SEC NUMBER 013039
FILE NUMBER ________
PSE CODE ________

PACIFICA HOLDINGS, INC.
Company's Full Name

China Bank 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-A
Form Type

____
Amendment Designation (If Applicable)

December 31, 2020
Period Ended Date

____
Secondary License Type and File Number

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-A

ANNUAL REPORT PURSUANT TO SECTION 17 OF THE SECURITIES REGULATION CODE AND SECTION 141 OF THE CORPORATION CODE OF THE PHILIPPINES

1. For the fiscal year ended: **31 December 2020**

2. SEC Identification Number: **013039** 3. BIR Tax ID No.: **000-484-693V**

4. Exact Name of Issuer as specified in its charter: **PACIFICA HOLDINGS, INC.**

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

6. (SEC Use only)
Industry Classification Code:

7. **China Bank Corporate Center, Lot 2, Samar Loop corner Road 5, Cebu Business Park, Mabolo, Cebu City**
Address of principal office

8. **(632) 637 8851**
Issuer's telephone number, including area code

9. **Not applicable**
Former name, former address, and former fiscal year, if changed since last report.

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

Title of Each Class	Number of Shares of Common Stock Outstanding
Common Shares	**325,000,000 as of 31 December 2020**

11. Are any or all of these securities listed on the Philippine Stock Exchange?
Yes [✓] No [ ]

12. Check whether the Issuer:

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

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

13. Aggregate market value of voting stock held by non-affiliates:
PHP259,391,100 as of 4 June 2021.

PART I – BUSINESS AND GENERAL INFORMATION

Item 1. Business

Business Development.

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

In 2007, the Company redirected its business focus to exploration, operation, management, and marketing of mining claims. Pursuant thereto, the Securities and Exchange Commission ("SEC") on approved its Amended Articles of Incorporation on 31 August 2007, reverting 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.

Business of Issuer

After the Company 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 14 August 2009, it was approved that the Company enter into an Operating Agreement with Zam-Iron Mining Corporation ("Zam-Iron"), granting the Company 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 Company would pay Zam-Iron royalties at a stipulated price. The loan of Php50 million extended by the Company to Zam-Iron on 2 January 2008 was applied as advanced royalty payments. Moreover, Management is continuously looking for mining opportunities and negotiating for possible investors and technical partners.

The Company 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 Company has not closed its doors to business opportunities in power-related activities.

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 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 its 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 ("MOA") signed on 2 January 2008 and the 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.

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

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

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

(b) 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 secondary purposes, and (iii) to align such secondary purposes to the business of the Company as a holding company;

(c) amendment of the Third Article to change the principal address of the Company 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 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.

As of the date hereof, the Company has not commenced commercial operations. However, it remains optimistic and steadfast in all its endeavors.

Products/Sales/Competition.

The Company has not engaged in the production or sale of any product for the past years nor has it competed with other entities.

Transactions with and/or Dependence on Related Parties.

The information required is disclosed in Note 12 of the Company's 2020 Audited Financial Statements ("AFS").

Patents, Trademarks, Copyrights, Licenses, Franchises, Concessions, and Royalty Agreements.

The Company does not possess any patents, trademarks, copyrights, franchises, concessions, and royalty agreements.

Government Regulations and Approvals.

The Company will comply with governmental regulations and seek approval from government agencies regulating its operations. At present, the Company has no commercial operation yet. Effects of existing government regulations are mainly corresponding costs of compliance to the Company, which can be taken up as expense or capital asset under generally accepted accounting principles. The effect on the Company of any probable government regulation could not be determined until specific provisions are known.

Costs and Effects of Compliance with Environmental Laws.

The Company will be committed to protecting and, whenever possible, enhancing the environment. There is presently no clear basis for the estimate of costs and effects of compliance with environmental laws. These matters will be properly addressed once the Company commences commercial operations.

Employees.

The Company currently has one (1) employee and might hire additional employees in the next twelve (12) months as the need arises. There is no existing Collective Bargaining Agreement. There have been no strikes in the past three (3) years, nor is there any threat of strike. No additional supplemental benefits or incentive arrangements exist with the Company's employees, nor are there any benefits or incentive arrangements contemplated for the next twelve (12) months.

Major Risks.

While the Company is still in the process of evaluating viable investment opportunities, the management has started to scan the events and trends in different industries in order to identify and assess opportunities and risks that may affect the Company in the future. It also tries to assess possible internal risks and weaknesses in its future operations and develops the necessary management strategies to combat these risks or minimize their possible effect to the Company. The major risks the Company anticipates are as follows:

(i) *Economic and Political Considerations.* The Company will be influenced by the general political and economic situation of the Philippines. Any political and/or economic instability in the future may have a negative effect on the mining industry.

(ii) *Liquidity and Capital Resource Requirements.* Investment opportunities available to the Company may entail significant capital expenditures and funding requirement. The Company shall undertake measures to raise funds through internally generated funds and/or from private placements as and when necessary.

Item 2. Properties

The Company does not have real property. No conceived plan for the purchase of plant and significant equipment is expected in the next twelve (12) months unless the need arises.

Item 3. Legal Proceedings

There has not been any bankruptcy, receivership, or similar proceeding instituted by or against the Company nor has there been any material reclassification, merger, consolidation, or purchase or sale of significant amounts of assets not in the ordinary course of business. The case of *Oliverio G. Laperal, Sr. v. Pacifica, Inc., Victorina L. Laperal, Rosamaria L. Laperal, Regina L. Concepcion, Alexandra L. Laperal and Securities Transfer Services, Inc.*, denominated as Civil Case No. 09-122278 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.

Item 4. Submission of Matters to a Vote of Security Holders

None to report.

PART II – OPERATIONAL AND FINANCIAL INFORMATION

Item 5. Market for Registrant's Common Equity and Related Stockholder Matters

Market Information.

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

Quarter	2020		2019		2018	
	Common Shares		Common Shares		Common Shares	
	High	Low	High	Low	High	Low
1st	5.8200	2.6300	0.051	0.036	0.048	0.038
2nd	3.1500	2.6200	0.044	0.038	0.046	0.036
3rd	3.2900	2.7500	0.041	0.038	0.042	0.037
4th	4.4000	3.0100	6.510	4.000	0.038	0.033

As of 4 June 2021, the closing price of the Company's common shares was at Php3.62 and the public float was at 22.05%.

Holders.

The Company's capital stock consists of unclassified common shares. As of 31 December 2020, 99.50% are Filipino-owned while 0.50% are foreign-owned.

There are 3,293 stockholders as of 31 December 2020 and the common shares issued and outstanding are 325,000,000.

Below is a list of the top twenty (20) stockholders as of 31 December 2020:

	Stockholders' Name	Nationality	Number of Shares	Ownership Percentage
1	Unido Capital Holdings, Inc.	Filipino	198,048,420	60.94%
2	PCD Nominee Corporation	Filipino	92,117,735	28.34%
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	711,426	0.22%
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%

Dividends.

The Company has not declared any cash or stock dividend during the past three (3) years.

Recent Sale of Unregistered Securities.

To date, there were no new securities issued.

Item 6. Management's Discussion and Analysis and Plan of Operation

Plan of Operation.

The Company 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 2018 and fiscal year ending 31 December 2017, the Company experienced net losses amounting to Php1.6M and Php2.2M, respectively. In 2016, the Company's net loss amounted to Php2.5M. The gap primarily attributable to the impairment and write-off of various assets.

Given that the recovery of the Company's receivables was deemed remote, the Board of Directors of the Company unanimously approved on 28 August 2015 the impairment and write-off of the following items from its books of accounts: (i) accounts receivable from 9th Kingdom Investments, Inc.; (ii) advances to Mikro-Tech Capital, Inc.; (iii) prepaid royalties in favor of Zam-Iron Mining Corporation, (iv) accounts receivables from LRSI and Stradec; and (v) retained deficit. This was ratified by the stockholders during the Company's annual stockholders' meeting on 16 October 2015.

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.

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.

Analysis of Financial Condition and Results of Operations.

Since the Company has no commercial operation to date and has not generated revenues for the fiscal years ending 31 December 2020, 2019, and 2018, 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 2020 with comparative figures of the previous years and as of 31 December 2019 and 2018.

	31 December 2020	**31 December 2019**	**31 December 2018**
Income Statement Data			
Total Revenues	779	2,159	5,564
Net Loss	1,812,081	3,858,466	1,616,106
Balance Sheet Data			
Total Current Assets	19,010,659	29,465,805	591,540
Furniture, Fixtures & Equipment	0	0	0
Other Non-Current Assets	0	0	0
Total Assets	19,010,659	29,465,805	591,540
Total Liabilities	326,747	8,969,812	7,487,080
Stockholders' Equity	18,683,912	20,495,993	(6,895,540)
Total Liabilities & Stockholders' Equity	19,010,659	29,465,805	591,540
Current Ratio	58.182	3.285	0.079
Solvency Ratio	58.182	3.285	0.079
Debt-to-Equity Ratio	0.0175	0.4376	(1.0858)

Full Fiscal Years.

Based on the above table, the following are key performance indicators of the Company for 2020, 2019, and 2018:

(i) Current net loss of Php1.8 million, and net loss of Php3.9 million in 2020 and 2019 are mainly due to administrative expenses. It is the same scenario with 2018 loss of Php1.6 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 2020 increased to 58.182 from 3.285 in 2019. The current ratio of the Company in 2018 was 0.079 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 2020, the solvency ratio increased to 58.182 due primarily to the increase in the current assets in the form of cash in banks.

(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 2020, the debt-to-equity ratio decreased to 0.0175 due to payment of related party advances during the year.

By comparing accounts in the Balance Sheets and Statements of Operations for the period ending 31 December 2020, 20199, and 2018, the following are the material changes and their causes:

Changes in Financial Condition.

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.

2018 vs. 2017

(i) Current Assets

Current assets decreased from Php1,745,458 in 2017 to Php 591,540 in 2018 . This was due to decrease in cash in bank.

(ii) Input Taxes

In 2018 and 2017, input tax resulted to nil due to impairment loss provided.

(iii) Property and Equipment

There was no acquisition of property and equipment for 2018 and 2017. The current period balance of property and equipment resulted to nil after it was determined in 2015 to be impaired and its corresponding accumulated depreciation was closed to Retained Earnings.

(iv) Current Liabilities

The current liabilities increased from Php7.02 million in 2017 to Php7.49 in 2018 million due to 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 2018 and 2017 represent impairment and write-off of various accounts and administrative expenses. The losses on these periods caused the continued increase in Deficit. The impaired and write-off of the various accounts was approved by the Board on 12 December 2018 and ratified by the stockholders on 12 December 2018.

Changes in Operating Results.

2020 vs 2019 vs 2018

The Company has not yet commenced commercial operations. There were no mining activities or exploration as of 31 December 2020. 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 2020, the Comprehensive Loss decreased from Php3.9 million in 2019 to Php1.8 million since in 2020 the Company did not incur any registration expenses related to SEC for the increase in capitalization compared to 2019. 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 2020 and 2019.

Material Events and Uncertainties.

For 2020 and 2019, 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.

Item 7. Financial Statements

The 2020 Audited Financial Statements of the Company are incorporated herein by reference.

Item 8. Information on Independent Accountant and Other Related Matters

Information on Independent Accountant.

Punongbayan & Araullo (“P&A”) is the Company’s external auditor for 2020. P&A’s office address is at 6760 Ayala Avenue, 1226 Makati City, Metro Manila, Philippines.

In line with the Company’s commitment to good corporate governance and in compliance with SEC Memorandum Circular No. 8, series of 2003, the signing partners of the external auditor shall be rotated every five (5) years or earlier.

External Audit Fees and Services.

The audit fees of P&A for 2020 and 2019 are as follows:

Year	Audit & Audit-Related Fees	Tax Fees	Other Fees
2020	350,000	0	52,500
2019	350,000	0	52,500

There are no other assurance and related services by the external auditor that are reasonably related to the performance of the audit or review of registrant’s financial statements.

Changes in and Disagreements with Accountant on Accounting and Financial Disclosures.

There was no event during the two (2) most recent fiscal years where P&A had any disagreement with the Company with regard to any matter relating to accounting principles or practices, financial statements disclosure, or auditing scope or procedure.

PART III – CONTROL AND COMPENSATION INFORMATION

Item 9. Directors and Executive Officers of the Issuer

Directors and Executive Officers.

The names of the incumbent directors and officers of the Company and their respective ages, nationalities, positions held, and periods of service are as follows:

Name	Age	Nationality	Position	Period Served
Lowell L. Yu	43	Filipino	Chairman of the Board	28 August 2015 to present
Winglip K. Chang	68	Filipino	President and Chief Executive Officer	16 October 2015 to present
Alexander S. Roleda	64	Filipino	Director	16 October 2015 to present
Luis Michael R. Yu III	32	Filipino	Director	5 May 2017 to present
Ian Norman E. Dato	42	Filipino	Director	5 May 2017 to present
Richard N. Rocha	37	Filipino	Director	26 October 2017 to present
Christian Francis C. Reyes	39	Filipino	Director	26 October 2017 to present
Mark Werner J. Rosal	46	Filipino	Independent Director	28 August 2015 to present
Vittorio P. Lim	36	Filipino	Independent Director	28 August 2015 to present
Cristina S. Palma Gil-Fernandez	52	Filipino	Corporate Secretary	1 October 2016 to present
Rose Ann Joy V. Gonzales	29	Filipino	Assistant Corporate Secretary	5 December 2018 to present
Maria Elena E. Pocong	42	Filipino	Treasurer	16 October 2015 to present

The Directors of the Company are regularly elected at the annual stockholders' meeting to hold office until the next succeeding annual meeting and until each respective successors have been elected and qualified. The term of office of the directors is one (1) year.

Officers are appointed or elected annually by the Board of Directors during its organizational meeting following the annual meeting of stockholders, each to hold office until the corresponding meeting of the Board of Directors in the next year or until a successor shall have been elected, appointed, or qualified.

The business experiences for the last five (5) years and other directorships in other reporting companies of the above-named directors and officers are as follows:

Lowell L. Yu
Chairman of the Board

Atty. Yu is currently the Chairman of Unido Capital Holdings, Inc., KuyaJ Group Holdings, Inc., Southeastasia Retail, Inc., Ikitchen, Inc., PLK Philippines, Inc., Grand Majestic Convention City, Inc., 101 Restaurant City, Inc., Manila Comisario Central, Inc., iCuisine Inc., Curepro Plus, Inc., 100Holdings, Inc., One Vela Holdings, Inc. (also as President), 77 Living Spaces, Inc. (also as President), and Aldeaprime, Inc. (also as President). He is the President of iHoldings, Inc., Joune Capital Holdings

Corporation, and 8990 Leisure and Resorts Corporation. He is a member of the Board of Directors of 8990 Holdings, Inc.

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

Atty. Dato is the Managing Partner of Dato Inciong & Associates. He is the Chairman and President of Myimport, Inc. and Newmanholdings, Inc. He is also an incumbent director of 8990 Holdings, Inc., IKitchen, Inc., MyMarket, Inc., and Unido Capital Holdings, Inc., among other companies.

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 Bacalla Fortuna Helmuth and Virtudazo Law Offices, a Cebu based law firm. He is a practicing lawyer specializing in Corporate Law, Mergers and Acquisitions, Real Estate Law, Estate Planning, and Company Labor Law matters. 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, Inc. since August 28, 2015. He has been a Director of LBC Express Holdings, Inc. since April 28, 2015. He holds various positions and performs multiple roles in various private corporations such as Cebu Agaru Motors Inc., Wide Gain Property Holdings, Inc., Sem-Ros Food Corp , Rural Bank of Talisay, (Cebu) Inc., and OneMeridaLand Corp.

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, 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.

Cristina S. Palma Gil-Fernandez
Corporate Secretary

Atty. Palma Gil-Fernandez assumed the position of Corporate Secretary of the Company in October 2016. 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 more than 20 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.

Rose Ann Joy V. Gonzales
Assistant Corporate Secretary

Atty. Gonzales graduated with a Bachelor of Science degree, major in Business Economics, from the University of the Philippines in 2012 and with a Juris Doctor degree from the University of the Philippines College of Law in 2016. She is currently an associate at Picazo Buyco Tan Fider & Santos Law Offices.

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.

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 also 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 of Directors and Officers in Certain Legal Proceedings.

To the best knowledge and information of the Company, none of its incumbent directors and officers has been involved during the past five (5) years in any legal proceedings which are material to the evaluation of the ability or integrity of any director or executive officer of the Company. They are not directly or indirectly involved in such legal proceedings, to wit:

(i) There is no bankruptcy petition filed by or against any business which any of the incumbent directors/officers was a general partner or executive officer at any time within five (5) years or more;

(ii) The incumbent directors/officers had no conviction by final judgment for any offense, in criminal proceedings, domestic or foreign, nor is the Company aware of any fact to the effect that any of them is the subject of a pending criminal proceeding, not even for a minor offense;

(iii) None of the incumbent directors/officers has been the subject of any order, judgment, or decree, not subsequently reversed suspended or vacated, of any court of competent jurisdiction, domestic or foreign, permanently or temporarily enjoining, barring, suspending, or otherwise limiting his/her involvement in any type of business, securities, commodities, or banking activities;

(iv) The incumbent directors are not found by a domestic or foreign court of competent jurisdiction, the SEC or comparable foreign body, or a domestic or foreign Exchange or other organized trading market of self-regulatory organization, to have violated a securities or commodities law or regulation and said judgment has not been reversed, suspended or vacated.

Item 10. Executive Compensation

The aggregate compensation paid or incurred during the last three (3) fiscal years and estimated to be paid in the ensuing fiscal year to the Chief Executive Officer and senior executive officers of the Company are as follows:

Name	Position	2020	2019	2018
Lowell L. Yu	Chairman	-	-	-
Winglip K. Chang	President/CEO	-	-	-
Cristina S. Palma Gil-Fernandez	Corporate Secretary	-	-	-
Maria Elena E. Pocong	Treasurer	-	-	-
Bonus and other compensation		-	-	-
Directors		-	-	-
All officers and directors as a group		-	-	-

The Chairman, President and CEO, Corporate Secretary, and Treasurer are not receiving direct or indirect compensation from the Company for services rendered. A *per diem* is given to the directors and officers present during the meeting of the Board of Directors of the Corporation. In 2019, the directors and officers waived their *per diems*.

Other than the standard arrangements pursuant to which the directors and officers of the Company are compensated or are to be compensated, there are no other arrangements or consulting contracts, directly or indirectly during the Company's last completed fiscal year and the ensuing year, for any service provided as director or officer. Other than the *per diem* paid, there are no other arrangements, bonuses, profit sharing, or other similar plans.

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

None of the officers and directors is a recipient of any warrant or stock options.

Item 11. Security Ownership of Certain Beneficial Owners and Management

Security Ownership of Certain Record and Beneficial Owners.

As of 31 December 2020, the persons known to the Company to be directly or indirectly the record or beneficial owner of more than 5% of the registrant's voting securities are as follows:

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 equivalent to 17.01% of the voting securities of the Company. Atty. Lowell L. Yu is the President and authorized representative of iHoldings, Inc.	Filipino	92,117,735	28.34%
TOTAL				**290,166,155**	**89.28%**

[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.

Security Ownership of Management.

The following are the number of shares comprising the Company's capital stock (all of which are voting shares) owned of record by the directors, Chief Executive Officer, and key officers of the Company as of 31 December 2018:

(1) Title of Class	(2) Name of Beneficial Owner	(3b) Amount and Nature of Beneficial Ownership at Php0.005 Par Value per Share	(4) Citizenship	(5) Percent of Class
Common Shares	Lowell L. Yu	500 (Direct)	Filipino	0.00%
Common Shares	Winglip K. Chang	1,000 (Direct)	Filipino	0.00%
Common Shares	Alexander S. Roleda	500 (Direct)	Filipino	0.00%
Common Shares	Luis Michael R. Yu III	500 (Direct)	Filipino	0.00%
Common Shares	Ian Norman E. Dato	500 (Direct)	Filipino	0.00%
Common Shares	Richard N. Rocha	500 (Indirect)	Filipino	0.00%
Common Shares	Christian Francis C. Reyes	500 (Indirect)	Filipino	0.00%
Common Shares	Mark Werner J. Rosal	500 (Direct)	Filipino	0.00%
Common Shares	Vittorio P. Lim	500 (Indirect)	Filipino	0.00%
Directors and executive officers as a group – Common Shares		5,000 (Direct/Indirect)	Filipino	0.00%

Voting Trust Holders of 5% or More.

There are no holders of voting trust agreements of 5% or more.

Changes in Control.

Ownership by Strategic Alliance Development Corporation (STRADEC) of 66.94% of the total outstanding shares was reduced to 33.33% after it sold its 33.11% class "A" shares to Mikro-Tech Capital, Inc. (MTCI) on 16 July 2007. Consequently, STRADEC's 13,332,000,000 partially paid shares were bought by 9th Kingdom Investments Corp. during the delinquency sale. Thus, STRADEC is no longer a related party to the Corporation. On 19 August 2015, Mikro-Tech Capital, Inc. divested its 12,056,316,000 common shares in favor of iHoldings, Inc. through the PSE. Thereafter, Mikro-Tech ceased to be a principal owner. As of 31 December 2016, iHoldings, Inc. owns 11,058,316,000 common shares or equivalent of 27.65% of the Company. On the other hand, 9th Kingdom Investments Corp. acquired an additional 92,270,000 common shares through the execution of a Deed of Assignment in its favor on 24 November 2015. On 7 February 2017, Deeds of Absolute Sale were executed (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 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.

Item 12. Certain Relationships and Related Transactions

See Note 13 (Related Party Transactions) of the Notes to the Financial Statements.

There were no transactions with directors, officers, or any principal stockholders (owning at least 10% of the total outstanding shares of the Corporation) not in the ordinary course of business.

Parent of the Company.

No person or entity holds more than 50% of the Company's voting securities. Consequently, the Company has no parent company.

Transaction with Promoters.

There have been no transactions with promoters in the past five (5) years.

PART IV – CORPORATE GOVERNANCE

Item 13. Corporate Governance

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) and SEC Notice dated 25 May 2021 further extending the deadline for the submission of the I-ACGR to 30 June 2021, the Company will file its I-ACGR for the on or before 30 June 2021.

PART V – EXHIBITS AND SCHEDULES

Item 14. Exhibits and Reports on SEC Form 17-C

The reports on SEC Form 17-C, as amended, which were filed during the last twelve (12)-month period covered by this report, pertain to the following:

(i) SEC Form 17-C dated 6 April 2020 reported the Board's approval of the resetting of the date of the Annual Stockholders' Meeting to a later date (exact time and date to be determined) in order to provide ample opportunity for the Company to make the necessary arrangements for the meeting in view of the implementation of the enhanced community quarantine due to COVID-19.

(ii) SEC Form 17-C dated 19 October 2020 reported the Board's approval of the setting of the Annual Stockholders' Meeting to be conducted online on 26 November 2020 (exact time to be announced), and the record date of said meeting on 3 November 2020.

(iii) SEC Form 17-C dated 1 December 2020 reported the results of the Annual Stockholders' Meeting held on 26 November 2020 and the matters taken up during the organizational meeting of the board of directors held on the same day.

SIGNATURES

Pursuant to the requirements of Section 17 of the Code and Section 141 of the Corporation Code, this report is signed on behalf of the issuer by the undersigned thereunto duly authorized, in the City of CEBU CITY on APR 1 3 2021

PACIFICA HOLDINGS, INC.

By:

WINGLIP K. CHANG
President and Chief Executive Officer

APR 1 3 2021

SUBSCRIBED AND SWORN to before me this ______ day of _______ 2020, affiant exhibiting to me the following:

Name	Government-issued ID	Date and Place of Issue

Doc. No. 276
Page No. 57
Book No. 19
Series of 2021

Cebu City, Philippines
ROLL NO. 62013
NOTARY PUBLIC
Rilven Christian A.

ATTY. RILVEN CHRISTIAN A. VIRTUDAZO
COMMISSION NO. 13-16; NOTARY PUBLIC-CITY OF CEBU
UNTIL DECEMBER 31, 2021; Roll NO. 62013
RM. 302, 8990 BLDG., Negros St., CBP, Cebu City
IBP No. AR0159833; Jan., 04, 2021; Cebu City
PTR No. 1594111; Jan. 04, 2021; Cebu City
MCLE COMPLIANCE NO. V-0008283; May 4, 2015

SIGNATURES

Pursuant to the requirements of Section 17 of the Code and Section 141 of the Corporation Code, this report is signed on behalf of the issuer by the undersigned thereunto duly authorized, in the City of CEBU CITY on APR 1 3 2021.

PACIFICA HOLDINGS, INC.

By:

MARIA ELENA E. POCONG
Treasurer

SUBSCRIBED AND SWORN to before me this APR 1 3 2021 day of ______ 2020, affiant exhibiting to me the following:

Name	Government-issued ID	Date and Place of Issue

Doc. No. 276
Page No. 53;
Book No. 19;
Series of 2021

Cebu City, Philippines
ROLL NO. 62013
NOTARY PUBLIC
Rilven Christian A. Virtudazo

ATTY. RILVEN CHRISTIAN A. VIRTUDAZO
COMMISSION NO. 23-19, NOTARY PUBLIC-CITY OF CEBU
UNTIL DECEMBER 31, 2021; Roll NO. 62013
RM. 302, 8990 BLDG., Negros St., CBP, Cebu City
IBP No. AR6153833; Jan., 04, 2021; Cebu City
PTR No. 1994111; Jan. 04, 2021; Cebu City
MCLE COMPLIANCE NO. V-0008283; May 4, 2015

SIGNATURES

Pursuant to the requirements of Section 17 of the Code and Section 141 of the Corporation Code, this report is signed on behalf of the issuer by the undersigned thereunto duly authorized, in the City of _________________ on _________________.

PACIFICA HOLDINGS, INC.

By:

ROSE ANN JOY V. GONZALES
Assistant Corporate Secretary

SUBSCRIBED AND SWORN to before me this 7 June 2021, affiants exhibiting to me the following:

NAME	GOVERNMENT-ISSUED ID	DATE AND PLACE OF ISSUE
Rose Ann Joy V. Gonzales	Passport No. P7946474A	July 15, 2018 / DFA NCR Northeast

Doc No.: 520 ;
Page No.: 105 ;
Book No.: II ;
Series of 2021.

MARIA KARINA D. KAPUNAN
Appointment No. M-285
Notary Public for Makati City
Until December 31, 2020
Liberty Center-Picazo Law
104 H.V. Dela Costa Street, Makati City
Roll of Attorney's No. 71701
PTR No. 8535718/Makati City/01-05-2021
IBP No. 137929/Quezon City/01-05-2021
MCLE Compliance No. VI-0024615/4-10-2019
Extended Until June 30, 2021

PACIFICA HOLDINGS, INC

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

STATEMENT OF MANAGEMENT'S RESPONSIBILITY
FOR FINANCIAL STATEMENTS

The management of **Pacifica Holdings, Inc.** (the **"Company"**) is responsible for the preparation and fair presentation of the financial statements, including the schedules attached therein, for the years ended December 31, 2020 and 2019 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 to do so.

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

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

Punongbayan & Araullo, the independent auditors appointed by the stockholders, has audited the financial statements of the Company in accordance with Philippine Standards on Auditing and, and in their report to the stockholders, have expressed their opinion on the fairness of presentation upon completion of such audit.

LOWELL L. YU
Chairman of the Board

WINGLIP K. CHANG
President

MARIA ELENA E. POCONG
Treasurer

Signed this _____ day of __________

APR 13 2021

SUBSCRIBED AND SWORN to before me on this _______ day of _______ 20__; affiant exhibiting to me his Community Tax Certificate No. _______ issued at ___________ on ________ 20__.

Doc. No. 279;
Page No. 57;
Book No. 19;
Series No. 2021

Cebu City, Philippines ROLL NO. 62013 NOTARY PUBLIC Rilven Christian A. Virtudazo

ATTY. RILVEN CHRISTIAN A. VIRTUDAZO
COMMISSION NO. ; NOTARY PUBLIC-CITY OF CEBU
UNTIL DECEMBER 31, 2021; Roll NO. 62013
RM. 302, 8990 BLDG., Negros St., CBP, Cebu City
IBP No. AR0159833; Jan., 04, 2021; Cebu City
PTR No. 1954111; Jan. 04, 2021; Cebu City
MCLE COMPLIANCE NO. V-0008283; May 4, 2015

P&A Grant Thornton
An instinct for growth™

Punongbayan & Araullo
20th Floor, Tower 1
The Enterprise Center
6766 Ayala Avenue
1200 Makati City
Philippines

T +63 2 8988 2288

Report of Independent Certified Public Accountants to Accompany Income Tax Return

The Board of Directors and the Stockholders
Pacifica, Inc.
(A Subsidiary of Unido Capital Holdings, Inc.)
Unit 1605 Prestige Tower
F. Ortigas Jr. Road
San Antonio, Pasig City

We have audited the financial statements of Pacifica, Inc. (the Company) for the year ended December 31, 2020, on which we have rendered the attached report dated April 14, 2021.

In compliance with Revenue Regulations V-20, we are stating that no partner of our Firm is related by consanguinity or affinity to the president, manager or principal stockholders of the Company.

PUNONGBAYAN & ARAULLO

By: Nelson J. Dinio
Partner

CPA Reg. No. 0097048
TIN 201-771-632
PTR No. 8533227, January 4, 2021, Makati City
SEC Group A Accreditation
Partner - No. 97048-SEC (until Dec. 31, 2023)
Firm - No. 0002 (until Dec. 31, 2024)
BIR AN 08-002511-032-2019 (until Sept. 4, 2022)
Firm's BOA/PRC Cert. of Reg. No. 0002 (until Jul. 24, 2021)

April 14, 2021

Punongbayan & Araullo
20th Floor, Tower 1
The Enterprise Center
6766 Ayala Avenue
1200 Makati City
Philippines

T +63 2 8988 2288

Report of Independent Auditors

The Board of Directors and the Stockholders
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

Opinion

We have audited the financial statements of Pacifica Holdings, Inc. (the Company), which comprise the statements of financial position as at December 31, 2020 and 2019, and the statements of comprehensive income, statements of changes in equity and statements of cash flows for each of the three years in the period ended December 31, 2020, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2020 and 2019, and its financial performance and its cash flows for each of the three years in the period ended December 31, 2020 in accordance with Philippine Financial Reporting Standards (PFRS).

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 *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. 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 audits 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. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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 not determined any key audit matter that should be communicated in our report.

Other Information

Management is responsible for the other information. The other information comprises the information included in the Company's Securities and Exchange Commission (SEC) Form 20-IS (Definitive Information Statement), SEC Form 17-A and Annual Report for the year ended December 31, 2020, but does not include the financial statements and our auditors' report thereon. The SEC Form 20-IS (Definitive Information Statement), SEC Form 17-A and Annual Report for the year ended December 31, 2020 are expected to be made available to us after the date of this auditors' 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 audits, or otherwise appears to be materially misstated.

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.

Auditors' 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 auditors' 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 auditors’ 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 auditors’ 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 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, extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequence of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

Our audits were conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information for the year ended December 31, 2020 required by the Bureau of Internal Revenue as disclosed in Note 17 to the financial statements is presented for purposes of additional analysis and is not a required part of the basic financial statements prepared in accordance with PFRS. Such supplementary information is the responsibility of management. The supplementary information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

The engagement partner on the audits resulting in this independent auditors' report is Nelson J. Dinio.

PUNONGBAYAN & ARAULLO

By: Nelson J. Dinio
Partner

CPA Reg. No. 0097048
TIN 201-771-632
PTR No. 8533227, January 4, 2021, Makati City
SEC Group A Accreditation
Partner - No. 97048-SEC (until Dec. 31, 2023)
Firm - No. 0002 (until Dec. 31, 2024)
BIR AN 08-002511-032-2019 (until Sept. 4, 2022)
Firm's BOA/PRC Cert. of Reg. No. 0002 (until Jul. 24, 2021)

April 14, 2021

PACIFICA HOLDINGS, INC.
(A Subsidiary of Unido Capital Holdings Inc.)
STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2020 AND 2019
(Amounts in Philippine Pesos)

	Notes	2020	2019
ASSETS			
CURRENT ASSETS			
Cash in banks	6	**P 19,010,659**	P 1,465,805
Due from related parties	12	**-**	28,000,000
TOTAL ASSETS		**P 19,010,659**	P 29,465,805
LIABILITIES AND EQUITY			
CURRENT LIABILITIES			
Accrued expenses and other payables	8	**P 326,747**	P 151,000
Due to related parties	12	**-**	8,818,812
Total Liabilities		**326,747**	8,969,812
EQUITY			
Capital stock	13	**231,133,332**	231,133,332
Additional paid-in capital	2	**10,163,756**	10,163,756
Deficit	2	**(222,613,176)**	(220,801,095)
Net Equity		**18,683,912**	20,495,993
TOTAL LIABILITIES AND EQUITY		**P 19,010,659**	P 29,465,805

See Notes to Financial Statements.

PACIFICA HOLDINGS, INC.
(A Subsidiary of Unido Capital Holdings Inc.)
STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED DECEMBER 31, 2020, 2019, AND 2018
(Amounts in Philippine Pesos)

	Notes	2020	2019	2018
REVENUES	1	**P -**	P -	P -
EXPENSES	10	**1,812,860**	3,860,625	1,617,520
OPERATING LOSS		**1,812,860**	3,860,625	1,617,520
FINANCE COSTS (INCOME)				
Finance income	9	**(779)**	(2,159)	(5,563)
Finance costs		**-**	-	4,149
		(779)	(2,159)	(1,414)
LOSS BEFORE TAX		**1,812,081**	3,858,466	1,616,106
TAX EXPENSE	11	**-**	-	-
NET LOSS		**1,812,081**	3,858,466	1,616,106
OTHER COMPREHENSIVE INCOME		**-**	-	-
TOTAL COMPREHENSIVE LOSS		**P 1,812,081**	P 3,858,466	P 1,616,106
Loss Per Share				
Basic and diluted	14	**P 0.00558**	P 0.01834	P 0.00808

See Notes to Financial Statements.

PACIFICA HOLDINGS, INC.
(A Subsidiary of Unido Capital Holdings Inc.)
STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2020, 2019 AND 2018
(Amounts in Philippine Pesos)

	Capital Stock (See Note 13)	Additional Paid-in Capital (See Note 2)	Deficit (See Note 2)	Equity (Capital Deficiency)
Balance at January 1, 2020	**P 231,133,332**	**P 10,163,756**	**(P 220,801,095)**	**P 20,495,993**
Total comprehensive loss for the year	**-**	**-**	**(1,812,081)**	**(1,812,081)**
Balance at December 31, 2020	**P 231,133,332**	**P 10,163,756**	**(P 222,613,176)**	**P 18,683,912**
Balance at January 1, 2019	P 199,883,332	P 10,163,756	(P 216,942,629)	(P 6,895,541)
Issuance of shares during the year	31,250,000	-	-	31,250,000
Total comprehensive loss for the year	-	-	(3,858,466)	(3,858,466)
Balance at December 31, 2019	P 231,133,332	P 10,163,756	(P 220,801,095)	P 20,495,993
Balance at January 1, 2018	P 199,883,332	P 10,163,756	(P 215,326,523)	(P 5,279,435)
Total comprehensive loss for the year	-	-	(1,616,106)	(1,616,106)
Balance at December 31, 2018	P 199,883,332	P 10,163,756	(P 216,942,629)	(P 6,895,541)

See Notes to Financial Statements.

PACIFICA HOLDINGS, INC.
(A Subsidiary of Unido Capital Holdings Inc.)
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2020, 2019 AND 2018
(Amounts in Philippine Pesos)

	Notes	2020	2019	2018
CASH FLOWS FROM OPERATING ACTIVITIES				
Loss before tax		(P 1,812,081)	(P 3,858,466)	(P 1,616,106)
Adjustments for:				
Interest income	6	(779)	(2,159)	(1,344)
Unrealized foreign currency exchange gains - net	9	-	-	(4,219)
Interest expense on interest-bearing loan		-	-	4,149
Operating losses before working capital changes		(1,812,860)	(3,860,625)	(1,617,520)
Decrease in other current assets		-	50,000	-
Increase (decrease) in due to related parties		(8,818,812)	3,966,231	4,852,581
Increase (decrease) in accrued expenses and other payables		175,747	16,500	(104,633)
Net Cash From (Used in) Operating Activities		(10,455,925)	172,106	3,130,428
CASH FLOWS FROM INVESTING ACTIVITIES				
Collections from related parties	12	28,000,000	-	-
Interest received		779	2,159	1,344
Advances to related parties	12	-	(30,500,000)	-
Net Cash From (Used in) Investing Activities		28,000,779	(30,497,841)	1,344
CASH FLOWS FROM FINANCING ACTIVITIES				
Proceeds from subscription of shares	13	-	31,250,000	-
Repayments of interest-bearing loan		-	-	(4,285,760)
Interest paid		-	-	(4,149)
Cash From (Used in) Financing Activities		-	31,250,000	(4,289,909)
Effect of Exchange Rate Changes on Cash in Banks		-	-	4,219
NET INCREASE (DECREASE) IN CASH IN BANKS		17,544,854	924,265	(1,153,918)
CASH IN BANKS AT BEGINNING OF YEAR		1,465,805	541,540	1,695,458
CASH IN BANKS AT END OF YEAR		P 19,010,659	P 1,465,805	P 541,540

Supplemental Information on a Non-cash Investing Activity -

In 2019, the unutilized deposit for future stock subscription amounting to P2,500,000 was applied as payment against advances to related parties (see Note 12).

See Notes to Financial Statements.

PACIFICA HOLDINGS, INC.
(A Subsidiary of Unido Capital Holdings, Inc.)
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020, 2019 AND 2018
(Amounts in Philippine Pesos)

1. GENERAL INFORMATION

1.1. 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. However, the Company has not yet 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 as concurred by at least 2/3 of the Company's stockholders, which includes the change on 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 parent company). UCHI holds 60.94% ownership interest in the Company as at December 31, 2019 (see Note 13). Prior to 2019, UCHI and iHoldings, Inc. had majority ownership of the Company, with 36.52% and 27.65% ownership interest, respectively. 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.

1.2. Impact of Corona Virus Disease 2019 (COVID-19) on the Company's Business

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 of December 31, 2020 and thereafter. While the unfavorable situation is currently expected to be temporary, management has assessed that such does not have a significant impact to the Company as it has not yet generated revenues from operations.

1.3. Approval of Financial Statements

The financial statements of the Company as at and for the year ended December 31, 2020 (including the comparative financial statements as at December 31, 2019 and for the years ended December 31, 2019 and 2018) were authorized for issue by the Company's BOD on April 14, 2021.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies that follows have been used in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 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 at 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.

2.2 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 and amendments to PFRS that follow, which are mandatorily effective for annual periods beginning on or after January 1, 2020.

Conceptual Framework	:	Revised Conceptual Framework for Financial Reporting
PAS 1 and PAS 8 (Amendments)	:	Presentation of Financial Statements and Accounting Policies, Changes in Accounting Estimates and Errors – Definition of Material
PFRS 7 and PFRS 9 (Amendments)	:	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 decisions 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 measurement basis, and, (g) stating that profit or 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 by 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 information 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 circumstances). 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.

(iii) 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 Liabilities

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.

The maximum credit risk exposure of financial assets is the carrying amount of the financial assets as shown on the face of the statements of financial position or in the detailed analysis provided in the notes to the financial statements, as summarized below.

	Notes	**2020**	2019
Cash in banks	6	**P 19,010,659**	P 1,465,805
Due from related parties	12.1	**-**	28,000,000
		P 19,010,659	P 29,465,805

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 BANKS

Cash in banks, which pertain to demand and savings deposits, amounts to P19,010,659 and P1,465,805 as of December 31, 2020 and 2019, respectively. Cash in banks generally earn interest based on daily bank deposit rates, which amounted to P779, P2,159, and P1,344 for 2020, 2019 and 2018, respectively, and is presented as part of Finance Income in the statements of comprehensive income (see Note 9).

7. OTHER CURRENT ASSETS

The composition of this account is shown below.

	2020	2019
Input value added tax (VAT)	P 255,125	P 629,390
Allowance for impairment	(255,125)	(629,390)
	P -	P -

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

	Note	2020	2019
Balance at beginning of year		P 629,390	P 476,828
Impairment during the year	10	149,406	152,562
Write off during the year		(523,671)	-
Balance at end of year		P 255,125	P 629,390

8. ACCRUED EXPENSES AND OTHER PAYABLES

The composition of this account is shown below.

	2020	2019
Accrued professional fees	P 298,000	P 141,000
Others	28,747	10,000
	P 326,747	P 151,000

9. FINANCE INCOME

Finance income includes:

	Note	2020	2019	2018
Interest income	6	P 779	P 2,159	P 1,344
Unrealized foreign currency exchange gains - net		-	-	4,219
		P 779	P 2,159	P 5,563

10. EXPENSES

Details of the Company's expenses by nature are shown below.

	Note	2020	2019	2018
Professional fees		**P 1,213,309**	P 1,084,000	P 764,064
Taxes and licenses		**279,747**	2,543,827	272,526
Impairment of input VAT	7	**149,406**	152,562	149,479
Advertising		**140,350**	-	-
Printing and supplies		**18,048**	38,910	76,604
Communication		**12,000**	9,000	9,000
Transportation and travel		**-**	32,326	98,386
Write off of other assets		**-**	-	104,728
Others		**-**	-	142,733
		P 1,812,860	P 3,860,625	P 1,617,520

11. CURRENT AND DEFERRED TAXES

There is no tax expense reported in the statements of comprehensive income for the years ended December 31, 2020, 2019 and 2018 because the Company is both in gross and taxable loss positions on those years.

The reconciliation of tax on pre-tax loss computed at the applicable statutory rate of 30% to tax expense follows.

	2020	2019	2018
Tax on pretax loss at 30%	**(P 543,624)**	(P 1,157,540)	(P 484,832)
Tax effects of:			
Movements in NOLCO for which no deferred income tax asset was recognized	**499,036**	1,108,519	410,105
Non-deductible expenses	**44,822**	49,669	76,396
Non-taxable income	**(234)**	(648)	(1,669)
	P -	P -	P -

There were no deferred tax assets recognized in the current and prior years since management believes that it is not probable that the Company would have sufficient future taxable profits against which deductible temporary differences and carryforward benefits of unused NOLCO could be utilized. Unrecognized deferred tax assets on NOLCO amounts to P2,017,660 and P2,138,882 as at December 31, 2020 and 2019.

Presented in the next page are the details of the Company's remaining NOLCO, which can be claimed as deductions from future taxable profit within three or five years from the year the tax loss position was incurred. Specifically, NOLCO incurred in 2020 can be claimed as a deduction from the gross income until 2025 in accordance with Republic Act No. 11494, *Bayanihan to Recover as One Act*.

Taxable Years	Amount	Tax Effect	Valid Until
2020	P 1,663,453	P 499,036	2025
2019	3,695,063	1,108,519	2022
2018	1,367,018	410,105	2021
	P 6,725,534	**P 2,017,660**	

NOLCO which arose from 2017 and 2016 amounting to P2,067,526 and P2,140,940, respectively, with the tax effect of P620,258 and P642,282, expired in 2020 and 2019, respectively.

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

The Company opted to claim itemized deductions in computing their income tax due in 2020, 2019 and 2018.

12. RELATED PARTY TRANSACTIONS

The Company's related parties include its stockholders and others as described in Note 2.10 A summary of the Company's transactions and outstanding balances with its related parties is presented below.

Related Party Category	Notes	Amount of Transactions 2020	2019	2018	Outstanding Balances 2020	2019
Parent Company						
Advances granted	12.1	**(P 2,000,000)**	P 2,500,000	P -	**P -**	P 2,000,000
Deposit for future stock subscription	12.1	**-**	(2,500,000)	-	**-**	-
Stockholders						
Accommodation payments	12.2	**148,340**	3,966,231	4,852,581	**-**	8,818,812
Cash advances	12.3	**938,177**	-	-	**-**	-
Entities under common ownership						
Advances granted	12.1	**(26,000,000)**	26,000,000	-	**-**	26,000,000

No impairment is recognized on the outstanding receivables from related parties (see Note 4.1).

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

12.1 Advances Granted

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.

The movements in this account are summarized below.

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

12.2 Accommodation payments

In 2020, 2019, and 2018, the Company's stockholders accommodated certain expenses, including principal and interest payments on its bank loan, on behalf of the Company amounting to P148,340, P3,966,231 and P4,852,581, respectively. As of December 31, 2020, and 2019, the outstanding payable to its stockholders is nil and and P8,818,812, respectively, which was presented as Due to Related Parties in the statements of financial position.

12.3 Cash advances

In 2020, the Company obtained cash advances from its stockholder for working capital purposes amounting to P938,177 which was fully settled during the year.

12.4 Key Management Compensation

The Company does not have key management personnel compensation in 2020, 2019 and 2018 since it has not yet generated revenues yet from commercial operations.

13. EQUITY

13.1 Capital Stock

Capital stock as of December 31, 2020 and 2019 consists of:

	Shares	Amount
Capital Stock – P1 par value		
Authorized	700,000,000	P 700,000,000
Issued	199,825,000	P 199,825,000
Subscribed	125,175,000	125,175,000
Subscriptions receivable	-	(93,866,668)
	125,175,000	31,308,332
Total issued and subscribed	**325,000,000**	**P 231,133,332**

On October 26, 2017, in addition to the items disclosed in Note 1, the BOD also approved several amendments to the Company's Articles of Incorporation as concurred by at least 2/3 of the Company's stockholders, which includes, among others the following: (1) effecting a reverse stock split by increasing the par value from P0.005 to P1.000 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 P1.000 per share, which shall be implemented in one or more tranches.

As a result of the reverse stock split, the number of authorized capital stock of the Company will decrease 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 P1.000 per share. Subsequently, on September 18, 2018, the BOD resolved to approve the implementation of the 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 P1.000 per share to P700,000,000 divided into 700,000,000 shares with par value of P1.000 per share.

In 2018, the Company applied the foregoing amendments for approval by SEC. These were subsequently approved by SEC on November 26, 2019 that resulted to the issuance of 31,250,000 shares amounting to P31,250,000.

13.2 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, 2020 and 2019, the number of holders of such securities is 3,293 and 3,296, respectively. As at the same dates, the Company has 3,293 stockholders owning 100 or more shares of the Company's capital stock.

The closing market price of the Company's shares as of December 31, 2020 and 2019 is P3.190 and P4.750, respectively. The total number of issued shares not listed with the PSE were 198,273,920 as at December 31, 2020 and 2019.

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 the SEC and the PSE. 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. 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 stock.

The public auction of the delisted delinquent shares was ratified on October 16, 2015 during the Company's Annual Stockholders Meeting.

As at December 31, 2020 and 2019, 126,726,080 common shares of the Company remain listed with the PSE while the remaining 73,273,920 delisted 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.

13.3 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.

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 is summarized below.

	2020	2019
Total liabilities	**P 326,747**	P 8,969,812
Equity	**18,683,912**	20,495,993
Debt-to-equity ratio	**0.02:1.00**	0.44:1.00

The Company sets the amount of capital in proportion to its overall financing structure, i.e., equity and total 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. LOSS PER SHARE

Basic and diluted loss per share were computed as follows:

	2020	2019	2018
Net loss	**P 1,812,081**	P 3,858,466	P 1,616,106
Weighted average number of outstanding shares	**325,000,000**	210,416,667	200,000,000
Basic and diluted loss per share	**P 0.00558**	P 0.01834	P 0.00808

On November 26, 2019, the Company effected a reverse stock split by increasing the par value to P1 per share and decreasing the number of shares (see Note 13.1). In computing the loss per share, the number of shares presented for the years ended December 31, 2019 and 2018 have been retroactively adjusted to reflect the reverse stock split.

The Company has no potentially dilutive common shares as of December 31, 2020, 2019 and 2018. Thus, the basic and diluted loss per share are the same as of those dates.

15. COMMITMENTS AND CONTINGENCIES

In the normal course of business, the Company makes various commitments and incurs certain contingent liabilities that are not given recognition in the accompanying financial statements. As of December 31, 2020 and 2019, management believes that losses, if any, that may arise from these commitments and contingencies will not have a material effect on the financial statements.

16. EVENTS AFTER THE END OF THE REPORTING PERIOD

On March 26, 2021, Republic Act (R.A.) No. 11534, *Corporate Recovery and Tax Incentives for Enterprises* (CREATE) Act, amending certain provisions of the National Internal Revenue Code of 1997, as amended, was signed into law with veto on certain provisions and shall be effective 15 days after its publication. The CREATE Act has several provisions with retroactive effect beginning July 1, 2020. The CREATE Act aims to lower certain corporate taxes and rationalize tax incentives given to certain taxpayers. Given that the CREATE Act was signed after the end of the current reporting period, the Company determined that this event is a non-adjusting subsequent event. Also, the Company has determined that the changes brought about by the CREATE Act do not have significant impact on the Company's financial statements.

17. SUPPLEMENTARY INFORMATION REQUIRED BY THE BUREAU OF INTERNAL REVENUE (BIR)

Following are the supplementary information on taxes, duties and license fees paid or accrued during the taxable year, which is required by the BIR under Revenue Regulation No. 15-2010 to be disclosed as part of the notes to financial statements. This supplementary information is not a required disclosure under PFRS.

(a) Output VAT

The Company does not have output VAT in 2020 since the Company has not yet generated any revenues.

(b) Input VAT

The movements in input VAT in 2020 are summarized below.

Balance at the beginning of year	P	122,561
Purchases of services		132,564
Balance at end of year	**P**	**255,125**

The outstanding balance of the input VAT is presented as Input VAT under Other Current Assets account in the 2020 statement of financial position.

(c) Documentary Stamp Tax

The Company did not have any transactions in 2020, which are subject to documentary stamp tax.

(d) Taxes and Licenses

Details of taxes and licenses follow:

Annual listing and filing fees	P	261,000
Business and local taxes		16,759
Community registration fee		660
Annual registration fee		500
Others		828
	P	**279,747**

(e) Withholding Taxes

The Company has no income tax payments subjected to expanded, compensation, and final withholding taxes in 2020.

(f) Deficiency Tax Assessments and Tax Cases

As of December 31, 2020, the Company does not have final deficiency tax assessments with the BIR nor does it have tax cases outstanding or pending in courts or bodies outside of the BIR in any of the open taxable years.

PACIFICA HOLDINGS, INC.

Sustainability Report ("Report")

Contextual Information

Company Details	
Name of Organization	Pacifica Holdings, Inc. ("**Pacifica**" or the "**Company**")
Location of Headquarters	Chinabank Corporate Center, Lot 2, Samar Loop corner Road 5, Cebu Business Park, Brgy. Mabolo, Cebu City.
Location of Operations	Philippines
Report Boundary: Legal entities (e.g. subsidiaries) included in this report*	This report shall cover only the operations of Pacifica Holdings, Inc.
Business Model, including Primary Activities, Brands, Products, and Services	Holding company
Reporting Period	1 January 2020 to 31 December 2020
Highest Ranking Person responsible for this report	President

**If you are a holding company, you could have an option whether to report on the holding company only or include the subsidiaries. However, please consider the principle of materiality when defining your report boundary.*

Materiality Process

Explain how you applied the materiality principle (or the materiality process) in identifying your material topics.[1]
Pacifica has not commenced commercial operations yet, hence, there is no significant economic, environmental and social impacts to be reported. Nonetheless, the Company acknowledges the importance of sustainability on the ability of the Company to create value over the short, medium and long-term and has identified economic performance as the topic which may be material to the current business and stakeholders of the Company.

[1] See *GRI 102-46* (2016) for more guidance.

ECONOMIC

Economic Performance

Direct Economic Value Generated and Distributed

Disclosure	Amount	Units
Direct economic value generated (revenue)	-	PhP
Direct economic value distributed:		
a. Operating costs	1,533,113	PhP
b. Employee wages and benefits	-	PhP
c. Payments to suppliers, other operating costs	-	Php
d. Dividends given to stockholders and interest payments to loan providers	-	PhP
e. Taxes given to government	279,747	PhP
f. Investments to community (e.g. donations, CSR)	-	PhP

What is the impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach
Primary business operations and supply chain	Pacifica, employees, investors/potential business partners, government	Although the Company has yet to commence operations, it continues to be on the active pursuit of opportunities across various industries. The Company aims to create a positive economic impact through the economic value it will eventually distribute to its stakeholders in its primary business operations and supply chain.
What are the Risk/s Identified?	**Which stakeholders are affected?**	**Management Approach**
Credit, liquidity and equity price risks	Pacifica, employees, investors/ potential business partners	The Company has taken a cautious stance in its growth and expansion strategies taking into consideration the government's new regulations/policies and other prevailing circumstances.

What are the Opportunity/ies Identified?	Which stakeholders are affected?	Management Approach
Potential for growth in certain industries which may be conducive for new entrants	Pacifica, employees, investors/potential business partners	The Company continues to look for new investment opportunities to support its growth and expansion objectives and thereby enable the Company to weather any future economic downturn.

Climate-related risks and opportunities[2]

-Not material or applicable to the Company as it has not commenced operations yet.

Governance	Strategy	Risk Management	Metrics and Targets
N/A	***N/A***	***N/A***	***N/A***
Recommended Disclosures			
N/A	***N/A***	***N/A***	***N/A***
N/A	***N/A***	***N/A***	***N/A***
N/A	***N/A***	***N/A***	***N/A***

Procurement Practices

Proportion of spending on local suppliers

-Not material or applicable to the Company as it has not commenced operations yet.

Disclosure	Quantity	Units
Percentage of procurement budget used for significant locations of operations that is spent on local suppliers	***Not material***	%

What is the impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach
N/A	***N/A***	***N/A***
What are the Risk/s Identified?	**Which stakeholders are affected?**	**Management Approach**
N/A	***N/A***	***N/A***
What are the Opportunity/ies Identified?	**Which stakeholders are affected?**	**Management Approach**
N/A	***N/A***	***N/A***

[2] Adopted from the Recommendations of the Task Force on Climate-Related Financial Disclosures. The TCFD Recommendations apply to non-financial companies and financial-sector organizations, including banks, insurance companies, asset managers and asset owners.

Anti-corruption

Training on Anti-corruption Policies and Procedures

-Not material or applicable to the Company as it has not commenced operations yet.

Disclosure	Quantity	Units
Percentage of employees to whom the organization's anti-corruption policies and procedures have been communicated to	***N/A***	%
Percentage of business partners to whom the organization's anti-corruption policies and procedures have been communicated to	***N/A***	%
Percentage of directors and management that have received anti-corruption training	***N/A***	%
Percentage of employees that have received anti-corruption training	***N/A***	%

What is the impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach
N/A	***N/A***	***N/A***
What are the Risk/s Identified?	**Which stakeholders are affected?**	**Management Approach**
N/A	***N/A***	***N/A***
What are the Opportunity/ies Identified?	**Which stakeholders are affected?**	**Management Approach**
N/A	***N/A***	***N/A***

Incidents of Corruption

-Not material or applicable to the Company as it has not commenced operations yet.

Disclosure	Quantity	Units
Number of incidents in which directors were removed or disciplined for corruption	***N/A***	#
Number of incidents in which employees were dismissed or disciplined for corruption	***N/A***	#
Number of incidents when contracts with business partners were terminated due to incidents of corruption	***N/A***	#

What is the impact and where does it occur? What is the organization's involvement in the impact?	**Which stakeholders are affected?**	**Management Approach**
N/A	***N/A***	***N/A***
What are the Risk/s Identified?	**Which stakeholders are affected?**	**Management Approach**
N/A	***N/A***	***N/A***
What are the Opportunity/ies Identified?	**Which stakeholders are affected?**	**Management Approach**
N/A	***N/A***	***N/A***

ENVIRONMENT

Resource Management

Energy consumption within the organization:

-Not material or applicable to the Company as it has not commenced operations yet.

Disclosure	Quantity	Units
Energy consumption (renewable sources)	***N/A***	GJ
Energy consumption (gasoline)	***N/A***	GJ
Energy consumption (LPG)	***N/A***	GJ
Energy consumption (diesel)	***N/A***	GJ
Energy consumption (electricity)	***N/A***	kWh

Reduction of energy consumption

-Not material or applicable to the Company as it has not commenced operations yet.

Disclosure	Quantity	Units
Energy reduction (gasoline)	***N/A***	GJ
Energy reduction (LPG)	***N/A***	GJ
Energy reduction (diesel)	***N/A***	GJ
Energy reduction (electricity)	***N/A***	kWh
Energy reduction (gasoline)	***N/A***	GJ

What is the impact and where does it occur? What is the organization's involvement in the impact?	**Which stakeholders are affected?**	**Management Approach**
N/A	***N/A***	***N/A***
What are the Risk/s Identified?	**Which stakeholders are affected?**	**Management Approach**
N/A	***N/A***	***N/A***
What are the Opportunity/ies Identified?	**Which stakeholders are affected?**	**Management Approach**
N/A	***N/A***	***N/A***

Water consumption within the organization

-Not material or applicable to the Company as it has not commenced operations yet.

Disclosure	Quantity	Units
Water withdrawal	***N/A***	Cubic meters
Water consumption	***N/A***	Cubic meters
Water recycled and reused	***N/A***	Cubic meters

What is the impact and where does it occur? What is the organization's involvement in the impact?	**Which stakeholders are affected?**	**Management Approach**
N/A	***N/A***	***N/A***
What are the Risk/s Identified?	**Which stakeholders are affected?**	**Management Approach**
N/A	***N/A***	***N/A***
What are the Opportunity/ies Identified?	**Which stakeholders are affected?**	**Management Approach**
N/A	***N/A***	***N/A***

Materials used by the organization

-Not material or applicable to the Company as it has not commenced operations yet.

Disclosure	Quantity	Units
Materials used by weight or volume		
• renewable	***N/A***	kg/liters
• non-renewable	***N/A***	kg/liters
Percentage of recycled input materials used to manufacture the organization's primary products and services	***N/A***	%

What is the impact and where does it occur? What is the organization's involvement in the impact?	**Which stakeholders are affected?**	**Management Approach**
N/A	***N/A***	***N/A***
What are the Risk/s Identified?	**Which stakeholders are affected?**	**Management Approach**

N/A	***N/A***	***N/A***
What are the Opportunity/ies Identified?	**Which stakeholders are affected?**	**Management Approach**
N/A	***N/A***	***N/A***

Ecosystems and biodiversity (whether in upland/watershed or coastal/marine)

-Not material or applicable to the Company as it has not commenced operations yet.

Disclosure	**Quantity**	**Units**
Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	(identify all sites) ***N/A***	
Habitats protected or restored	***N/A***	ha
IUCN[3] Red List species and national conservation list species with habitats in areas affected by operations	(list) ***N/A***	

What is the impact and where does it occur? What is the organization's involvement in the impact?	**Which stakeholders are affected?**	**Management Approach**
N/A	***N/A***	***N/A***
What are the Risk/s Identified?	**Which stakeholders are affected?**	**Management Approach**
N/A	***N/A***	***N/A***
What are the Opportunity/ies Identified?	**Which stakeholders are affected?**	**Management Approach**
N/A	***N/A***	***N/A***

Environmental impact management

Air Emissions

GHG

-Not material or applicable to the Company as it has not commenced operations yet.

Disclosure	**Quantity**	**Units**
Direct (Scope 1) GHG Emissions	***N/A***	Tonnes CO_2e
Energy indirect (Scope 2) GHG Emissions	***N/A***	Tonnes CO_2e

[3] International Union for Conservation of Nature

Emissions of ozone-depleting substances (ODS)	***N/A***	Tonnes

What is the impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach
N/A	***N/A***	***N/A***
What are the Risk/s Identified?	**Which stakeholders are affected?**	**Management Approach**
N/A	***N/A***	***N/A***
What are the Opportunity/ies Identified?	**Which stakeholders are affected?**	**Management Approach**
N/A	***N/A***	***N/A***

Air pollutants

-Not material or applicable to the Company as it has not commenced operations yet.

Disclosure	Quantity	Units
NO_x	***N/A***	kg
SO_x	***N/A***	kg
Persistent organic pollutants (POPs)	***N/A***	kg
Volatile organic compounds (VOCs)	***N/A***	kg
Hazardous air pollutants (HAPs)	***N/A***	kg
Particulate matter (PM)	***N/A***	kg

What is the impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach
N/A	***N/A***	***N/A***
What are the Risk/s Identified?	**Which stakeholders are affected?**	**Management Approach**
N/A	***N/A***	***N/A***
What are the Opportunity/ies Identified?	**Which stakeholders are affected?**	**Management Approach**
N/A	***N/A***	***N/A***

Solid and Hazardous Wastes

Solid Waste

-Not material or applicable to the Company as it has not commenced operations yet.

Disclosure	Quantity	Units
Total solid waste generated	***N/A***	kg
Reusable	***N/A***	kg
Recyclable	***N/A***	kg
Composted	***N/A***	kg
Incinerated	***N/A***	kg
Residuals/Landfilled	***N/A***	kg

What is the impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach
N/A	***N/A***	***N/A***
What are the Risk/s Identified?	**Which stakeholders are affected?**	**Management Approach**
N/A	***N/A***	***N/A***
What are the Opportunity/ies Identified?	**Which stakeholders are affected?**	**Management Approach**
N/A	***N/A***	***N/A***

Hazardous Waste

-Not material or applicable to the Company as it has not commenced operations yet.

Disclosure	Quantity	Units
Total weight of hazardous waste generated	***N/A***	kg
Total weight of hazardous waste transported	***N/A***	kg

What is the impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach
N/A	***N/A***	***N/A***
What are the Risk/s Identified?	**Which stakeholders are affected?**	**Management Approach**

N/A	***N/A***	***N/A***
What are the Opportunity/ies Identified?	**Which stakeholders are affected?**	**Management Approach**
N/A	***N/A***	***N/A***

Effluents

-Not material or applicable to the Company as it has not commenced operations yet.

Disclosure	**Quantity**	**Units**
Total volume of water discharges	***N/A***	Cubic meters
Percent of wastewater recycled	***N/A***	%

What is the impact and where does it occur? What is the organization's involvement in the impact?	**Which stakeholders are affected?**	**Management Approach**
N/A	***N/A***	***N/A***
What are the Risk/s Identified?	**Which stakeholders are affected?**	**Management Approach**
N/A	***N/A***	***N/A***
What are the Opportunity/ies Identified?	**Which stakeholders are affected?**	**Management Approach**
N/A	***N/A***	***N/A***

Environmental compliance

Non-compliance with Environmental Laws and Regulations

-Not material or applicable to the Company as it has not commenced operations yet.

Disclosure	**Quantity**	**Units**
Total amount of monetary fines for non-compliance with environmental laws and/or regulations	***N/A***	PhP
No. of non-monetary sanctions for non-compliance with environmental laws and/or regulations	***N/A***	#
No. of cases resolved through dispute resolution mechanism	***N/A***	#

What is the impact and where does it occur? What is the organization’s involvement in the impact?	Which stakeholders are affected?	Management Approach
N/A	***N/A***	***N/A***
What are the Risk/s Identified?	**Which stakeholders are affected?**	**Management Approach**
N/A	***N/A***	***N/A***
What are the Opportunity/ies Identified?	**Which stakeholders are affected?**	**Management Approach**
N/A	***N/A***	***N/A***

SOCIAL

Employee Management

Employee Hiring and Benefits

Employee data

-Not material or applicable to the Company as it has not commenced operations yet.

Disclosure	Quantity	Units
Total number of employees[4]		
a. Number of female employees	0	#
b. Number of male employees	0	#
Attrition rate[5]	Not applicable since the Company has yet to commence operations	rate
Ratio of lowest paid employee against minimum wage	Not applicable since the Company has yet to commence operations	ratio

Employee benefits

-Not material or applicable to the Company as it has not commenced operations yet.

List of Benefits	Y/N	% of female employees who availed for the year	% of male employees who availed for the year
SSS	***N/A***	***N/A***	***N/A***
PhilHealth	***N/A***	***N/A***	***N/A***
Pag-ibig	***N/A***	***N/A***	***N/A***
Parental leaves	***N/A***	***N/A***	***N/A***
Vacation leaves	***N/A***	***N/A***	***N/A***
Sick leaves	***N/A***	***N/A***	***N/A***
Medical benefits (aside from PhilHealth))	***N/A***	***N/A***	***N/A***
Housing assistance (aside from Pag-ibig)	***N/A***	***N/A***	***N/A***

[4] Employees are individuals who are in an employment relationship with the organization, according to national law or its application (GRI Standards 2016 Glossary)
[5] Attrition are = (no. of new hires – no. of turnover)/(average of total no. of employees of previous year and total no. of employees of current year)

Retirement fund (aside from SSS)	***N/A***	***N/A***	***N/A***
Further education support	***N/A***	***N/A***	***N/A***
Company stock options	***N/A***	***N/A***	***N/A***
Telecommuting	***N/A***	***N/A***	***N/A***
Flexible-working Hours	***N/A***	***N/A***	***N/A***
(Others)	***N/A***	***N/A***	***N/A***

What is the impact and where does it occur? What is the organization's involvement in the impact?	**Management Approach**
N/A	***N/A***
What are the Risk/s Identified?	**Management Approach**
N/A	***N/A***
What are the Opportunity/ies Identified?	**Management Approach**
N/A	***N/A***

Employee Training and Development

-Not material or applicable to the Company as it has not commenced operations yet.

Disclosure	**Quantity**	**Units**
Total training hours provided to employees		
a. Female employees	***N/A***	hours
b. Male employees	***N/A***	hours
Average training hours provided to employees		
a. Female employees	***N/A***	hours/employee
b. Male employees	***N/A***	hours/employee

What is the impact and where does it occur? What is the organization's involvement in the impact?	**Management Approach**
N/A	***N/A***
What are the Risk/s Identified?	**Management Approach**
N/A	***N/A***
What are the Opportunity/ies Identified?	**Management Approach**
N/A	***N/A***

Labor-Management Relations

-Not material or applicable to the Company as it has not commenced operations yet.

Disclosure	Quantity	Units
% of employees covered with Collective Bargaining Agreements	***N/A***	%
Number of consultations conducted with employees concerning employee-related policies	***N/A***	#

What is the impact and where does it occur? What is the organization's involvement in the impact?	**Management Approach**
N/A	***N/A***
What are the Risk/s Identified?	**Management Approach**
N/A	***N/A***
What are the Opportunity/ies Identified?	**Management Approach**
N/A	***N/A***

Diversity and Equal Opportunity

-Not material or applicable to the Company as it has not commenced operations yet.

Disclosure	Quantity	Units
% of female workers in the workforce	***N/A***	%
% of male workers in the workforce	***N/A***	%
Number of employees from indigenous communities and/or vulnerable sector*	***N/A***	#

**Vulnerable sector includes, elderly, persons with disabilities, vulnerable women, refugees, migrants, internally displaced persons, people living with HIV and other diseases, solo parents, and the poor or the base of the pyramid (BOP; Class D and E).*

What is the impact and where does it occur? What is the organization's involvement in the impact?	**Management Approach**
N/A	***N/A***
What are the Risk/s Identified?	**Management Approach**
N/A	***N/A***
What are the Opportunity/ies Identified?	**Management Approach**
N/A	***N/A***

Workplace Conditions, Labor Standards, and Human Rights

Occupational Health and Safety

-Not material or applicable to the Company as it has not commenced operations yet.

Disclosure	Quantity	Units
Safe Man-Hours	***N/A***	Man-hours
No. of work-related injuries	***N/A***	#
No. of work-related fatalities	***N/A***	#
No. of work related ill-health	***N/A***	#
No. of safety drills	***N/A***	#

What is the impact and where does it occur? What is the organization's involvement in the impact?	Management Approach
N/A	***N/A***
What are the Risk/s Identified?	**Management Approach**
N/A	***N/A***
What are the Opportunity/ies Identified?	**Management Approach**
N/A	***N/A***

Labor Laws and Human Rights

-Not material or applicable to the Company as it has not commenced operations yet.

Disclosure	Quantity	Units
No. of legal actions or employee grievances involving forced or child labor	***N/A***	#

Do you have policies that explicitly disallows violations of labor laws and human rights (e.g. harassment, bullying) in the workplace?

Topic	Y/N	If Yes, cite reference in the company policy
Forced labor	N	
Child labor	N	
Human Rights	N	

What is the impact and where does it occur? What is the organization's involvement in the impact?	Management Approach
N/A	***N/A***

What are the Risk/s Identified?	Management Approach
N/A	***N/A***
What are the Opportunity/ies Identified?	**Management Approach**
N/A	***N/A***

Supply Chain Management

-Not material or applicable to the Company as it has not commenced operations yet.

Do you have a supplier accreditation policy? If yes, please attach the policy or link to the policy:

None.

Do you consider the following sustainability topics when accrediting suppliers?

Topic	Y/N	If Yes, cite reference in the supplier policy
Environmental performance	***N/A***	
Forced labor	***N/A***	
Child labor	***N/A***	
Human rights	***N/A***	
Bribery and corruption	***N/A***	

What is the impact and where does it occur? What is the organization's involvement in the impact?	Management Approach
N/A	***N/A***
What are the Risk/s Identified?	**Management Approach**
N/A	***N/A***
What are the Opportunity/ies Identified?	**Management Approach**
N/A	***N/A***

Relationship with Community

Significant Impacts on Local Communities

-Not material or applicable to the Company as it has not commenced operations yet.

Operations with significant (positive or negative) impacts on local communities (exclude CSR projects; this has to be business operations)	Location	Vulnerable groups (if applicable)*	Does the particular operation have impacts on indigenous people (Y/N)?	Collective or individual rights that have been identified that or particular concern for the community	Mitigating measures (if negative) or enhancement measures (if positive)
None	-	-	-	-	-

**Vulnerable sector includes children and youth, elderly, persons with disabilities, vulnerable women, refugees, migrants, internally displaced persons, people living with HIV and other diseases, solo parents, and the poor or the base of the pyramid (BOP; Class D and E)*

For operations that are affecting IPs, indicate the total number of Free and Prior Informed Consent (FPIC) undergoing consultations and Certification Preconditions (CPs) secured and still operational and provide a copy or link to the certificates if available: **The current operations of Pacifica do not affect IPs.**

Certificates	Quantity	Units
FPIC process is still undergoing	0	#
CP secured	0	#

What are the Risk/s Identified?	Management Approach
N/A	***N/A***
What are the Opportunity/ies Identified?	**Management Approach**
N/A	***N/A***

Customer Management

Customer Satisfaction

-Not material or applicable to the Company as it has not commenced operations yet.

Disclosure	Score	Did a third party conduct the customer satisfaction study (Y/N)?
Customer satisfaction	***N/A***	N

What is the impact and where does it occur? What is the organization's involvement in the impact?	Management Approach
N/A	***N/A***
What are the Risk/s Identified?	**Management Approach**
N/A	***N/A***
What are the Opportunity/ies Identified?	**Management Approach**
N/A	***N/A***

Health and Safety

-Not material or applicable to the Company as it has not commenced operations yet.

Disclosure	Quantity	Units
No. of substantiated complaints on product or service health and safety*	0	#
No. of complaints addressed	***N/A***	#

**Substantiated complaints include complaints from customers that went through the organization's formal communication channels and grievance mechanisms as well as complaints that were lodged to and acted upon by government agencies.*

What is the impact and where does it occur? What is the organization's involvement in the impact?	Management Approach
N/A	***N/A***
What are the Risk/s Identified?	**Management Approach**
N/A	***N/A***
What are the Opportunity/ies Identified?	**Management Approach**
N/A	***N/A***

Marketing and labelling

-Not material or applicable to the Company as it has not commenced operations yet.

Disclosure	Quantity	Units
No. of substantiated complaints on marketing and labelling*	0	#
No. of complaints addressed	***N/A***	#

**Substantiated complaints include complaints from customers that went through the organization's formal communication channels and grievance mechanisms as well as complaints that were lodged to and acted upon by government agencies.*

What is the impact and where does it occur? What is the organization's involvement in the impact?	Management Approach
N/A	***N/A***
What are the Risk/s Identified?	**Management Approach**
N/A	***N/A***
What are the Opportunity/ies Identified?	**Management Approach**
N/A	***N/A***

Customer privacy

-Not material or applicable to the Company as it has not commenced operations yet.

Disclosure	Quantity	Units
No. of substantiated complaints on customer privacy*	***N/A***	#
No. of complaints addressed	***N/A***	#
No. of customers, users and account holders whose information is used for secondary purposes	***N/A***	#

**Substantiated complaints include complaints from customers that went through the organization's formal communication channels and grievance mechanisms as well as complaints that were lodged to and acted upon by government agencies.*

What is the impact and where does it occur? What is the organization's involvement in the impact?	Management Approach
N/A	***N/A***
What are the Risk/s Identified?	**Management Approach**
N/A	***N/A***

What are the Opportunity/ies Identified?	Management Approach
N/A	***N/A***

Data Security

-Not material or applicable to the Company as it has not commenced operations yet.

Disclosure	Quantity	Units
No. of data breaches, including leaks, thefts and losses of data	0	#

What is the impact and where does it occur? What is the organization's involvement in the impact?	Management Approach
N/A	***N/A***
What are the Risk/s Identified?	**Management Approach**
N/A	***N/A***
What are the Opportunity/ies Identified?	**Management Approach**
N/A	***N/A***

UN SUSTAINABLE DEVELOPMENT GOALS

Product or Service Contribution to UN SDGs

Key products and services and its contribution to sustainable development.

<table>
<tr><th>Key Products and Services</th><th>Societal Value / Contribution to UN SDGs</th><th>Potential Negative Impact of Contribution</th><th>Management Approach to Negative Impact</th></tr>
<tr><td>At of the date of this Report, Pacifica has not commenced commercial operations. It does not manufacture any product or provide any services. Pacifica also does not have investment(s) in any corporation.</td><td>Despite not having commenced its operations as of current date, Pacifica remains supportive of the UN SDGs, particularly SD No. 8 which entails the promotion of sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all.</td><td colspan="2">As of the date of this Report, no negative impact has been identified by the management.

The management closely oversees and monitors the implementation of the Company’s business objectives to ensure responsible and sustainable conduct of its business.</td></tr>
<tr><td></td><td></td><td></td><td></td></tr>
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</table>

** None/Not Applicable is not an acceptable answer. For holding companies, the services and products of its subsidiaries may be disclosed.*