activities	**(1,469,881)**	(1,342,810)	71
CASH FLOWS FROM INVESTING ACTIVITIES			
Decrease (increase) in due from related parties		-	-
Increase in deposit for future stock subscription		-	-
Net cash from (used in) investing activities		-	-
CASH FLOWS FROM FINANCING ACTIVITIES			
Collection of subscriptions receivables		-	-
Increase (decrease) in due to related parties		-	-
Increase (decrease) in loans payable		-	-
Net cash from financing activities		-	-
EFFECT OF EXCHANGE RATE CHANGES ON CASH		-	-
NET INCREASE (DECREASE) IN CASH IN BANKS	**(1,469,881)**	(1,342,810)	71
CASH IN BANKS, BEGINNING	**17,114,625**	19,010,658	1,400,476
CASH IN BANKS, END	**15,644,744**	17,667,848	1,400,547

See accompanying Notes to Financial Statements.

1. **Corporate Information and Status of Operations**

Corporate Information
Pacifica Holdings, Inc. (the Company), a publicly-listed domestic corporation, was incorporated in the Philippines on September 2, 1957.

In 2007, the Company renewed its corporate life with the Securities and Exchange Commission (SEC) with its primary purpose to engage in exploration, development, and exploitation of mineral resources. Also, the Company is allowed to engage in gas, oil and power-related activities as its secondary purposes.

The Company's registered office address is Manila Harbour Centre, R-10, Vitas, Tondo, Manila.

Status of Operations
On December 28, 2009, the Company entered into an operating agreement with Zam-Iron Mining Corporation (Zam-Iron). Zam-Iron granted the Company an exclusive right to explore, utilize and develop Kabasalan Mining Rights (see Note 4).

In 2010, the Company participated in the bidding conducted by Power Sector Assets and Liabilities Management Corporation (PSALM) for the appointment as independent power producer administrator for the contracted capacity of (a) the Ilijan Combined Cycle Power Plant at Ilijan, Batangas City, (b) the Malaya Thermal Power Plant at Pililia, Rizal, (c) the Unified Leyte Geothermal Power Plant at Tongonan, Leyte, and (d) the Naga Power Plant Complex (Cebu Thermal Power Plant 1 & 2) at Naga, Cebu and a joint venture project with R-II Builders, Inc., and the contracted lease, operation and maintenance of the Subic Diesel Power Plant (SDPP) at Causeway Extension, Subic Bay, Freeport Zone. Unfortunately, the Company's bid for Ilijan and Malaya power plants fell short and it lost the bidding to other rival companies while in the others, the bidding process did not materialize. In 2011, the Company did not participate in any bidding conducted by PSALM.

To generate funds to be used for the acquisition or purchase of mining claims, rights and businesses as may be identified by the Corporation, the BOD approved on July 9, 2009 the call for payment of unpaid subscriptions, which was extended until March 10, 2010. On April 6, 2010, the BOD approved the extension of the call for payment from March 10, 2010 to June 10, 2010.

On June 21, 2011, pursuant to the approval by the BOD, a delinquency sale was held for all 14,619,784,000 delisted delinquent shares in accordance with the provisions of the Corporation Code of the Philippines and the Securities Regulation Code, the results of which were reported to the SEC and the Philippine Stock Exchange. This is the Company's confirmation of management's initiative to source funds. The delinquency sale was undertaken by the Company in its principal office and in the presence of a Notary Public. Pursuant to the rules of the delinquency sale, payment of the winning bid shall be made on or before August 4, 2011. As of the date of this report, all winning bidders have fully paid their bids and have been issued certificates of stock.

Infusion of funds from the auction of delinquent shares held on June 21, 2011 have been used to satisfy the cash requirements for the acquisition or purchase of mining claims, rights and power related business as may be cautiously identified by the Corporation.

The recovery of the Corporation's receivables within the next twelve (12) months has been deemed remote. On August 28, 2015, the Board of Directors unanimously approved the impairment and write-off of the following items from its books of accounts: (1) accounts receivable from 9th Kingdom Investments, Inc., (2) advances to Mikro-Tech Capital, Inc; (3) prepaid royalties in favor of Zam-Iron Mining Corporation, (4) accounts receivables from LRSI and Stradec, and (5) retained deficit which was ratified by the stockholders during its annual stockholders' meeting on October 16, 2015.

2. **Summary of Significant Accounting and Financial Reporting Policies**

The significant accounting policies that have been used in the preparation of these financial statements are summarized below and in the succeeding pages. These policies have been consistently applied to all the years presented, unless otherwise stated.

Basis of Preparation of Financial Statements

(a) Statement of Compliance with Philippine Financial Reporting Standards

The financial statements of the Company have been prepared in accordance with Philippine Financial Reporting Standards (PFRS). PFRS are adopted by the Financial Reporting Standards Council (FRSC) from the pronouncements issued by the International Accounting Standards Board and approved by the Philippine Board of Accountancy.

The financial statements have been prepared using the measurement bases specified by PFRS for each type of asset, liability, income and expense. The measurement bases are more fully described in the accounting policies that follow.

(b) Presentation of Financial Statements

The financial statements are presented in accordance with Philippine Accounting Standard (PAS) 1, Presentation of Financial Statements. The Company presents all items of income and expenses in a single statement of comprehensive income.

The Company presents a third statement of financial position as of the beginning of the preceding period when it applies an accounting policy retrospectively, or makes a retrospective restatement or reclassification of items that has a material effect on the information in the statement of financial position at the beginning of the preceding period. The related notes to the third statement of financial position are not required to be disclosed.

(c) Functional and Presentation Currency

These financial statements are presented in Philippine pesos, the Company's functional and presentation currency, and all values represent absolute amounts except when otherwise indicated.

Items included in the financial statements of the Company are measured using its functional currency. Functional currency is the currency of the primary economic environment in which the Company operates.

Adoption of New and Amended PFRS

(a) Effective in 2020 that are Relevant to the Company

The Company adopted for the first time the revisions amendments PFRS that follow, which are mandatorily effective for annual periods beginning on or after January 1, 2020:

Conceptual Framework	:	Revused Conceptual Framework for– Financial Reporting
PAS 1 and PAS 8 (Amendments)	: :	Presentation of Financial Statements Accounting Policies, Changes in Accounting Estimates and Errors - Definition of Material
PFRS 7 and PFRS 9	:	Financial Instruments: Disclosures and Financial Instruments - Interest Rate Benchmark Reform

Discussed below are the relevant information about these pronouncements.

(i) *Revised Conceptual Framework for Financial Reporting.* The revised conceptual framework will be used in standard-setting with immediate effect. Key changes include (a) increasing the prominence of stewardship in the objective of financial reporting, (b) reinstating prudence as a component of neutrality, (c) defining a reporting entity, which may be a legal entity, or a portion of an entity, (d) revising the definitions of an asset and a liability, (e) removing the probability threshold for recognition and adding guidance on derecognition,

(f) adding guidance on different measuring basis, and, (g) stating that the profit and loss is the primary performance indicator and that, in principle, income and expenses in other comprehensive income should be recycled where this enhances the relevance or faithful representation of the financial statements. The application of the revised conceptual framework had no significant impact on the Company's financial statements.

(ii) PAS 1 (Amendments), *Presentation of Financial Statements*, and PAS 8 (Amendments), *Accounting Policies, Changes in Accounting Estimates and Errors - Definition of Material* (effective from January 1, 2020). The amendments provide a clearer definition of 'material': in PAS 1 b y including the concept of 'obscuring' material information with immaterial information as part of the new definition, and clarifying the assessment threshold (I.e. misstatement of insformation is material if it could reasonably be expected to influence decisions made by primary users, which consider the characteristic of those users as well as the entity's own circumtances). The definition of material in PAS 8 has been accordingly replaced by reference to the new definition in PAS 1. In addition, amendment has also been made in other standards that contain definition of material or refer to the term 'material' to ensure consistency. The application of these amendments had no significant impact on the Company's financial statements.

(iii) PFRS 7 (Amendments), Financial Instruments: Disclosures, and PFRS 9 (Amendments), Financial Instruments – interest Rate Benchmark Reform. The amendments clarify that an entity would continue to apply certain hedge accounting requirements assuming that the interest rate benchmark on which the hedged cash flows and cash flows from the hedging instrument are based will not be altered as a result of interest rate benchmark reform. The application of these amendments had no significant impact on the Company's financial statements.

(b) Effective in 2020 that is not Relevant to the Company

PFRS 3 (Amendments), Business Combinations – Definition of a Business, is effective for annual periods beginning on or after January 1, 2020 but is deemed not relevant to the Company's financial statements.

(c) Effective Subsequent to 2020 but not Adopted Early.

There are amendments and annual improvements to existing standards effective for annual periods subsequent to 2020, which are adopted by the FRSC. Management will adopt the relevant pronouncements below in accordance with their transitional provisions; and, unless otherwise stated, none of these are expected to have significant impact on the Company's financial statements.

(i) PAS 37 (Amendments), *Provisions, Contingent Liabilities and Contingent Assets – Onerous Contracts – Cost of Fulfilling a Contract* (effective January 1, 2022). The amendments specify that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labor, materials) or an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract).

(ii) Annual Improvements to PFRS 2018-2020 Cycle. Among the improvements, PFRS 9 (Amendments), *Financial Instruments – Fees in the '10 per cent' Test for Derecognition of Liabilities*, which is effective from January 1, 2022, is relevant to the Company. The improvements clarify the fees that a company includes when assessing whether the terms of a new or modified financial liability are substantially different from the terms of the original financial liability.

(iii) PAS 1 (Amendments), *Presentation of Financial Statements – Classification of Liabilities as Current or Non-current* (effective January 1, 2023). The amendments aim to promote consistency in applying the requirements by helping companies determine whether, in the statement of financial position, debt and other liabilities with an uncertain settlement date should be classified as current (due or potentially due to be settled within one year) or non-current.

2.3 Financial Instruments

Financial assets and financial liabilities are recognized when the entity becomes a party to the contractual provisions of the financial instrument.

(a) Financial Assets

For purposes of classifying financial assets, an instrument is considered as an equity instrument if it is non-derivative and meets the definition of equity for the issuer in accordance with the criteria of PAS 32, *Financial Instruments: Presentation*. All other non-derivative financial instruments are treated as debt instruments.

Regular purchases and sales of financial assets are recognized on their trade date (i.e., the date that the Company commits to purchase or sell the asset).

(i) Classification and Measurement of Financial Assets

The classification and measurement of financial assets is driven by the entity's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets.

Currently, the financial assets of the Company are measured at amortized cost, which meets both of the following conditions:

- the asset is held within the Company's business model whose objective is to hold financial assets in order to collect contractual cash flows ("hold to collect"); and,
- the contractual terms of the instrument give rise, on specified dates, to cash flows that are solely for payment of principal and interest (SSPI) on the principal amount outstanding.

The Company's financial assets at amortized cost are presented in the statement of financial position as Cash in Banks and Due from Related Parties.

Financial assets measured at amortized cost are included in current assets, except for those with maturities greater than 12 months after the end of reporting period, which are classified as non-current assets.

For purposes of cash flows reporting and presentation, cash in banks pertains to demand and savings deposits, which are subject to insignificant risk of changes in value.

Interest income on financial assets measured at amortized cost is recognized using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial instrument or,when appropriate, a shorter period, to the net carrying amount of the financial asset.

The Company calculates interest income by applying the effective interest rate to the gross carrying amount of the financial assets, except for those that are subsequently identified as credit-impaired and or are purchased or originated credit-impaired assets.

For financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the net carrying amount of the financial assets (after deduction of the loss allowance). If the asset is no longer credit-impaired, the calculation of interest income reverts to gross basis. For financial assets that were credit-impaired on initial recognition, interest income is calculated by applying a credit-adjusted effective interest rate to the amortized cost of the asset. The calculation of interest income does not revert to a gross basis even if the credit risk of the asset subsequently improves.

Interest income earned is recognized in the statement of comprehensive income as part of Finance Income.

(ii) Impairment of Financial Assets

At the end of the reporting period, the Company assesses and recognizes allowance for expected credit loss (ECL) on its financial assets measured at amortized cost. The measurement of ECL involves consideration of broader range of information that is available without undue cost or effort at the reporting date about past events, current conditions, and reasonable and supportable forecasts of future economic conditions (i.e., forward-looking information) that may affect the collectability of the future cash flows of the financial assets. Measurement of the ECL is determined by a probability- weighted estimate of credit losses over the expected life of the financial instruments evaluated based on a range of possible outcome.

The Company applies the simplified approach in measuring ECL, which uses a lifetime expected loss allowance for all trade and other receivables. These are the expected shortfalls in contractual cash flows, considering the potential for default at any point during the life of the financial assets. To calculate the ECL, the Company uses its historical experience, external indicators and forward-looking information to calculate the ECL using a provision matrix.

The Company also assesses impairment of trade receivables on a collective basis as they possess shared credit risk characteristics.

The Company determines whether there has been a significant increase in credit risk for financial asset since initial recognition by comparing the risk of default occurring over the expected life of the financial asset between the reporting date and the date of the initial recognition. In making this assessment, the Company considers both quantitative and qualitative information that may indicate an actual or expected deterioration of the credit quality of the financial assets.

The key elements used in the calculation of ECL are as follows:

- *Probability of default* – It is an estimate of likelihood of a counterparty defaulting at its financial obligation over a given time horizon, either over the next 12 months or the remaining lifetime of the obligation.

- *Loss given default* – It is an estimate of loss arising in case where a default occurs at a given time. It is based on the difference between the contractual cash flows of a financial instrument due from a counterparty and those that the Company would expect to receive, including the realization of any collateral or effect of any credit enhancement.

- *Exposure at default* – It represents the gross carrying amount of the financial instruments in the event of default which pertains to its amortized cost.

The Company recognizes an impairment loss in profit or loss for all financial instruments subjected to impairment assessment with a corresponding adjustment to their carrying amount through a loss allowance account.

(ii) Derecognition of Financial Assets

The financial assets (or where applicable, a part of a financial asset or part of a group of financial assets) are derecognized when the contractual rights to receive cash flows from the financial instruments expire, or when the financial assets and all substantial risks and rewards of ownership have been transferred to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognizes its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognize the financial asset and also recognizes a collateralized borrowing for the proceeds received.

(b) Financial Liabiliities

Financial liabilities, which include accrued expenses and other payables and due to related parties, are recognized initially at their fair values and subsequently measured at amortized cost, using effective interest method for maturities beyond one year, less settlement payments.

All interest-related charges incurred on a financial liability are recognized as an expense in profit or loss under the caption Finance Costs in the statement of comprehensive income.

Accrued expenses and other payables and due to related parties are recognized initially at their fair values and subsequently measured at amortized cost, using effective interest method for maturities beyond one year, less settlement payments.

Financial liabilities are classified as current liabilities if payment is due to be settled within one year or less after the end of the reporting period (or in the normal operating cycle of the business, if longer), or the Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the end of the reporting period. Otherwise, these are presented as non-current liabilities.

Financial liabilities are derecognized from the statement of financial position only when the obligations are extinguished either through discharge, cancellation or expiration. The difference between the carrying amount of the financial liability derecognized and the consideration paid or payable is recognized in profit or loss.

(c) Offsetting Financial Instruments

Financial assets and financial liabilities are offset and the resulting net amount, considered as a single financial asset or financial liability, is reported in the statement of financial position when the Company currently has legally enforceable right to set-off the recognized amounts and there is an intention to settle on a net basis, or realize the asset and settle the liability simultaneously. The right of set-off must be available at the end of the reporting period, that is, it is not contingent on future event. It must also be enforceable in the normal course of business, in the event of default, and in the event of insolvency or bankruptcy; and, must be legally enforceable for both entity and all counterparties to the financial instruments.

2.4 Other Current Assets

Other current assets pertain to other resources controlled by the Company as a result of past events. They are recognized in the financial statements when it is probable that the future economic benefits will flow to the Company and the asset has a cost or value that can be measured reliably.

Other recognized assets of similar nature, where future economic benefits are expected to flow to the Company beyond one year after the end of the reporting period are classified as non-current assets.

2.5 Provisions and Contingencies

Provisions are recognized when present obligations will probably lead to an outflow of economic resources and they can be estimated reliably even if the timing or amount of the outflow may still be uncertain. A present obligation arises from the presence of a legal or constructive obligation that has resulted from past events.

Provisions are measured at the estimated expenditure required to settle the present obligation, based on the most reliable evidence available at the end of the reporting period, including the risks and uncertainties associated with the present obligation. Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. When time value of money is material, long-term provisions are discounted to their present values using a pretax rate that reflects market assessments and the risks specific to the obligation. The increase in the provision due to passage of time is recognized as interest expense. Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate.

In those cases where the possible outflow of economic resource as a result of present obligations is considered improbable or remote, or the amount to be provided for cannot be measured reliably, no liability is recognized in the financial statements. Similarly, possible inflows of economic benefits to the Company that do not yet meet the recognition criteria of an asset are considered contingent assets, hence, are not recognized in the financial statements. On the other hand, any reimbursement that the Company can be virtually certain to collect from a third party with respect to the obligation is recognized as a separate asset not exceeding the amount of the related provision.

2.6 Revenue and Expense Recognition

To determine whether to recognize revenue, the Company follows a five-step process:

(a) identifying the contract with a customer;
(b) identifying the performance obligation;
(c) determining the transaction price;
(d) allocating the transaction price to the performance obligations; and,
(e) recognizing revenue when/as performance obligations are satisfied.

The Company determines whether a contract with customer exists by evaluating whether the following five gating criteria must be present:

(i) the parties to the contract have approved the contract either in writing, orally or in accordance with other customary business practices;

(ii) each party's rights regarding the goods or services to be transferred or performed can be identified;

(iii) the payment terms for the goods or services to be transferred or performed can be identified;

(iv) the contract has commercial substance (i.e., the risk, timing or amount of the future cash flows is expected to change as a result of the contract); and,

(v) collection of the consideration in exchange of the goods and services is probable.

Revenue is recognized only when (or as) the Company satisfies a performance obligation by transferring control of the promised goods or services to a customer. The transfer of control can occur over time or at a point in time.

A performance obligation is satisfied at a point in time unless it meets one of the following criteria, in which case it is satisfied over time:

(i) the customer simultaneously receives and consumes the benefits provided by the Company's performance as the Company performs;

(ii) the Company's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; and,

(iii) the Company's performance does not create an asset with an alternative use to the Company and the entity has an enforceable right to payment for performance completed to date.

As indicated in Note 1, the Company has not generated revenues yet from its commercial operations.

Expenses are recognized in profit or loss at the date they are incurred. All finance costs are reported in profit or loss on an accrual basis.

2.7 Foreign Currency Transactions and Translation

The accounting records of the Company are maintained in Philippine pesos. Foreign currency transactions during the year are translated into the functional currency at exchange rates which approximate those prevailing on transaction dates.

Foreign currency gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in profit or loss.

2.8 Impairment of Non-financial Assets

The Company's non-financial assets, if any, are subject to impairment testing. Individual assets or cash-generating units are tested for impairment whenever events or changes in circumstances indicate that the carrying amount of those assets may not be recoverable.

For purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). As a result, some assets are tested individually for impairment either individually or at the cash-generating unit level.

Impairment loss is recognized in profit or loss for the amount by which the asset's or cash-generating unit's carrying amount exceeds its recoverable amounts which is the higher of its fair value less costs to sell and its value in use. In determining value in use, management estimates the expected future cash flows from each cash-generating unit and determines the suitable interest rate in order to calculate the present value of those cash flows. The data used for impairment testing procedures are directly linked to the Company's latest approved budget, adjusted as necessary to exclude the effects of asset enhancements. Discount factors are determined individually for each cash-generating unit and reflect management's assessment of respective risk profiles, such as market and asset-specific risk factors.

All assets are subsequently reassessed for indications that an impairment loss previously recognized may no longer exist. An impairment loss is reversed if the asset's or cash generating unit's recoverable amount exceeds its carrying amount.

2.9 Income Taxes

Tax expense recognized in profit or loss comprises the sum of current tax and deferred tax not recognized in other comprehensive income or directly in equity, if any.

Current tax assets or liabilities comprise those claims from, or obligations to, fiscal authorities relating to the current or prior reporting period, that are uncollected or unpaid at the end of the reporting period. They are calculated using the tax rates and tax laws applicable to the fiscal periods to which they relate, based on the taxable profit for the year. All changes to current tax assets or liabilities are recognized as a component of tax expense in profit or loss.

Deferred tax is accounted for using the liability method, on temporary differences at the end of each reporting period between the tax base of assets and liabilities and their carrying amounts for financial reporting purposes. Under the liability method, with certain exceptions, deferred tax liabilities are recognized for all taxable temporary differences and deferred tax assets are recognized for all deductible temporary differences and the carryforward of unused tax losses and unused tax credits to the extent that it is probable that taxable profit will be available against which the deductible temporary differences can be utilized. Unrecognized deferred tax assets, if any, are reassessed at the end of each reporting period and are recognized to the extent that it has become probable that future taxable profit will be available to allow such deferred tax assets to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realized or the liability is settled provided such tax rates have been enacted or substantively enacted at the end of the reporting period.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Most changes in deferred tax assets or liabilities are recognized as a component of tax expense in profit or loss, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case, the tax is also recognized in other comprehensive income or directly in equity, respectively.

Deferred tax assets and deferred tax liabilities are offset if the Company has a legally enforceable right to set-off current tax assets against current tax liabilities and the deferred taxes relate to the same taxation authority.

2.10 Related Party Transactions and Relationships

Related party transactions are transfers of resources, services or obligations between the Company and its related parties, regardless whether a price is charged.

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, (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.

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

Transactions amounting to ten percent (10%) or more of the total assets based on the latest audited financial statements that were entered into with related parties are considered material.

All individual material related party transactions shall be approved by at least 2/3 vote of the BOD, with at least a majority of the independent directors voting to approve the material related party transactions. In case that a majority of the independent directors' vote is not secured, the material related party transaction may be ratified by the vote of the stockholders representing at least 2/3 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 assets based on the latest audited financial statements, the same board approval would be required for the transaction(s) that meets and exceeds the materiality threshold covering the same related party.

2.11 Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Company's executive committee, its chief operating decision maker. The executive committee is responsible for allocating resources and assessing performance of the operating segments.

In identifying its operating segments, management generally follows the Company's products and service lines as well as geographical location of its operation. Because the Company has not generated revenues yet from its commercial operations (see Note 1), the Company does not present any segment information.

2.12 Equity

Capital stock represents the nominal value of shares that have been issued and subscribed, less subscriptions receivable.

Additional paid-in capital includes any premium received on the issuance of capital stock. Any transaction costs associated with the issuance of shares are deducted from additional paid-in capital, net of any related income tax benefits.

Deficit represents all current and prior period results of operations as reported in the profit or loss section of the statement of comprehensive income.

2.13 Earnings (or Loss) per Share

Basic earnings (or Loss) per share (EPS) is computed by dividing net profit attributable to equity holders of the Company by the weighted average number of shares issued and outstanding, adjusted retroactively for any stock dividend, stock split or reverse stock split declared during the current period.

Diluted EPS is computed by adjusting the weighted average number of ordinary shares outstanding to assume conversion of dilutive potential shares. Currently, the Company does not have dilutive potential shares outstanding; hence, the diluted EPS is equal to the basic EPS.

2.14 Events After the End of the Reporting Period

Any post-year-end event that provides additional information about the Company's financial position at the end of the reporting period (adjusting event) is reflected in the financial statements. Post-year-end events that are not adjusting events, if any, are disclosed when material to the financial statements.

3. SIGNIFICANT ACCOUNTING JUDGMENTS AND ESTIMATES

The preparation of the Company's financial statements in accordance with PFRS requires management to make judgments and estimates that affect the amounts reported in the financial statements and related notes. Judgments and estimates are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual results may ultimately differ from these estimates.

3.1 Critical Management Judgments in Applying Accounting Policies

In the process of applying the Company's accounting policies, management has made the judgments that follow, apart from those involving estimation, which have the most significant effect on the amounts recognized in the financial statements.

(a) *Determination of ECL on Due to Related Parties*

The Company uses external benchmarking to calculate ECL for Due to Related Parties. The Company applies the PFRS 9 using internal credit ratings translated to external credit ratings [i.e., Standard & Poor's] in order to reference/benchmark with published equivalent external cumulative probability of default. It has established a policy to perform an assessment, at the end of each reporting period, whether a financial instrument's credit risk has increased significantly since initial recognition, by considering the change in the risk of default occurring over the remaining life of the financial instrument. Details about the ECL on the Company's Due to Related Parties are disclosed in Note 4.1.

b) Recognition of Provisions and Contingencies

Judgment is exercised by management to distinguish between provisions and contingencies. Policies on recognition of provisions and contingencies are discussed in Note 2.5 and disclosures on relevant contingencies are presented in Note 15.

3.2 Key Sources of Estimation Uncertainty

Described below are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

(a) Estimation of Allowance for ECL

The measurement of the allowance for ECL on financial assets at amortized cost is an area that requires the use of significant assumptions about the future economic conditions and credit behaviour (e.g., likelihood of customers defaulting and the resulting losses). Explanation of the inputs, assumptions and estimation used in measuring ECL is further detailed in Note 4.1.

(b) Determination of Realizable Amount of Deferred Tax Assets

The Company reviews its deferred tax assets at the end of each reporting period and reduces the carrying amount to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax assets to be utilized. As of December 31, 2020 and 2019, the deferred tax assets are not recognized because based on management's assessment, there would be no sufficient future taxable profits yet against which the deductible temporary differences and carry forward benefits of unused net operating loss carry-over (NOLCO) could be utilized (see Note 11).

(c) Impairment of Non-financial Assets

In assessing impairment, management estimates the recoverable amount of each asset or cash-generating units based on expected future cash flows and uses an interest rate to calculate the present value of those cash flows. Estimation uncertainty relates to assumptions about future operating results and the determination of a suitable discount rate (see Note 2.8).

Though management believes that the assumptions used in the estimation of fair values reflected in the financial statements are appropriate and reasonable, significant changes in those assumptions may materially affect the assessment of recoverable values and any resulting impairment loss could have a material adverse effect on the results of operations.

Impairment loss recognized on the Other Current Assets are discussed in Note 7.

4. RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company is exposed to certain financial risks in relation to financial instruments. The Company's financial assets and financial liabilities by category are summarized in Note 5. The main types of risks are credit risk and liquidity risk.

The Company's risk management is coordinated with the BOD and focuses on actively securing the Company's short to medium-term cash flows by minimizing the exposure to financial markets.

The Company does not engage in the trading of financial assets for speculative purposes nor does it write options. Following are the relevant financial risks to which the Company is exposed to:

4.1 Credit Risk

Credit risk is the risk that a counterparty may fail to discharge an obligation to the Company. The Company is exposed to this risk for certain financial instruments arising from placing deposits with banks and obtaining advances from related parties.

The Company continuously monitors defaults of counterparties, identified either individually or by group, and incorporates this information into its credit risk controls. The Company's policy is to deal only with creditworthy counterparties.

None of the Company's financial assets are secured by collateral or other credit enhancements, except for cash in banks as described below.

(a) Cash in Banks

The credit risk for cash in banks is considered negligible, since the counterparties are reputable banks with high quality external credit ratings. Cash in banks are insured by the Philippine Deposit Insurance Corporation up to a maximum coverage of P500,000 for every depositor per banking institution.

(b) Due from Related Parties

For due from related parties which all are repayable on demand, the Company uses a lifetime expected loss allowance. Accordingly, ECLs are based on the assumption that repayment of the advances or loans is demanded at the reporting date taking into consideration the historical defaults of the related parties. Management considers if the related party has sufficient accessible highly liquid assets in order to repay the loan if demanded at the reporting date. If the Company cannot immediately collect its receivables, management considers the expected manner of recovery to measure ECL. If the recovery strategies indicate that the outstanding balance of the receivables can be collected, the ECL is limited to the effect of discounting the amount due over the period until cash is realized, which may already be negligible. Management assessed that the outstanding receivables from related parties as at December 31, 2019 (nil as of December 31, 2020) are recoverable since its related parties were assessed to have capacity to pay the advances upon demand. Hence, no impairment is also necessary.

4.2 Liquidity Risk

The Company manages its liquidity needs by carefully monitoring cash outflows due in a day-to-day business. Liquidity needs are monitored in various time bands, on a day-to-day and week-to-week basis, as well as on the basis of a rolling 30-day projection. Long-term liquidity needs for a six-month and one-year period are identified monthly.

The Company maintains sufficient cash to meet its liquidity requirements for up to 60-day periods.

As at December 31, 2020 and 2019, the Company's maximum liquidity risk is the total carrying amounts of Accrued Expenses and Other Payables and Due to Related Parties accounts with maturities of within 6 months, which are shown as current liabilities in the statements of financial position.

5. CATEGORIES AND FAIR VALUE MEASUREMENT AND DISCLOSURES

5.1 Carrying Amounts and Fair Values by Category

The Company has no financial assets or financial liabilities carried at fair value nor does it have any financial instruments whose fair value is required to be disclosed. The carrying values of its financial assets and financial liabilities that are carried at amortized cost approximate or equal their fair values, accordingly, comparison of their fair values and carrying values is no longer presented.

5.2 Fair Value Hierarchy

In accordance with PFRS 13, *Fair Value Measurement*, the fair value of financial assets and financial liabilities and non-financial assets which are measured at fair value on a recurring or non-recurring basis and those assets and liabilities not measured at fair value but for which fair value is disclosed in accordance with other relevant PFRS, are categorized into three levels based on the significance of inputs used to measure the fair value.

The fair value hierarchy has the levels as follows.

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities that an entity can access at the measurement date;

- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and,

- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The level within which the asset or liability is classified is determined based on the lowest level of significant input to the fair value measurement.
For purposes of determining the market value at Level 1, a market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

When the Company uses valuation technique, it maximizes the use of observable market data where it is available and relies as little as possible on entity specific estimates. If all significant inputs required to determine the fair value of an instrument are observable, the instrument is included in Level 2. Otherwise, it is included in Level 3.

5.3 Financial Instruments Measured at Fair Value

As indicated in Note 5.1, the Company has no financial assets and liabilities measured at fair value as at December 31, 2020 and 2019.

5.4 Financial Instruments Measured at Amortized Cost for which Fair Value is Not Disclosed

As discussed in Note 5.1, carrying values of its financial instruments carried at amortized costs approximate or equal their fair values, hence comparison is no longer disclosed. Accordingly, the Company does not also present a fair value hierarchy. Nevertheless, its cash in banks can be categorized as Level 1 in the hierarchy of financial instruments while the rest of the financial instruments as Level 3.

6. **Cash in Bank**

Cash in bank, which pertains to demand deposits, amounts to Php 15,644,744 and Php 17,114,625 as of June 30, 2022 and December 31, 2021, respectively. It generally earns interest at rates based on daily bank deposit rates

7. **Prepayments and other Current Assets**

The composition of this account is shown below.

	Note	**June 30, 2022**	Dec. 31, 2021
Input taxes	11	**P 160,993**	P -
Advances subject for liquidation		**-**	-
		P 160,993	P -

8. **Interest-Bearing Loan**

The outstanding loan payable as of December 31, 2017 which bears an interest of 2.05% was paid in full on January 15, 2018. No additional loan was availed from 2019 to 2022.

9. **Other Income**

Other income includes:

	June 30, 2022	Dec. 31, 2021	Dec. 31, 2020
Unrealized foreign currency exchange gain	**P -**	P -	P -
Interest Income	**4,065**	289,062	779
Gain on reversal of payables	**-**	-	-
	P 4,065	P 289,062	P 779

10. **Expenses**

Details of the Company's expenses by nature are shown below.

	Notes	June 30, 2022	Dec. 31, 2021	Dec. 31, 2020
Professional fees		**P 352,928**	P 1,554,000	P 1,212,836
Taxes and licenses	16	**251,425**	983,874	279,747
Advertising			-	140,350
Others		**-**	-	-
Rent		**-**	-	-
Transportation and travel		**-**		
Communication		**-**	9,000	12,000
Printing and supplies		**600**	76,520	18,048
Bank Charges		**-**	2,200	-
Impairment due from related parties	12	**-**	-	-
Membership, association dues and fees		**-**	-	-
Salaries and wages		**-**	-	-
Representation and entertainment		**-**	-	-
Utilities		**-**	-	-
Impairment of prepaid royalties and input VAT		**-**	188,713	149,406
Loss on write of furniture, fixtures and equipment		**-**	-	-
Courier		**-**	42,096	-
Other Service Fees		**-**	-	472
		604,953	P 2,856,403	P 1,812,859

As discussed in Note 1, ZMC's application for mining exploration was denied in 2013. Consequently, the Company demanded for the full refund of its P50,000,000 prepaid royalties to ZMC. The prepaid royalties which have already been provided with 100% allowance for impairment remained unpaid in 2015 and management has made an assessment that collection of the said amount is remote. Accordingly, the Company wrote off the full amount of the prepaid royalties against the related allowance for impairment in 2015.

In 2015, the Company wrote off its remaining furniture, fixtures and equipment with a carrying amount of P83,800 and recognized the corresponding loss on write-off.

11. **Current and Deferred Taxes**

There is no tax expense reported in the statement of comprehensive income for the period ended June 30, 2022, and for the years ended December 31, 2021 and 2020 because the Company is in a tax loss position.

The components of deductible temporary differences and unused NOLCO for which no deferred income tax assets were recognized as of June 30, 2022 are as follows:

	June 30, 2022	Dec. 31, 2021	Dec. 31 ,2020
Allowance for probable losses	-	-	-
NOLCO	**604,953**	**2,394,429**	**1,663,453**
Allowance for doubtful accounts	-	-	-

Deferred income tax assets were not recognized as management believes that it is not probable that the Company would have sufficient future taxable profits against which deductible temporary differences and carry forward benefits of unused NOLCO could be utilized.

The details of the Company's unexpired NOLCO with their corresponding validity or availment periods are as follows:

Year Incurred	Amount	Expired	Balance as of December 31, 2019	Available Until
2021	₱ 2,394,429	-	₱ 2,394,429	2026
2020	₱ 1,663,453	-	₱ 1,663,453	2025
2019	₱ 3,695,063	-	₱ 3,695,093	2022
	₱ 7,752,945	₱-	₱ 7,752,945	

In accordance with Republic Act No. 11494, *Bayanihan to Recover as One Act*, NOLCO incurred in 2021 and 2020 can be claimed as a deduction from the gross income until 2026 and 2025, respectively.

Corporate Recovery and Tax Incentives for Enterprises Act (CREATE)

On March 26, 2021, (R.A. No. 11534), otherwise known as CREATE, was signed into law. Among the salient provisions of CREATE include changes to the Corporate Income Tax (CIT) as follows:

1. CIT rate shall be reduced to 25% beginning July 1, 2020 for domestic corporations and resident foreign corporations (RFCs) while January 1, 2021 to non-resident foreign corporations. Domestic corporations with net taxable income not exceeding P5 million and with total assets not exceeding P100 million, excluding land on which the particular business entity's office, plant and equipment are situated, are subject to 20% income tax.
2. Beginning July 1, 2020 until June 30, 2023:
   a. Temporary reduction on the income tax rate of proprietary educational institutions and hospitals to 1%.
   b. Temporary reduction of the minimum corporate income tax rate to 1% for domestic corporations and RFCs.
   c. Repeal of the optional CIT of 15% of gross income tax for domestic corporations and RFCs.

As at December 31, 2020, the CREATE Act was not considered as substantively enacted for financial reporting purposes. As such, the Company utilized the RCIT rate of 30%. For the year ended December 31, 2021, the CREATE Act is fully enacted and as a result, the Company utilized the RCIT rate of 25% for both financial and tax reporting purposes.

The Company is subject to minimum corporate income tax (MCIT), which is computed at 1% of gross income (2% of gross income – 2020 and 2019), as defined under the tax regulations or the regular corporate income tax, whichever is higher. No MCIT was reported for the years ended December 31, 2021, 2020 and 2019 as the Company did not earn revenue and other income is subject to MCIT.

The Company opted to claim itemized deduction in computing their income tax due in 2021, 2020 and 2019.

12. Related Party Transactions

Enterprises and individuals that directly, or indirectly through one or more intermediaries, control or are controlled by or under common control with the Company, including holding companies, subsidiaries and fellow subsidiaries, are related parties of the Company. Associates and individuals owning, directly or indirectly, an interest in the voting power of the Company that gives them significant influence over the enterprise, key management personnel, including directors and officers of the Company and close members of the family of these individuals, and companies associated with these individuals also constitute related parties. In considering each possible related entity relationship, attention is directed to the substance of the relationship and not merely the legal form.

The Company discloses the nature of the related party relationship and information about the transactions and outstanding balances necessary for an understanding of the potential effect of the relationship on the financial statements, including, as a minimum, the amount of outstanding balances and its terms and conditions including whether they are secured, and the nature of the consideration to be provided in settlement.

The Company entered into transactions with related parties principally consisting of noninterest-bearing intercompany advances to and from related parties.

In November 2021, a loan with principal amount of P93,750,000 and bearing interest of 2% annually was granted to iHoldings, Inc., a shareholder. The loan has a term of one (1) year and to be collected in cash and neither covered by any security nor collateral.

Interest income earned for the year ended December 31, 2021 amounted to P272,260.

13. Capital Stock

Capital stock as of June 30, 2022 and 2021 consists of:

	Shares		Amount	
	June 2022	June 2021	**June 2022**	June 2021
Capital Stock – P0.005 par value				
Authorized	**700,000,000**	700,000,000	**P 700,000,000**	P 700,000,000
Issued and	**199,825,000**	199,825,000	**P 199,825,000**	P 199,825,000
subscribed	**125,175,000**	125,275,000	**125,175,000**	125,175,000
Subscriptions receivable	-	-	**(116,668)**	(93,866,668)
	325,000,000	325,000,000	**P 324,883,332**	P 231,133,332

The following tables show the movements in the number of outstanding shares:

Issued and subscribed shares:	
At June 30, 2022	325,000,000
Issuance of capital stock	
At June 30, 2022	325,000,000

Listing with PSE

On November 23, 1959, the Company offered a portion of its stocks for listing with the PSE. The number of common shares registered was 25,345,216,000 with an issue price of P0.005. As of December 31, 2018, the number of holders of such securities is 3,307. The market price of the Company's shares as of December 31, 2018 is P0.0450. The total number of issued shares not listed with the PSE is P14,654,784,000 shares as at December 31, 2017 and 2016.

On June 21, 2011, pursuant to the approval by the BOD, a delinquency sales was held for all 14,654,784,000 delisted delinquent shares in accordance with the provisions of the Corporation Code of the Philippines and the Securities Regulation Code, the results of which were reported to the SEC and the PSE. This is the Company's confirmation of management's initiative to source funds. The delinquency sales was undertaken by the Company in its principal office and in the presence of a Notary Public. During the said auction, a total of 14,654,784,000 shares were bought by the winning bidders. Pursuant to the rules of the delinquency sales, payment of the winning bid shall be made on or before August 4, 2011. As of May 2, 2012, all winning bidders have fully paid their bids and have been issued certificates of stock. Presently, 25,345,216,000 common shares remain to be listed with the PSE while the remaining 14,654,784,000 delisted shares are in the process of relisting to the PSE.

The public auction of the delisted delinquent shares was ratified on October 16, 2015 during the Company's Annual Stockholders Meeting.

Capital Management Objectives, Policies and Procedures

The Company maintains a capital base to cover risk inherent in the business. The primary objective of the Company's capital management is to ensure that it maintains an adequate and strong capital base to support its business. Accordingly, management is currently working on getting fresh investments to revitalize the capital base of the Company (see Note 1).

The Company monitors capital on the basis of the carrying amount of equity as presented on the face of the statements of financial position. Capital for the reporting periods under review is summarized below.

		June 30, 2022	Dec. 31, 2021
			P
Total liabilities	P	**562,314**	1,270,314
Total equity		**109,265,683**	109,866,571

The Company sets the amount of capital in proportion to its overall financing structure, i.e., equity and financial liabilities. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets.

14. **Basic/Diluted Loss Per Share**

Basic/diluted loss per share is computed as follows:

	June 30, 2022	Dec 31, 2021	Dec 31, 2020
Net loss	**₱ 600,888**	₱ 2,567,341	₱ 1,812,081
Weighted average number of outstanding shares	**325,000,000**	325,000,000	325,000,000
Basic/diluted loss per share	**₱ (0.00184889)**	₱ (0.00789951)	₱ (0.005576)

The Company has no potentially dilutive common shares as of June 30, 2022, December 31, 2021 and December 31, 2020. Thus, the basic loss and diluted loss per share amounts are the same as of those dates.

15. **Financial Risk Management Policies and Objectives**

The Company's principal financial instruments pertain to cash in banks, due from and to related parties, and accrued expenses and other liabilities. These financial instruments arise directly from the Company's operations. The main purpose of these financial instruments is to fund the Company's administrative costs.

The main risks arising from the Company's financial instruments are credit risk and liquidity risk. The BOD reviews and agrees on certain policies for managing some of these risks as summarized below:

Credit Risk
Credit risk is the risk that the Company incurs a loss because its counterparties failed to discharge their contractual obligations. The Company manages and controls credit risk by setting limits on the amount of risk it is willing to accept for individual counterparties and by monitoring exposures to such limits. The Company has no significant concentration of credit risk with any single entity.

With respect to credit risk arising from financial assets, the Company's exposure to credit risk arises from default of the counterparty, with a maximum exposure equal to the carrying values of these instruments.

Cash in banks are classified as *High grade* since these are deposited and invested with reputable banks and can be withdrawn anytime.

High grade receivables pertain to those receivables from clients or customers that consistently pay before the maturity date. *Standard grade* includes receivables and advances that are collected on their due dates even without an effort from the Company to follow them up. *Past due and impaired* are those that are long-outstanding and have been provided with allowance for bad debts.

Liquidity Risk
Liquidity risk is the risk that the Company will not be able to meet its obligation when they fall due. To limit this risk, the Company's stockholders provide the necessary funds when the need arises.

Market Risk
Market risk is the risk of change in fair value of financial instruments from fluctuations in market interest rates (fair value interest rate risk), market prices (equity price risk) and foreign exchange rates (currency risk) whether such change in price is caused by factors specific to the individual instrument or its issuer or factors affecting all instruments traded in the market.

Fair value
The carrying amounts of cash in banks, due from and to related parties and accrued expenses and other liabilities approximate their fair values because of their short-term nature.

16. **Capital Management**

The Company maintains a capital base to cover risks inherent in the business. The primary objective of the Company's capital management is to ensure that it maintains an adequate and strong capital base to support its business. The Company manages its capital structure and makes adjustments to it, in light of changes in economic conditions and the risk characteristics of its activities.

No changes were made in the objectives, policies and processes from the previous year.

The capital considered by management is the same capital as those indicated in the equity section of the balance sheet.

17. **Operating Segment**

The Company is engaged in mineral exploration and considers such as its primary activity and only operating segment. The President, which is considered as the chief operating decision maker, monitors the operating results of the Company. The Company has only one geographical segment.

Net loss, total assets and total liabilities as of and for the period ended June 30, 2022, December 31, 2021 and December 31, 2020 are the same as reported elsewhere in the financial statements. Segment information for this operating segment is as follows:

	June 30, 2022	December 31, 2021	December 31, 2020
Net loss	**P 600,888**	P 2,567,341	P 1,812,081
Total assets	**109,827,997**	111,136,885	19,010,659
Total liabilities	**562,314**	1,270,314	326,747

SCHEDULE: AGING OF ACCOUNTS RECEIVABLE (1)
As of June 30, 2022

Description	Total	1 Mo	2-3 Mos	4-6 Mos	7 Mos to 1 Yr	1-2 Yrs	3-5 Yrs	5 Yrs-Above	Past Due accounts & Items in Litigation
a)Trade Receivables None (No commercial operation)	-								
b)Non-Trade Receivables 1)Advances to Related Parties Impairment/Write-off*	94,022,260				94,022,260				
Sub Total	-							-	
Less: Allow. for Doubtful Accounts Impairment/Write-off*									
Net Non-Trade Receivable	-							-	
NET RECEIVABLE (a + b)	94,022,260				94,022,260			-	

Pursuant to the requirements of the Securities Regulation Code, the issuer has duly caused this 17Q report to be signed on its behalf by the undersigned thereunto duly authorized in Manila on

___________________________________.

Pacifica, Inc.
Issuer

By:

WINGLIP K. CHANG
President & CEO

Maria Elena E. Pocong
Treasurer

ANNEX "G"
REQUIREMENTS AND PROCEDURE FOR PARTICIPATION BY REMOTE COMMUNICATION AND VOTING IN ABSENTIA

Pursuant to Sections 23 and 57 of the Revised Corporation Code and SEC Memorandum Circular No. 6, Series of 2020, the Corporation has set up a designated web address which may be accessed by the stockholders to participate and vote in absentia on the agenda items presented for resolution at the meeting. A stockholder who votes in absentia or who participating by remote communication shall be deemed present for purposes of quorum.

The following are the rules and procedures for the conduct of the meeting:

(i) Stockholders may attend the meeting remotely through Zoom (with links to be posted PA's website (the "Website"). Stockholders may send their questions or comments prior to the meeting by e-mail at info@pacifica.ph. The Company's electronic registration and voting system shall include a mechanism by which questions may be posted live during the meeting. The Company will endeavor to answer all questions submitted prior to and in the course of the meeting, or separately through the Company's Investor Relations Office.

(ii) Each of the Agenda items which will be presented for resolution will be shown on the screen during the live streaming as the same is taken up at the meeting.

(iii) Stockholders must notify the Company of their intention to participate in the meeting by remote communication to be included in determining quorum, together with the stockholders who voted in absentia and by proxy.

(iv) Voting shall only be allowed for stockholders registered in the Company's electronic registration and online-voting system at URL address: https://registration.pacifica.ph/ or through the Chairman of the meeting as proxy.

(v) All the items in the Agenda for the approval by the stockholders will need the affirmative vote of stockholders representing at least a majority of the issued and outstanding voting stock represented at the meeting.

(vi) Election of directors will be by plurality of votes and every stockholder will be entitled to cumulate his votes.

(vii) The Company's stock transfer agent and Corporate Secretary will tabulate and validate all votes received.