



**STATEMENT OF MANAGEMENT'S RESPONSIBILITY  
FOR FINANCIAL STATEMENTS**

The management of **Pacifica Holdings, Inc.** is responsible for the preparation and fair presentation of the financial statements including the schedules attached therein, for the years ended December 31, 2025 and 2024, in accordance with the prescribed financial reporting framework indicated therein, 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.

The Board of Directors (Trustees) is responsible for overseeing the Company's financial reporting process.

The Board of Directors (Trustees) reviews and approves the financial statements including the schedules attached therein, and submits the same to the stockholders or members.

Isla Lipana and Co., the independent auditor, appointed by the stockholders, has audited the financial statements of the company in accordance with Philippine Standards on Auditing, and in its report to the stockholders or members, has expressed its opinion on the fairness of presentation upon completion of such audit.

  
**WING LIP K. CHANG**  
Chairman of the Board

  
**WING LIP K. CHANG**  
Chief Executive Officer


  
**MARIA ELENA E. POCONG**  
Treasurer

APR 4 2026

**SUBSCRIBED AND SWORN** to before me \_\_\_\_\_ day of April 2026; affiant exhibiting to me his Passport No. P1906679B issued at DFA Cebu on June 10, 2019.

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Page No. 19  
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Series No. 2016



  
**ATTY. CAMILLE VICTORIA V. LAPE**  
Notary Public - City of Cebu  
Notarial Commission No. 090-22 until Dec. 31, 2027  
Roll of Attorney's No. 76994  
IBP No. 556721; October 28, 2025- for 2026 Cebu Province  
PTR No. 2964618; November 20, 2025- For 2026 Cebu City  
MCLE Compliance No. VII-0016037  
Rm. 302, 8990 Bldg., Negros St., Cebu Business Park, Cebu City



## 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 Audits 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, 2025 and 2024, and its financial performance and its cash flows for each of the three years in the period ended December 31, 2025 in accordance with Philippine Financial Reporting Standards (PFRS) Accounting Standards.

#### What we have audited

The financial statements of the Company comprise:

- the statements of financial position as at December 31, 2025 and 2024;
- the statements of total comprehensive income for each of the three years in the period ended December 31, 2025;
- the statements of changes in equity for each of the three years in the period ended December 31, 2025;
- the statements of cash flows for each of the three years in the period ended December 31, 2025; and
- the notes to the financial statements, comprising material accounting policy information and other explanatory information.

Isla Lipana & Co., 29th Floor, AIA Tower, 8767 Paseo de Roxas,  
1226 Makati City, Philippines  
+63 (2) 8845 2728

### **Basis for Opinion**

We conducted our audits 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), as applicable to audits of financial statements of public interest entities, together with the ethical requirements that are relevant to our audits of the financial statements of public interest entities in the Philippines. We have also 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 or 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 or 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 audits 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.

When we read SEC Form 20-IS (Definitive Information Statement) and SEC Form 17-A or Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

## **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 Accounting Standards, 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 Audits 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, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audits of the financial statements of the current period 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.

### **Report on the Bureau of Internal Revenue (BIR) Requirement**

Our audits were 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 BIR 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 audits 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.

Independent Auditor's Report  
To the Board of Directors and Shareholders of  
Pacifica Holdings, Inc.  
Page 7

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

**Isla Lipana & Co.**



Paul Chester U. See

Partner

CPA Cert. No. 104941

P.T.R. No. 0011425; issued on January 8, 2026 at Makati City

SEC A.N. (individual) as general auditors 1518-AR-1, 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 2025 financial statements

T.I.N. 202-215-515

BIR A.N. 08-000745-122-2024; issued on February 13, 2024; effective until February 12, 2027

BOA/PRC Reg. No. 0142/P-010, effective until November 14, 2028

Makati City

April 29, 2026



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 accompanying financial statements of Pacifica Holdings, Inc. (the "Company") as at December 31, 2025 and 2024 and for each of the three years in the period ended December 31, 2025, on which we have rendered the attached report dated April 29, 2026. The supplementary information shown in the 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, and Schedules A, B, C, D, E, F and G, as additional components required by the Revised 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 the management and has been subjected to auditing procedures applied in the audits of the basic financial statements. In our opinion, the supplementary information has been prepared in accordance with the Revised Rule 68 of the SRC.

**Isla Lipana & Co.**

Paul Chester U. See

Partner

CPA Cert. No. 104941

P.T.R. No. 0011425; issued on January 8, 2026 at Makati City

SEC A.N. (individual) as general auditors 1518-AR-1, 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 2025 financial statements

T.I.N. 202-215-515

BIR A.N. 08-000745-122-2024; issued on February 13, 2024; effective until February 12, 2027

BOA/PRC Reg. No. 0142/P-010, effective until November 14, 2028

Makati City

April 29, 2026

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## 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 December 31, 2025 and 2024 and for each of the three years in the period ended December 31, 2025, and have issued our report thereon dated April 29, 2026. Our audits were 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) Accounting Standards 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 Accounting Standards. The components of these financial soundness indicators have been traced to the Company's financial statements as at December 31, 2025 and 2024 and for each of the three years in the period ended December 31, 2025 and no material exceptions were noted.

**Isla Lipana & Co.**

Paul Chester U. See

Partner

CPA Cert. No. 104941

P.T.R. No. 0011425; issued on January 8, 2026 at Makati City

SEC A.N. (individual) as general auditors 1518-AR-1, 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 2025 financial statements

T.I.N. 202-215-515

BIR A.N. 08-000745-122-2024; issued on February 13, 2024; effective until February 12, 2027

BOA/PRC Reg. No. 0142/P-010, effective until November 14, 2028

Makati City

April 29, 2026

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

Statements of Financial Position  
As at December 31, 2025 and 2024  
(All amounts in Philippine Peso)

	Notes	2025	2024
<b>Assets</b>			
<b>Current assets</b>			
Cash in banks	2	3,810,623	6,028,883
Due from a related party	8	101,522,260	99,647,260
<b>Total assets</b>		<b>105,332,883</b>	<b>105,676,143</b>
<b>Liabilities and Equity</b>			
<b>Current liabilities</b>			
Accrued expenses	4	2,136,567	2,154,321
<b>Equity</b>			
Capital stock	9	324,883,332	324,883,332
Additional paid-in capital	9	10,163,756	10,163,756
Deficit		(231,850,772)	(231,525,266)
<b>Total equity</b>		<b>103,196,316</b>	<b>103,521,822</b>
<b>Total liabilities and equity</b>		<b>105,332,883</b>	<b>105,676,143</b>

The notes on pages 1 to 18 are integral part of these financial statements.

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

Statements of Total Comprehensive Income  
For each of the three years in the period ended December 31, 2025  
(All amounts in Philippine Peso)

	<b>Notes</b>	<b>2025</b>	<b>2024</b>	<b>2023</b>
Operating expenses	5	2,202,802	6,316,331	3,508,566
Finance income	6	(1,877,296)	(1,879,637)	(1,881,346)
<b>Loss before tax</b>		325,506	4,436,694	1,627,220
Income tax expense	7	-	-	-
<b>Net loss for the year</b>		325,506	4,436,694	1,627,220
<b>Other comprehensive income</b>		-	-	-
<b>Total comprehensive loss for the year</b>		325,506	4,436,694	1,627,220
<b>Loss per share</b>				
Basic and diluted loss per share	10	0.00100	0.01365	0.00501

The notes on pages 1 to 18 are integral part of these financial statements.

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

Statements of Changes in Equity  
For each of the three years in the period ended December 31, 2025  
(All amounts in Philippine Peso)

	<b>Capital stock (Note 9)</b>	<b>Additional paid-in capital (Note 9)</b>	<b>Deficit</b>	<b>Total</b>
<b>Balances at January 1, 2023</b>	324,883,332	10,163,756	(225,461,352)	109,585,736
Total comprehensive loss for the year	-	-	(1,627,220)	(1,627,220)
<b>Balances at December 31, 2023</b>	324,883,332	10,163,756	(227,088,572)	107,958,516
Total comprehensive loss for the year	-	-	(4,436,694)	(4,436,694)
<b>Balances at December 31, 2024</b>	324,883,332	10,163,756	(231,525,266)	103,521,822
Total comprehensive loss for the year	-	-	(325,506)	(325,506)
<b>Balances at December 31, 2025</b>	324,883,332	10,163,756	(231,850,772)	103,196,316

The notes on pages 1 to 18 are integral part of these financial statements.

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

Statements of Cash Flows  
For each of the three years in the period ended December 31, 2025  
(All amounts in Philippine Peso)

	Notes	2025	2024	2023
<b>Cash flows from operating activities</b>				
Loss before income tax		(325,506)	(4,436,694)	(1,627,220)
Adjustments for:				
Finance income	6	(1,877,296)	(1,879,637)	(1,881,346)
Impairment of input value added tax (VAT)	5	211,495	526,415	215,163
Operating cash flows before working capital changes		(1,991,307)	(5,789,916)	(3,293,403)
Increase in other current assets		(211,495)	(285,070)	(215,163)
(Decrease) Increase in accrued expenses		(17,754)	526,602	438,487
Net cash used in operations		(2,220,556)	(5,548,384)	(3,070,079)
<b>Cash flows from investing activity</b>				
Interest received	2	2,296	4,637	6,346
Net decrease in cash in banks		(2,218,260)	(5,543,747)	(3,063,733)
Cash in banks at January 1		6,028,883	11,572,630	14,636,363
<b>Cash in banks at December 31</b>	2	<b>3,810,623</b>	<b>6,028,883</b>	<b>11,572,630</b>

The notes on pages 1 to 18 are integral part of these financial statements.

## **Pacifica Holdings, Inc.**

(A subsidiary of Unido Capital Holdings, Inc.)

### Notes to the Financial Statements

As at December 31, 2025 and 2024 and for each of the three years in the period ended December 31, 2025

(In the notes, all amounts are shown in Philippine Peso, unless otherwise stated)

## **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, 2025, 2024 and 2023 (Note 9). UCHI currently conducts business as an investment holding company. Management continues to evaluate potential business opportunities and strategic options for the Company. Considering the prevailing market conditions and the Company's current circumstances, management has adopted a measured and disciplined approach in considering new initiatives. Management remains focused on maintaining financial prudence while continuing to monitor developments that may support the Company's future activities.

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) 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 29, 2026.

## **2 Cash in banks**

Cash in banks, which pertain to demand and savings deposits, amounts to P3,810,623 and P6,028,883 as at December 31, 2025 and 2024, respectively. Cash in banks generally earn interest based on prevailing bank deposit rates, which amounted to P2,296, P4,637 and P6,346 for 2025, 2024, and 2023, respectively, and is presented as part of finance income in the statements of total comprehensive income (Note 6).

### 3 Other current assets, net

Other current assets, net as at December 31 consist of:

	2025	2024
Input value added tax (VAT)	1,631,703	1,420,208
Less: Allowance for impairment	(1,631,703)	(1,420,208)
	-	-

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

	Note	2025	2024
Beginning balance		1,420,208	893,793
Impairment during the year	5	211,495	526,415
Ending balance		1,631,703	1,420,208

### 4 Accrued expenses

Accrued expenses mainly represent accrued professional fees for legal and audit services amounting to P2,316,567 as at December 31, 2025 (2024 - P2,154,321).

### 5 Operating expenses

Operating expenses for the years ended December 31 consist of:

	Note	2025	2024	2023
Professional fees		1,457,657	4,320,731	1,913,507
Taxes and licenses		276,986	1,112,370	1,028,740
Impairment of input VAT	3	211,495	526,415	215,163
Advertising		155,350	155,350	155,350
Communication		93,000	101,500	83,500
Printing		8,314	58,276	56,384
Transportation and travel		-	-	6,864
Others		-	41,689	49,058
		2,202,802	6,316,331	3,508,566

### 6 Finance income

Finance income for the years ended December 31 consist of:

	Notes	2025	2024	2023
Interest income from loans receivable from a related party	8	1,875,000	1,875,000	1,875,000
Interest income from banks	2	2,296	4,637	6,346
		1,877,296	1,879,637	1,881,346

### 7 Income taxes

There is no tax expense reported in the statements of total comprehensive income for the years ended December 31, 2025, 2024 and 2023 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 P1,961,014 and P2,360,008 as at December 31, 2025 and 2024, 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	2025	2024
2020	2025	1,663,453	1,663,453
2021	2026	2,394,429	2,394,429
2022	2025	48,831	48,831
2023	2026	1,418,402	1,418,402
2024	2027	3,914,917	3,914,917
2025	2028	116,307	-
Total		9,556,339	9,440,032
Expired during the year		(1,712,284)	-
		7,844,055	9,440,032
Tax rate		25%	25%
		1,961,014	2,360,008

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.

The Company opted to claim itemized deductions in computing its income tax due for 2025, 2024 and 2023.

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:

	2025	2024	2023
Tax on pretax loss at 25% statutory tax rate	(81,377)	(1,109,174)	(406,805)
Income tax effects of:			
Unrecognized deferred income tax asset on NOLCO	29,077	978,729	354,601
Non-deductible expenses	52,874	131,604	53,791
Non-taxable income	(574)	(1,159)	(1,587)
	-	-	-

## 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:

	Note	Transactions			Outstanding balance Receivables	
		2025	2024	2023	2025	2024
Shareholders						
Loans receivable						
Principal	(a)	-	-	-	93,750,000	93,750,000
Interest income	(a)	1,875,000	1,875,000	1,875,000	7,772,260	5,897,260
					101,522,260	99,647,260

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.

The Company ensures that it adheres with the related party transactions policy and all other relevant laws, rules and regulations, as may be applicable, in the review, approval and disclosure of related party transactions. Any material related party transactions shall be subject to reviews and approval of the BOD and management. For the three years ended December 31, 2025, 2024 and 2023, the Company has not made any provisions for doubtful accounts relating to amounts owed by a related party because of strong financial condition of concerned party. This assessment is undertaken each financial year through examination of the financial position of the related party involved and the market in which each operates.

*(a) 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 and an entity under common control. The loan has a term of one (1) year which is still subject for renewal and to be collected in cash and are neither covered by any security nor collateral. In 2024, both parties agreed to extend the loan agreement for another one year, respectively. In December 2024, the loan agreement was further extended for another year, with a maturity date of December 22, 2025. During 2025, the loan agreement was extended for another year, with a maturity of December 6, 2026.

Interest income earned for the years ended December 31, 2025, 2024 and 2023 amounted to P1,875,000 (Note 6).

*(b) 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, 2025, 2024 and 2023.

**9 Equity**

*(a) Capital stock*

The Company's capital stock as at December 31, 2025 and 2024 consists of:

	Shares	Amount
Common shares - P1 par value		
Authorized	700,000,000	700,000,000
Issued	199,825,000	199,825,000
Subscribed	125,175,000	125,175,000
Total issued and outstanding	325,000,000	325,000,000

As at December 31, 2025 and 2024 the outstanding subscriptions receivable amounted to P116,668. There were no collections during the year ended December 31, 2025 and 2024.

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. Collections 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, 2025 and 2024, the number of holders of such securities is 3,293. As at reporting date, the Company has 3,163 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, 2025 and 2024 is P1.00 and P1.60, respectively. The total number of issued shares not listed with the PSE is 198,273,920 as at December 31, 2025 and 2024.

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, 2025 and 2024, 324,784,500 common shares of the Company remain listed with the PSE while the remaining 215,500 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.

**10 Loss per share**

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

	2025	2024	2023
Net loss	325,506	4,436,694	1,627,220
Weighted average number of outstanding shares	325,000,000	325,000,000	325,000,000
Basic and diluted loss per share	0.00100	0.01365	0.00501

The Company has no potentially dilutive common shares as at December 31, 2025, 2024 and 2023. Therefore, basic and diluted loss per share is the same.

**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, 2025 and 2024, 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.

## **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.

##### *(i) 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.

##### *(ii) 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	2025	2024
Cash in banks	2	3,810,623	6,028,883
Due from a related party	8	101,522,260	99,647,260
		105,332,883	105,676,143

### **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 P101.52 million as at December 31, 2025 (2024 - P99.65 million) 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, 2025 and 2024, the Company's maximum liquidity risk is the total carrying amounts of accrued expenses (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, 2025 and 2024.

Capital as at December 31 is summarized below.

	2025	2024
Total liabilities	2,136,567	2,154,321
Equity	103,196,316	103,521,822
Debt-to-equity ratio	0.02:1:00	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, 2025 and 2024. The Company's financial assets and liabilities relate to cash in banks (Note 2), due from a related party (Note 8), and accrued expenses (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, 2025 and 2024, the Company does not have financial instruments that are measured using the fair value hierarchy.

## 13 Critical accounting estimates and assumptions and judgments

The preparation of the financial statements in conformity with Philippine Financial Reporting Standards (PFRS) Accounting Standards 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 non-financial assets which mainly consist of input VAT and advances to third party, 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, 2025 and 2024, the deferred income 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 P1,631,703 as at December 31, 2025 (2024 - P1,420,208) 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.

*(c) Going concern assumption*

In preparing its financial statements, the management makes an objective assessment of the Company's ability to continue as a going concern.

The execution of management's plans described in Note 1 is ongoing and there have been no indications of the cessation of business operations. The management has assessed that the use of going concern assumption as at December 31, 2025 and 2024 is appropriate.

## **14 Summary of material accounting policies**

The material 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 Philippine Financial Reporting Standards (PFRS) Accounting Standards. PFRS Accounting Standards comprise the following authoritative literature:

- PFRS Accounting Standards,
- PAS Standards, and
- Interpretations issued by the International Financial Reporting Interpretations Committee (IFRIC), Philippine Interpretations Committee (PIC), and Standing Interpretations Committee (SIC) as approved by the Financial and Sustainability Reporting Standards Council (FSRSC) and the Board of Accountancy and adopted by the Securities and Exchange Commission (SEC).

The financial statements have been prepared under the historical cost convention.

The Company does not qualify for PFRS for small and medium-sized entities (SME) Accounting Standard even if it met the threshold criteria of having total assets of more than P100 million to P350 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 the financial statements in conformity with PFRS Accounting Standards requires the use of certain critical accounting estimates. It also requires management to exercise judgment in the process of applying the Company's accounting policies. The areas involving higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 13.

## Changes in accounting policies and disclosures

### (a) *New standards, and amendments and interpretations to existing standards adopted*

The Company has applied the following amendments for the first time for its annual reporting period commencing January 1, 2025:

- *Lack of Exchangeability - Amendments to IAS 21, 'The Effects of Changes in Foreign Exchange Rates'*

The standard amended IAS 21 to add requirements to help entities to determine whether a currency is exchangeable into another currency, and the spot exchange rate to use where it is not. Prior to these amendments, IAS 21 set out the exchange rate to use when exchangeability is temporarily lacking, but not what to do when lack of exchangeability is not temporary. These new requirements apply for annual reporting periods beginning on or after January 1, 2025. Early application is permitted (subject to any endorsement process).

The Company determined that the amendments did not have a material impact on the Company's financial statements.

There are no new standards, and interpretations, and other amendments to existing standards effective January 1, 2025, that are considered to be relevant or have a material impact on the financial statements.

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

Certain new accounting standards, and amendments and interpretations to accounting standards have been published that are not mandatory for December 31, 2025 reporting periods and have not been early adopted by the Company. The Company's assessment of the impact of those that are relevant are set out below:

- PFRS 18, *Presentation and Disclosure in Financial Statements* (effective for annual periods beginning on or after January 1, 2027)

PFRS 18 will replace PAS 1, *Presentation of financial statements*, introducing new requirements that will help to achieve comparability of the financial performance of similar entities and provide more relevant information and transparency to users. Even though PFRS 18 will not impact the recognition or measurement of items in the financial statements, its impacts on presentation and disclosure are expected to be pervasive, in particular those related to the statement of financial performance and providing management-defined performance measures within the financial statements.

Management is currently assessing the detailed implications of applying the new standard on the Company's financial statements. From the high-level preliminary assessment performed, the following potential impacts have been identified:

- Although the adoption of PFRS 18 will have no impact on the company's net profit, the Company expects that grouping items of income and expenses in the statement of total comprehensive income into the new categories will impact how operating profit is calculated and reported. From the high-level impact assessment that the Company has performed, the foreign exchange differences is not expected potentially impact the operating profit.
- The line items presented on the primary financial statements might change as a result of the application of the concept of 'useful structured summary' and the enhanced principles on aggregation and disaggregation.

- The Company does not expect there to be a significant change in the information that is currently disclosed in the notes because the requirement to disclose material information remains unchanged; however, the way in which the information is grouped might change as a result of the aggregation/disaggregation principles. In addition, there will be significant new disclosures required for:
  - management-defined performance measures;
  - a break-down of the nature of expenses for line items presented by function in the operating category of the statement of total comprehensive income - this break-down is only required for certain nature expenses; and
  - for the first annual period of application of PFRS 18, a reconciliation for each line item in the statement of profit or loss between the restated amounts presented by applying PFRS 18 and the amounts previously presented applying PAS 1.
- From a cash flow statement perspective, there will be changes to how interest received and interest paid are presented. Interest paid will be presented as financing cash flows and interest received as investing cash flows, which is a change from current presentation as part of operating cash flows.

The Company will apply the new standard from its mandatory effective date of January 1, 2027. Retrospective application is required, and so the comparative information for the financial year ending December 31, 2026 will be restated in accordance with PFRS 18.

There are no other new standards, and interpretations and other amendments to existing standards effective after December 31, 2025, that are considered to be relevant or expected to have a material impact on the financial statements.

## **14.2 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.

### **Financial assets**

#### *(a) Classification*

The Company classifies its financial assets as those measured at amortized cost.

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 as a separate line item in the statement of total comprehensive income when material.

The classification depends on an entity's business model for managing its financial assets and the contractual terms of the cash flows.

#### *(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 at initial recognition as other financial liabilities, where the substance of the contractual arrangement results in the Company having an obligation 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

### *(b) Recognition and measurement*

#### *(i) Initial recognition*

Other financial liabilities 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, 2025 and 2024.

## **14.3 Fair value measurement**

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

The Company does not hold financial and non-financial assets and liabilities that are measured using the fair value hierarchy as at December 31, 2025 and 2024.

## **14.4 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.

Advances which are composed of advances to third-party service providers or suppliers are initially recorded at fair value. These amounts are recorded without the objective to collect the contractual cash flows and are subject to regular liquidation process.

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.

#### **14.5 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.

#### **14.6 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.

## **14.7 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.

## **14.8 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.

## **14.9 Current and deferred income tax**

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 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.

## **14.10 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.

## **14.11 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. Since the Company is operating as a holding entity (Note 1), the Company has no business segments.

## **14.12 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.

## **14.13 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.

## 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 2025 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, 2025 follow:

	Amount
January 1	1,420,208
Add: Current year's domestic purchases of services	211,495
December 31	1,631,703

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

### (c) Importations

The Company did not have importations during the year ended December 31, 2025.

### (d) Excise tax

There were no transactions subject to excise tax for the year ended December 31, 2025.

### (e) Documentary stamp tax

The Company is not required to pay documentary stamp taxes for the year ended December 31, 2025.

### (f) All other local and national taxes

All other local and national taxes paid for the year ended December 31, 2025 consist of:

	Amount
Annual listing and filing fees	261,480
Business and local taxes	5,089
Annual registration fee	7,500
Others	2,917
	276,986

### (g) Withholding taxes

The Company does not have transactions during the year ended December 31, 2025 that were subject to expanded and final withholding taxes.

### (h) Tax assessments and tax cases

As at December 31, 2025, 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, 2025

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, 2025

Name of issuing entity and association 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			
BDO Unibank, Inc.	3,616,710	3,616,710	2,296
China Banking Corporation	99,771	99,771	-
Metropolitan Bank & Trust Co.	94,142	94,142	-
	3,810,623	3,810,623	2,296
Due from a related party			
iHoldings, Inc.	93,750,000	101,522,260	7,772,260
	97,560,623	105,332,883	7,774,556

**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, 2025

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.	99,647,260	1,875,000	-	-	101,522,260	-	101,522,260
Total receivables from related party	99,647,260	1,875,000	-	-	101,522,260	-	101,522,260

\*As required by Revised 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, 2025.



**Pacifica Holdings, Inc.**

(A subsidiary of Unido Capital Holdings, Inc.)

Schedule D - Long Term Debt

As at December 31, 2025

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.**

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Schedule E - Indebtedness to Related Parties (Long-Term Loans from Related Companies)

As at December 31, 2025

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, 2025

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.**

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Schedule G - Capital stock

As at December 31, 2025

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.**  
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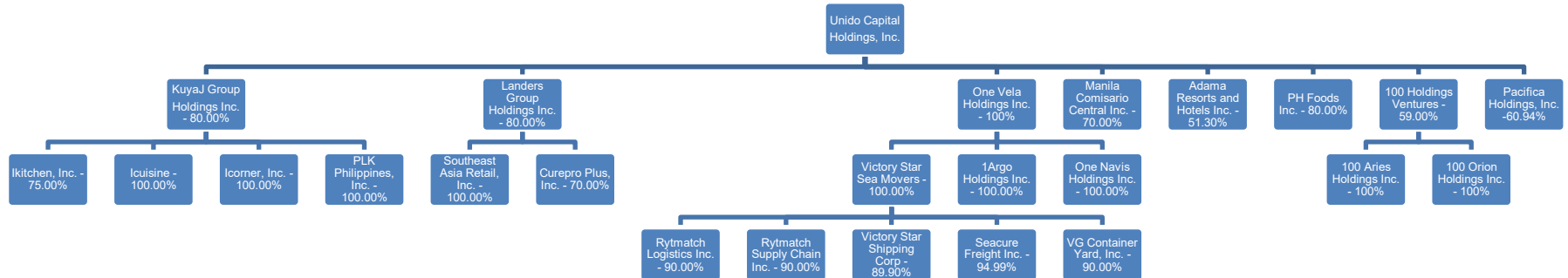
Reconciliation of Retained Earnings Available for Dividend Declaration  
As at December 31, 2025  
(All amounts in Philippine Peso)

The Company has a deficit as at December 31, 2025. Presented below is an analysis of the deficit for the purposes of this reconciliation requirement.

<b>Unappropriated Retained Earnings (Deficit) at January 1, 2025</b>		<b>(231,525,266)</b>
Add:	Category A: Items that are directly credited to Unappropriated retained earnings	
	Reversal of Retained earnings appropriations	-
	Realized gain on sale of financial assets through other comprehensive income	-
	Remeasurement loss on retirement benefit obligation	-
Less:	Category B: Items that are directly debited to Unappropriated retained earnings	
	Dividend declaration during the reporting period	-
	Retained earnings appropriated during the reporting period	-
<b>Unappropriated Retained Earnings, as adjusted</b>		<b>(231,525,266)</b>
<b>Add/Less: Net Income (loss) for the current year/period</b>		<b>(325,506)</b>
Less:	Category C.1: Unrealized income recognized in the profit or loss during the year/period (net of tax)	-
	Unrealized foreign exchange gain, except those attributable to cash and cash equivalents	-
	Unrealized fair value adjustment of financial assets at fair value through profit or loss (FVTPL)	-
	Unrealized gain on derivatives	-
	Unrealized gain on fair value of investments held for trading	-
Add:	Category C.2: Unrealized income recognized in the profit or loss in prior reporting periods but realized in the current reporting period (net of tax)	-
	Realized foreign exchange gain, except those attributable to Cash and cash equivalents	-
Add:	Category C.3: Unrealized income recognized in profit or loss in prior periods but reversed in the current reporting period (net of tax)	-
Adjusted net income/loss		(325,506)
Add:	Category D: Non-actual losses recognized in profit or loss during the reporting period (net of tax)	-
Add/Less:	Category E: Adjustments related to relief granted by the SEC and BSP	-
Add/Less:	Category F: Other items that should be excluded from the determination of the amount of available for dividends distribution	
	Net movement of treasury shares (except for reacquisition of redeemable shares)	-
	Net movement of deferred tax asset not considered in the reconciling items under the previous categories	-
	Net movement in deferred tax asset and deferred tax liabilities related to same transaction, e.g., set up of right of use of asset and lease liability, set-up of asset and asset retirement obligation, and set-up of service concession asset and concession payable	-
	Adjustment due to deviation from PFRS/GAAP - gain (loss)	-
	Others (describe nature)	-
<b>Adjusted net income (loss)</b>		<b>(325,506)</b>
<b>Total Retained Earnings (Deficit), end of the year available for dividend declaration</b>		<b>(231,850,772)</b>

**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, 2025



**Pacifica Holdings, Inc.**  
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Schedule of Financial Soundness Indicator  
As at and for the years ended December 31, 2025 and 2024

	Formula	2025	Formula	2024
Current ratio <sup>1</sup>		49.30		49.05
Total current assets	105,332,883		105,676,143	
Divide by: Total current liabilities	2,136,567		2,154,321	
Current ratio			49.05	
Acid test ratio <sup>2</sup>		49.05		49.05
Total current assets	105,332,883		105,676,143	
Less: Inventories	-		-	
Other current assets	-		-	
Quick assets	105,332,883		105,676,143	
Divide by: Total current liabilities	2,136,567		2,154,321	
Acid test ratio	49.05		49.05	
Solvency ratio <sup>3</sup>		0.02		0.02
Total Liabilities	2,136,567		2,154,321	
Divide by: Total assets	105,332,883		105,676,143	
Solvency ratio	0.02		0.02	
Debt-to-equity ratio <sup>4</sup>		0.02		0.02
Total liabilities	2,136,567		2,154,321	
Divide by: Total equity	103,196,316		103,521,822	
Debt-to-equity ratio	0.02		0.02	
Asset-to-equity ratio <sup>5</sup>		1.02		1.02
Total assets	105,332,883		105,676,143	
Divide by: Total equity	103,196,316		103,521,822	
Assets-to-equity ratio	1.02		1.02	
Interest rate coverage ratio <sup>6*</sup>		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 <sup>7*</sup>		N/A		N/A
Net profit	-		-	
Divide by: Total equity	-		-	
Return on equity	N/A		N/A	
Return on assets <sup>8*</sup>		N/A		N/A
Net profit	-		-	
Divide by: Total assets	-		-	
Return on assets	N/A		N/A	
Net profit margin <sup>9*</sup>		N/A		N/A
Net profit	-		-	
Divide by: Total revenue	-		-	
Net profit margin	N/A		N/A	
Loss per share (Php) <sup>10</sup>				0.01365
Net loss	325,506		4,436,694	
Divide by: Weighted average number of outstanding shares	325,000,000		325,000,000	
Loss per share (Php)	0.00100		0.01365	

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

<sup>1</sup> Current assets/Current liabilities

<sup>2</sup> Quick assets (Current assets less inventories and other current assets)/Current liabilities

<sup>3</sup> Total liabilities/Total assets

<sup>4</sup> Total liabilities/ Total equity

<sup>5</sup> Total assets/ Total equity

<sup>6</sup> Earnings before interest and taxes/Interest expense

<sup>7</sup> Net income attributable to owners of the Company/Average total equity

<sup>8</sup> Net income attributable to owners of the Company/Average total assets

<sup>9</sup> Net income/Revenue

<sup>10</sup> Net loss attributable to ordinary equity holders of the Company/Weighted average number of ordinary shares

**Pacifica Holdings, Inc.**  
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Supplementary Schedule of External Auditor Fee-Related Information  
For the years ended December 31, 2025 and 2024  
(All amounts in Philippine Peso)

	Current Year	Prior Year
Total audit fees	560,000	545,000
Non-audit services fees:		
Other assurance services	-	-
Tax services	-	-
All other services	-	-
Total non-audit fees	-	-
Total audit and non-audit fees	560,000	545,000

*Audit and non-audit fees of other related entities*

	Current Year	Prior Year
Audit fees	-	-
Non-audit services fees:		
Other assurance services	-	-
Tax services	-	-
All other services	-	-
Total audit and non-audit fees of other related entities	-	-