

# COVER SHEET

for  
**AUDITED FINANCIAL STATEMENTS**

SEC Registration Number

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**COMPANY NAME**

B	L	O	O	M	B	E	R	R	Y	R	E	S	O	R	T	S	C	O	R	P	O	R	A	T	I	O	N
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i	c	H	o	l	d	i	n	g	s	,	I	n	c	.	)												

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

T	h	e	E	x	e	c	u	t	i	v	e	O	f	f	i	c	e	s	,	S	o	l	a	i	r	e
R	e	s	o	r	t	&	C	a	s	i	n	o	,	1	A	s	e	a	n	A	v	e	n	u	e	,
E	n	t	e	r	t	a	i	n	m	e	n	t	C	i	t	y	,	T	a	m	b	o	,			
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Form Type  

A	A	F	S
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Department requiring the report  

C	R	M	D
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Secondary License Type, if Applicable  

N	A
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**COMPANY INFORMATION**

Company's Email Address <table border="1" style="width: 100%;"><tr><td>corporatesecretary@bloomberry.ph</td></tr></table>	corporatesecretary@bloomberry.ph	Company's Telephone Number <table border="1" style="width: 100%;"><tr><td>+639687044618</td></tr></table>	+639687044618	Mobile Number <table border="1" style="width: 100%;"><tr><td>-</td></tr></table>	-
corporatesecretary@bloomberry.ph					
+639687044618					
-					
No. of Stockholders <table border="1" style="width: 100%;"><tr><td>92</td></tr></table>	92	Annual Meeting (Month / Day) <table border="1" style="width: 100%;"><tr><td>Every Third Thursday of April</td></tr></table>	Every Third Thursday of April	Fiscal Year (Month / Day) <table border="1" style="width: 100%;"><tr><td>December 31</td></tr></table>	December 31
92					
Every Third Thursday of April					
December 31					

**CONTACT PERSON INFORMATION**

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

Name of Contact Person <table border="1" style="width: 100%;"><tr><td>Gerard Angelo Emilio J. Festin</td></tr></table>	Gerard Angelo Emilio J. Festin	Email Address <table border="1" style="width: 100%;"><tr><td>gerardfestin@solaireresort.com</td></tr></table>	gerardfestin@solaireresort.com	Telephone Number/s <table border="1" style="width: 100%;"><tr><td>8883-8921</td></tr></table>	8883-8921	Mobile Number <table border="1" style="width: 100%;"><tr><td>-</td></tr></table>	-
Gerard Angelo Emilio J. Festin							
gerardfestin@solaireresort.com							
8883-8921							
-							

**CONTACT PERSON'S ADDRESS**

<b>The Executive Offices, Solaire Resort &amp; Casino, 1 Asean Avenue, Entertainment City, Tambo, Parañaque City</b>
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**NOTE 1:** In case of death, resignation or cessation of office of the officer designated as contact person, such incident shall be reported to the Commission within thirty (30) calendar days from the occurrence thereof with information and complete contact details of the new contact person designated.

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





# BloombergBerry Resorts Corporation

March 1, 2024

The Securities and Exchange Commission  
SEC Building, EDSA, Greenhills  
Mandaluyong City

## STATEMENT OF MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL STATEMENTS

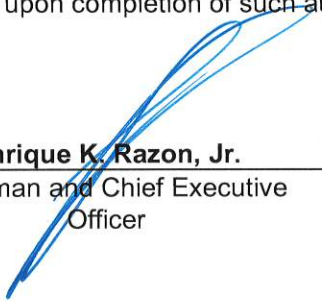
The management of **BLOOMBERRY RESORTS CORPORATION** is responsible for the preparation and fair presentation of the parent company financial statements including the schedules attached therein, as of and for the years ended December 31, 2023 and 2022, in accordance with the prescribed financial reporting framework indicated therein, and for such internal control as management determines is necessary to enable the preparation of the parent company financial statements that are free from material misstatement, whether due to fraud or error.


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

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

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

SyCip Gorres Velayo & Co., the independent auditor appointed by the stockholders, has audited the parent company financial statements of the company in accordance with Philippine Standards on Auditing, and in its report to the stockholders, has expressed its opinion on the fairness of presentation upon completion of such audit.

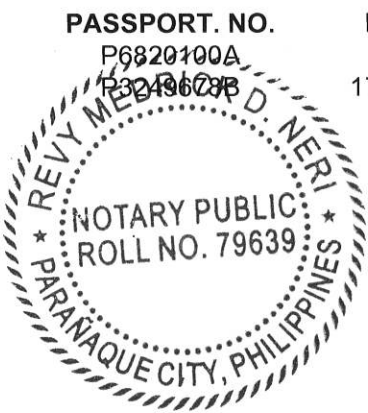
  
**Enrique K. Razon, Jr.**  
Chairman and Chief Executive Officer

  
**Estella Tuason-Occena**  
Executive Vice President, Chief Financial Officer and Treasurer

SUBSCRIBED AND SWORN to before me this 1<sup>st</sup> day of March 2024, affiant(s) exhibiting to me their Passports, as follows:

NAMES	PASSPORT. NO.	DATE OF ISSUE	PLACE OF ISSUE
Enrique K. Razon Jr.	P6820100A	19 April 2018	Manila
Estella Tuason Occena	P3249603B	17 September 2019	Manila

Doc. No. 128  
Page No. 27  
Book No. 1  
Series of 2024



  
**REVY MEDRICK D. NERI**  
Commission No. 350-2023  
Notary Public for Parañaque City  
Until December 31, 2024  
1 Asean Avenue, Entertainment City  
Tambo, Parañaque City 1701  
Roll No. 79639

TR No. 3490138E / January 10, 2024 / Parañaque City  
RP No. 390037 / December 29, 2023 / Makati Chapter

## INDEPENDENT AUDITOR'S REPORT

The Board of Directors and Stockholders  
Bloomberry Resorts Corporation  
The Executive Offices, Solaire Resort & Casino  
1 Asean Avenue, Entertainment City, Tambo  
Parañaque City



### Report on the Audit of the Parent Company Financial Statements

#### Opinion

We have audited the parent company financial statements of Bloomberry Resorts Corporation (a subsidiary of Prime Strategic Holdings, Inc.) (the Company), which comprise the parent company statements of financial position as at December 31, 2023 and 2022, and the parent company statements of comprehensive income, parent company statements of changes in equity and parent company statements of cash flows for the years then ended, and notes to the parent company financial statements, including material accounting policy information.

In our opinion, the accompanying parent company financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2023 and 2022, and its financial performance and its cash flows for the years then ended in accordance with Philippine Financial Reporting Standards (PFRSs).

#### Basis for Opinion

We conducted our audits in accordance with Philippine Standards on Auditing (PSAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Parent Company 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 audit of the parent company 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.

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

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

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



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

### **Auditor's Responsibilities for the Audit of the Parent Company Financial Statements**

Our objectives are to obtain reasonable assurance about whether the parent company financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with PSAs 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 parent company financial statements.

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

- Identify and assess the risks of material misstatement of the parent company financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the parent company financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the parent company financial statements, including the disclosures, and whether the parent company 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.

**Report on the Supplementary Information Required Under Revenue Regulations No. 15-2010**

Our audits were conducted for the purpose of forming an opinion on the parent company financial statements taken as a whole. The supplementary information required under Revenue Regulations No. 15-2010 in Note 18 to the parent company financial statements is presented for purposes of filing with the Bureau of Internal Revenue and is not a required part of the basic financial statements. Such information is the responsibility of the management of Bloomberry Resorts Corporation. The information has been subjected to the auditing procedures applied in our audit of the basic financial statements. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

The engagement partner on the audit resulting in this independent auditor's report is Maria Pilar B. Hernandez.

SYCIP GORRES VELAYO & CO.



Maria Pilar B. Hernandez

Partner

CPA Certificate No. 105007

Tax Identification No. 214-318-972

BOA/PRC Reg. No. 0001, August 25, 2021, valid until April 15, 2024

BIR Accreditation No. 08-001998-116-2022, January 20, 2022, valid until January 19, 2025

PTR No. 10079946, January 5, 2024, Makati City

March 1, 2024



**BLOOMBERRY RESORTS CORPORATION****(A Subsidiary of Prime Strategic Holdings Inc.)****PARENT COMPANY STATEMENTS OF FINANCIAL POSITION**

	December 31	
	2023	2022
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash and cash equivalents (Notes 4 and 14)	₱5,612,980,202	₱306,867,223
Receivables (Notes 5, 9 and 14)	1,379,743,623	4,302,397,430
Other current assets	22,239,426	15,737,878
Total Current Assets	7,014,963,251	4,625,002,531
<b>Noncurrent Assets</b>		
Investments in subsidiaries (Note 6)	24,787,223,072	24,555,617,849
Due from related parties (Notes 9 and 14)	12,376,077,543	7,864,840,081
Office and transportation equipment (Note 7)	20,821,664	3,555,221
Other noncurrent assets (Note 5)	–	1,000,000,000
Total Noncurrent Assets	37,184,122,279	33,424,013,151
	₱44,199,085,530	₱38,049,015,682
<b>LIABILITIES AND EQUITY</b>		
<b>Current Liabilities</b>		
Accrued expenses and other current liabilities (Notes 8 and 14)	₱362,137,887	₱365,126,246
Due to related parties (Notes 9 and 14)	11,999,895,107	11,171,269,302
Income tax payable (Note 13)	768,496	539,808
Total Current Liabilities	12,362,801,490	11,536,935,356
<b>Noncurrent Liabilities</b>		
Subscription payable (Notes 6 and 9)	1,875,000	1,875,000
Retirement liability (Note 11)	502,154,584	–
Total Noncurrent Liabilities	504,029,584	1,875,000
Total Liabilities	12,866,831,074	11,538,810,356
<b>Equity (Note 10)</b>		
Capital stock	11,591,998,225	11,032,998,225
Additional paid-in capital	18,044,445,681	13,125,833,210
Treasury shares	(971,296,015)	(1,191,685,067)
Share-based payment plan	248,545,108	233,327,457
Retained earnings	2,418,561,457	3,309,731,501
Total Equity	31,332,254,456	26,510,205,326
	₱44,199,085,530	₱38,049,015,682

See accompanying Notes to Parent Company Financial Statements.



**BLOOMBERRY RESORTS CORPORATION****(A Subsidiary of Prime Strategic Holdings Inc.)****PARENT COMPANY STATEMENTS OF COMPREHENSIVE INCOME**

	Years Ended December 31	
	2023	2022
<b>INTEREST INCOME</b> (Notes 4, 5 and 9)	<b>₱51,976,009</b>	₱59,081,802
<b>EXPENSES</b> (Note 12)	<b>871,046,141</b>	417,417,471
<b>LOSS BEFORE OTHER INCOME AND INCOME TAX</b>	<b>(819,070,132)</b>	(358,335,669)
<b>OTHER INCOME (LOSS)</b>		
Foreign exchange gain (loss) - net	(71,341,416)	754,730,047
Others	10,000	10,000
<b>INCOME (LOSS) BEFORE INCOME TAX</b>	<b>(890,401,548)</b>	396,404,378
<b>PROVISION FOR CURRENT INCOME TAX</b> (Note 13)	<b>768,496</b>	539,808
<b>TOTAL COMPREHENSIVE INCOME (LOSS)</b>	<b>(₱891,170,044)</b>	₱395,864,570
<b>Basic/Diluted Earnings Per Share</b> (Note 15)		
Basic	(₱0.081)	₱0.036
Diluted	(₱0.081)	₱0.036

*See accompanying Notes to Parent Company Financial Statements.*



# BLOOMBERRY RESORTS CORPORATION

(A Subsidiary of Prime Strategic Holdings Inc.)

## PARENT COMPANY STATEMENTS OF CHANGES IN EQUITY FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022

	Capital Stock (Note 10)	Additional Paid-in Capital (Note 10)	Treasury Shares (Note 10)	Share-based Payment Plan (Note 10)	Retained Earnings	Total
<b>Balances at January 1, 2023</b>	<b>₱11,032,998,225</b>	<b>₱13,125,833,210</b>	<b>(₱1,191,685,067)</b>	<b>₱233,327,457</b>	<b>₱3,309,731,501</b>	<b>₱26,510,205,326</b>
Net income	-	-	-	-	(891,170,044)	(891,170,044)
Issuance of new shares (Note 10)	559,000,000	4,922,613,950	-	-	-	5,481,613,950
Issuance of treasury shares for share-based payments (Note 10)	-	(4,001,479)	220,389,052	(216,387,573)	-	-
Share-based payments (Note 10)	-	-	-	231,605,224	-	231,605,224
<b>Balances at December 31, 2023</b>	<b>₱11,591,998,225</b>	<b>₱18,044,445,681</b>	<b>(₱971,296,015)</b>	<b>₱248,545,108</b>	<b>₱2,418,561,457</b>	<b>₱31,332,254,456</b>
<b>Balances at January 1, 2022</b>	<b>₱11,032,998,225</b>	<b>₱13,152,573,661</b>	<b>(₱1,040,930,916)</b>	<b>₱183,444,674</b>	<b>₱2,913,866,931</b>	<b>₱26,241,952,575</b>
Net income	-	-	-	-	395,864,570	395,864,570
Issuance of treasury shares for share-based payments (Note 10)	-	(26,740,451)	109,716,879	(82,976,428)	-	-
Share-based payments (Note 10)	-	-	-	132,859,211	-	132,859,211
Acquisition of treasury shares (Note 10)	-	-	(260,471,030)	-	-	(260,471,030)
<b>Balances at December 31, 2022</b>	<b>₱11,032,998,225</b>	<b>₱13,125,833,210</b>	<b>(₱1,191,685,067)</b>	<b>₱233,327,457</b>	<b>₱3,309,731,501</b>	<b>₱26,510,205,326</b>

See accompanying Notes to Parent Company Financial Statements.



**BLOOMBERRY RESORTS CORPORATION****(A Subsidiary of Prime Strategic Holdings Inc.)****PARENT COMPANY STATEMENTS OF CASH FLOWS**

	<b>Years Ended December 31</b>	
	<b>2023</b>	<b>2022</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Income (loss) before income tax	<b>(P890,401,548)</b>	P396,404,378
Adjustments for:		
Movement in retirement liability (see Note 11)	<b>502,154,584</b>	-
Reclassification of receivable	<b>(436,636,739)</b>	
Unrealized foreign exchange loss (gain) - net	<b>71,341,416</b>	(876,857,927)
Interest income (Notes 4, 5 and 9)	<b>(51,976,009)</b>	(59,081,802)
Depreciation (Notes 7 and 12)	<b>6,015,227</b>	3,440,040
Gain on sale of office and transportation equipment (Note 7)	<b>(10,000)</b>	(10,000)
Working capital adjustments:		
Decrease (increase) in:		
Receivables	<b>(1,774,093,305)</b>	(3,969,024,272)
Other current assets	<b>(6,501,547)</b>	(2,892,940)
Increase (decrease) in:		
Accrued expenses and other current liabilities	<b>(2,988,359)</b>	86,383,687
Due to related parties (Notes 9 and 14)	<b>828,625,805</b>	2,550,985,866
Net cash generated from (used in) operations	<b>(1,754,470,475)</b>	(1,870,652,970)
Income tax paid	<b>(539,808)</b>	(599,775)
Interest received	<b>753,043</b>	5,111,225
Net cash provided by (used in) operating activities	<b>(1,754,257,240)</b>	(1,866,141,520)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Decrease (increase) in:		
Due from related parties (Note 14)	<b>1,607,589,016</b>	17,034,478
Other noncurrent assets	-	(750,000,000)
Investment in subsidiaries	-	(49,999,991)
Purchase of office and transportation equipment	<b>(23,281,670)</b>	(1,512,843)
Proceeds from sale of office and transportation equipment	<b>10,000</b>	10,000
Net cash used in investing activities	<b>1,584,317,346</b>	(784,468,356)
<b>CASH FLOWS FROM A FINANCING ACTIVITIES</b>		
Issuance of new shares (Note 10)	<b>5,481,613,950</b>	-
Acquisition of treasury shares (Note 10)	-	(260,471,030)
Net cash used in financing activities	<b>5,481,613,950</b>	(260,471,030)
<b>EFFECT OF FOREIGN EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS</b>	<b>(5,561,077)</b>	59,990,139
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>5,306,112,979</b>	(2,851,090,767)
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR</b>	<b>306,867,223</b>	3,157,957,990
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b> (Note 4)	<b>P5,612,980,202</b>	P306,867,223

*See accompanying Notes to Parent Company Financial Statements.*

# BLOOMBERRY RESORTS CORPORATION

(A Subsidiary of Prime Strategic Holdings Inc.)

## NOTES TO PARENT COMPANY FINANCIAL STATEMENTS

### 1. Organization and Business

Bloomberry Resorts Corporation (referred to as “Bloomberry” or the “Company”), was incorporated in the Philippines and registered with the Securities and Exchange Commission (“SEC”) on May 3, 1999. The Company’s primary purpose is to subscribe, acquire, hold, sell, assign or dispose of shares of stock and other securities of any corporation, including those engaged in hotel and/or gaming and entertainment business, without engaging in dealership in securities or in the stock brokerage business or in the business of an investment company, to the extent permitted by law, and to be involved in the management and operations of such investee companies; and to guarantee the obligations of its subsidiaries or affiliates or any entity in which the Company has lawful interest.

Bloomberry’s shares of stock are publicly traded in the Philippine Stock Exchange (“PSE”) under the ticker BLOOM.

Bloomberry is a subsidiary of Prime Strategic Holdings Inc. (“PSHI”), the intermediate parent company. The Company’s ultimate parent company is Razon & Co. Inc. These entities are domiciled in the Philippines.

The Company’s registered office address is The Executive Offices, Solaire Resort & Casino, 1 Asean Avenue, Entertainment City, Tambo, Parañaque City.

The parent company financial statements have been approved and authorized for issuance by the Board of Directors (“BOD”) on March 1, 2024.

### 2. Material Accounting Policy Information

#### Basis of Preparation

The parent company financial statements have been prepared under the historical cost basis. The parent company financial statements are presented in Philippine Peso, the functional and presentation currency of the Company, and all values are rounded to the nearest peso, except when otherwise indicated.

Bloomberry’s parent company financial statements, which are prepared for submission to the SEC and Bureau of Internal Revenue (“BIR”), have been prepared in conformity with Philippine Financial Reporting Standards (“PFRSs”).

The Company also prepares and issues consolidated financial statements for the same period as the parent company financial statements in accordance with PFRS 10, *Consolidated Financial Statements*. The consolidated financial statements can be obtained at its registered office address (see Note 1).





### Changes in Accounting Policies and Disclosures

The accounting policies adopted are consistent with those of the previous financial year, except for the adoption of new standards effective beginning January 1, 2023. The Company has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

Unless otherwise indicated, adoption of these new standards did not have an impact on the parent company financial statements.

#### ▪ Amendments to PAS 1 and PFRS Practice Statement 2, *Disclosure of Accounting Policies*

The amendments provide guidance and examples to help entities apply materiality judgements to accounting policy disclosures. The amendments aim to help entities provide accounting policy disclosures that are more useful by:

- Replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies, and
- Adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures

The amendments have had an impact on the Company's disclosures of accounting policies, but not on the measurement, recognition or presentation of any items in the parent company financial statements.

#### ▪ Amendments to PAS 8, *Definition of Accounting Estimates*

The amendments to PAS 8 clarify the distinction between changes in accounting estimates, changes in accounting policies and the correction of errors. They also clarify how entities use measurement techniques and inputs to develop accounting estimates.

The amendments had no impact on the parent company financial statements because the Company's accounting policies are aligned with the amendments to PAS 8.

#### ▪ Amendments to PAS 12, *Deferred Tax related to Assets and Liabilities arising from a Single Transaction*

The amendments narrow the scope of the initial recognition exception under PAS 12, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences.

The amendments also clarify that where payments that settle a liability are deductible for tax purposes, it is a matter of judgement (having considered the applicable tax law) whether such deductions are attributable for tax purposes to the liability recognized in the parent company financial statements (and interest expense) or to the related asset component (and interest expense).

The amendments had no impact on the parent company financial statements because the Company's accounting policies are aligned with the amendments to PAS 12.

#### ▪ Amendments to PAS 12, *International Tax Reform – Pillar Two Model Rules*

The amendments introduce a mandatory exception in PAS 12 from recognizing and disclosing deferred tax assets and liabilities related to Pillar Two income taxes.





The amendments also clarify that PAS 12 applies to income taxes arising from tax law enacted or substantively enacted to implement the Pillar Two Model Rules published by the Organization for Economic Cooperation and Development (OECD), including tax law that implements qualified domestic minimum top-up taxes. Such tax legislation, and the income taxes arising from it, are referred to as ‘Pillar Two legislation’ and ‘Pillar Two income taxes’, respectively.

The temporary exception from recognition and disclosure of information about deferred taxes and the requirement to disclose the application of the exception, apply immediately and retrospectively upon adoption of the amendments in June 2023.

Meanwhile, the disclosure of the current tax expense related to Pillar Two income taxes and the disclosures in relation to periods before the legislation is effective are required for annual reporting periods beginning on or after January 1, 2023.

#### Standards Issued But Not Yet Effective

Pronouncements issued but not yet effective are listed below. The Company intends to adopt the following pronouncements when they become effective. Adoption of these pronouncements is not expected to have a significant impact on the parent company financial statements.

#### *Effective beginning on or after January 1, 2024*

- Amendments to PAS 1, *Classification of Liabilities as Current or Non-current*
- Amendments to PFRS 16, *Lease Liability in a Sale and Leaseback*
- Amendments to PAS 7 and PFRS 7, *Disclosures: Supplier Finance Arrangements*

#### *Effective beginning on or after January 1, 2025*

- PFRS 17, *Insurance Contracts*
- Amendments to PAS 21, *Lack of exchangeability*

#### *Deferred effectivity*

- Amendments to PFRS 10, *Consolidated Financial Statements*, and PAS 28, *Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*

### **Material Accounting Policies**

#### Share-based Payment Plan

Certain qualified officers and employees of the Company and subsidiaries receive remuneration for their services in the form of equity shares of the Company (“equity-settled transactions”).

The cost of equity-settled transactions with officers and employees is measured by reference to the fair value of the stock at the date on which these are granted.

The cost of equity-settled transactions is recognized, together with a corresponding increase in equity, over the period in which the performance and/or service conditions are fulfilled, ending on the date on which the relevant employees become fully entitled to the award (‘the vesting date’).

The cumulative expense recognized for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Company’s best estimate of the number of equity instruments that will ultimately vest. The expense or credit in profit or loss for a period represents the movement in cumulative expense recognized at the beginning and end of that period and is recognized as share-based payment expense as part of “Salaries and benefits” under “Operating costs and expenses” account in the parent company statement of comprehensive income.





No expense is recognized for awards that do not ultimately vest, except for equity-settled transaction for which vesting is conditional upon a market or non-vesting condition. These are treated as vesting irrespective of whether or not the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

The cost of the Company's equity-settled transaction with the employees of its subsidiary is recognized as a contribution from the Company and is presented as part of "Investments in subsidiaries".

#### Provisions

Provisions are recognized when the Company has present obligations, legal or constructive, as a result of past events, when it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Where the Company expects some or all of a provision to be reimbursed, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in profit or loss, net of any reimbursements. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to passage of time is recognized as interest expense.

#### Taxes

##### *Current income tax*

Current income tax assets and liabilities for the current and prior years are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting period.

##### *Deferred income tax*

Deferred income tax is provided using the liability method on temporary differences at the reporting period between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognized for all taxable temporary differences except: (1) when the deferred income tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and (2) with respect to taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognized for all deductible temporary differences, carryforward benefit of unused tax credits from unused net operating loss carry-over ("NOLCO") and excess minimum corporate income tax ("MCIT") over regular corporate income tax to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carryforward benefit of unused tax credits and unused tax losses can be utilized except:

(1) when the deferred income tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and (2) with respect to deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognized only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized.



The carrying amount of deferred tax assets is reviewed at each reporting period and reduced 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. Unrecognized deferred tax assets are reassessed at each reporting period and are recognized to the extent that it has become probable that future taxable profit will allow the deferred tax asset 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, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting period.

Deferred income tax relating to items recognized outside profit or loss is recognized outside profit or loss. Deferred tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred income tax liabilities are offset, if a legally enforceable right exists to offset current income tax assets against current income tax liabilities and the deferred income taxes relate to the same taxable entity and the same taxation authority.

#### *Value-Added Tax (VAT)*

Expenses and assets are recognized, net of the amount of VAT, except:

- When the VAT incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the VAT is recognized as part of the cost of acquisition of the asset or as part of the expense item, as applicable.
- When receivables and payables are stated with the amount of VAT included.

The net amount of VAT recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the parent company statement of financial position.

#### Contingencies

Contingent liabilities are not recognized in the parent company financial statements. These are disclosed unless the possibility of an outflow of resources embodying economic benefits is remote. Contingent assets are not recognized in the parent company financial statements but are disclosed in the notes to parent company financial statements when an inflow of economic benefits is probable.

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### **3. Management's Use of Judgments, Estimates and Assumptions**

The preparation of the parent company financial statements in conformity with PFRSs requires the Company to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and disclosure of contingent liabilities at the reporting date. The uncertainties inherent in these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the assets or liabilities affected in the future years.

#### Judgments

In the process of applying the Company's accounting policies, management has made the following judgments apart from those including estimations and assumptions, which has the most significant effect on the amounts recognized in the parent company financial statements.



*Definition of Default and Credit-Impaired Financial Assets.* The Company defines a financial instrument as in default, which is fully aligned with the definition of credit-impaired, when it meets one or more of the following criteria:

- *Quantitative Criteria.* The borrower is more than 90 days past due on its contractual payments, i.e. principal and/or interest, which is consistent with the Company's definition of default.
- *Qualitative Criteria.* The borrower meets unlikeliness to pay criteria, which indicates the borrower is in significant financial difficulty. These are instances where:
  - a. The borrower is experiencing financial difficulty or is insolvent;
  - b. Concessions have been granted by the Company, for economic or contractual reasons relating to the borrower's financial difficulty;
  - c. It is becoming probable that the borrower will enter bankruptcy or other financial reorganization.

The criteria above have been applied to all financial instruments held by the Company and are consistent with the definition of default used for internal credit risk management purposes. The default definition has been applied consistently to model the probability of default (PD), loss given default (LGD) and exposure at default (EAD) throughout the Company's ECL calculation.

*Macro-economic Forecasts and Forward-looking Information.* Macro-economic forecasts are determined by evaluating a range of possible outcomes and using reasonable and supportable information that is available without undue cost and effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

The Company takes into consideration using different macro-economic variables to ensure linear relationship between internal rates and outside factors. Regression analysis was used to objectively determine which variables to use.

Predicted relationship between the key indicators and default and loss rates on various portfolios of financial assets have been developed based on analyzing historical data over the past 5 years. The methodologies and assumptions including any forecasts of future economic conditions are reviewed regularly.

The carrying amount of receivables and due from related parties amounted to ₱1,379.7 million and ₱12,376.1 million, respectively, as of December 31, 2023 and ₱4,302.4 million and ₱7,864.8 million, respectively, as of December 31, 2022 (see Notes 5 and 9).

#### Estimates and Assumptions

The key estimates and assumptions concerning the future and other key sources of estimation uncertainty at reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities recognized in the parent company financial statements within the next financial year are discussed as follows:

*Impairment of Nonfinancial Assets.* An impairment review is performed when certain impairment indicators are present. Nonfinancial assets are subject to annual impairment test or whenever there is a strong indication that the assets will be impaired. The Company recognizes an impairment loss whenever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is computed using the value in use approach or based on the fair values using the latest sales price available in the market. Recoverable amounts are estimated for individual assets or, if it is not possible, for the cash-generating unit to which the asset belongs.



Management is required to make estimates and assumptions to determine the recoverable amounts. While the Company believes that the assumptions used are reasonable and appropriate, these estimates and assumptions can materially affect the parent company financial statements. Future adverse events may cause the management to conclude that the affected assets are impaired and may have a material impact on the Company's financial condition and results of operations.

No additional impairment loss was recognized in 2023 and 2022.

The carrying values of nonfinancial assets subject to impairment review are as follows:

	2023	2022
Investments in subsidiaries (see Note 6)	P24,787,223,072	P24,555,617,849
Office and transportation equipment (see Note 7)	20,821,664	3,555,221
	<b>P24,808,044,736</b>	<b>P24,559,173,070</b>

*Recognition of Deferred Tax Assets.* The Company reviews the carrying amounts at the end of each reporting period and reduce these to the extent that it is no longer probable that sufficient taxable income will be available to allow all or part of the deferred tax assets to be utilized. The Company's assessment on the recognition of deferred tax assets on deductible temporary differences, unused NOLCO and excess MCIT is based on the level and timing of forecasted taxable income of the subsequent reporting periods. The forecast is based on past results and future expectations on revenues and expenses as well as future tax planning strategies. However, there is no assurance that the Company will generate sufficient taxable income to allow all or part of its deferred tax assets to be utilized.

The Company recognized deferred tax assets amounting to P390.6 million and P464.8 million as of December 31, 2023 and 2022, respectively (see Note 13). Deferred tax assets have been recognized up to the extent of expected taxable profit that is expected to be realized through the reversal of certain temporary difference in the future. The Company's allowance for impairment loss, portion of unused NOLCO, provision for contingencies unrealized foreign exchange loss, retirement liability and MCIT for which no deferred tax assets have been recognized amounted to P1,818.76 million and P1,150.25 million as of December 31, 2023 and 2022, respectively.

#### 4. Cash and Cash Equivalents

	2023	2022
Cash on hand	P55,000	P55,000
Cash in banks	5,612,925,202	306,812,223
	<b>P5,612,980,202</b>	<b>P306,867,223</b>

Cash in banks earn interest at the prevailing bank deposit rates. Temporary cash investments are made for varying periods of up to three months depending on the immediate cash requirements of the Company and earn interest at the prevailing short-term investment rates.

Interest income earned from cash and cash equivalents amounted to P0.8 million and P2.6 million in 2023 and 2022, respectively.



## 5. Receivables

	2023	2022
Receivable from a third-party	₱1,000,000,000	₱-
Due from related parties (see Note 9)	241,723,942	5,112,553,212
Receivables from officers and employees (see Note 9)	34,271,566	31,653,508
Others	103,748,115	199,951,181
	<b>1,379,743,623</b>	<b>5,344,157,901</b>
Less allowance for expected credit losses	-	1,041,760,471
	<b>₱1,379,743,623</b>	<b>₱4,302,397,430</b>

### Contemplated Investment in Lapu-Lapu Leisure, Inc. and Clark Grand Leisure Corp.

On May 6, 2022, Bloomberry signed a term sheet with PH Travel and Leisure Corp., a subsidiary of PH Resorts Group Holdings, Inc. which covers the proposed investment of Bloomberry into Lapu-Lapu Leisure, Inc. and Clark Grand Leisure Corp. which are developing the Emerald Bay Resort Hotel and Casino in Punta Engano, Lapu-Lapu City, Cebu, and The Base Resort Hotel and Casino in Clark, Pampanga, respectively. The term sheet is subject to several Conditions to Closing including: (a) the execution of mutually acceptable definitive agreements; (b) approval of regulators; (c) approval of creditors; (d) completion of audited financial statements; (d) corporate approvals, and cooperation on and satisfactory result of due diligence, among others.

On March 22, 2023, Bloomberry terminated the term sheet after considering the results of due diligence. The parties agreed that the ₱1.0 billion deposit made under the term sheet shall be returned to Bloomberry through execution of certain transactions before the end of 2024.

The deposit was reclassified from “Other noncurrent assets” to “Receivable from a third party” after the termination of the term sheet relating to the proposed investment of the Company with a third party.

Receivables from officers and employees primarily pertain to cash advances which are normally settled within one year through salary deduction (see Note 9). Interest income earned from receivables from officers and employees recognized in the parent company statements of comprehensive income amounted to ₱1.3 million and ₱0.4 million in 2023 and 2022, respectively.

The following table shows the roll forward of allowance for expected credit losses:

	2023	2022
Balance at beginning of year	₱1,041,760,471	₱1,356,922,794
Reclassification to noncurrent	(1,041,760,471)	(441,704,507)
Revaluation	-	126,542,184
Balance at end of year	₱-	₱1,041,760,471



## 6. Investments in Subsidiaries

	2023	2022
Sureste	₱20,196,628,083	₱19,965,022,860
Solaire Korea	4,313,854,457	4,313,854,457
G&L	252,299,983	252,299,983
SRC	24,999,995	24,999,995
SPC	24,999,995	24,999,995
BRJ	22,687,000	22,687,000
BCTI	2,500,000	2,500,000
Bloom Capital B.V.	5,856	5,856
	24,837,975,369	24,606,370,146
Allowance for impairment loss	(50,752,297)	(50,752,297)
	<b>₱24,787,223,072</b>	<b>₱24,555,617,849</b>

a. Sureste Properties, Inc. ("Sureste")

Sureste and its wholly owned subsidiary, Bloomberry Resorts and Hotels Inc. (BRHI), operate an integrated casino, hotel and entertainment complex which commenced commercial operations in March 2013.

In February 2012, PSHI sold 58,654,967 Sureste shares or equivalent to 100% of its ownership interest in Sureste to the Company for ₱1 per share or an aggregate amount of ₱5,865.5 million. In 2023 and 2022, the Company recognized additional investment in Sureste for stock awards granted to employees of Sureste and its subsidiary, BRHI, amounting to ₱231.6 million and ₱132.9 million, respectively (see Notes 9 and 10). As of December 31, 2023 and 2022, total additional equity in Sureste amounted to ₱231.6 million and ₱132.9 million, respectively. As of December 31, 2023 and 2022, the Company effectively owns 100% of the outstanding shares of Sureste.

b. Solaire Korea Co., Ltd. ("Solaire Korea")

In December 2014, Solaire Korea was established by Bloomberry to hold the Company's investment in the leisure and entertainment business in the Republic of Korea for ₱90.1 million. In 2015, the Company made additional equity in Solaire Korea amounting to ₱2,703.8 million. On March 8, 2017, Solaire Korea subscribed to 80% of the outstanding shares in Muui Agricultural Corporation. In 2019, Solaire Korea acquired additional 10% ownership in Muui for a consideration amounting to ₱9.3 million bringing its ownership in Muui to 90%.

In October 2021, the Company subscribed to additional 5,000 common shares of Solaire Korea at KRW 5,000 par value. The payment for the subscribed shares was made by way of conversion of existing loan receivable from Solaire Korea amounting to USD 30.0 million resulting to an increase in investment by ₱1,520.0 million.

As of December 31, 2023, and 2022, the Company has 100% ownership interest in Solaire Korea.

c. Golden & Luxury Co., Ltd. ("G&L")

G&L is a hotel and casino operator in Jeju Island in the Republic of Korea. On April 24, 2015, Solaire Korea acquired 77.26% of the outstanding shares of G&L. Subsequently on May 22, 2015, Solaire Korea acquired additional 18.97% of G&L bringing its ownership in G&L to 96.23%. On August 20, 2015, Bloomberry acquired 10.00% direct ownership in G&L from Solaire Korea for ₱252.3 million. As of December 31, 2023 and 2022, the Company effectively owns 96.23% of the outstanding shares of G&L.



In December 2021, the Company's management has assessed that the investment in G&L may not be fully recovered due to the impact of the COVID-19 pandemic. Accordingly, the investment was provided with an impairment allowance amounting to ₱50.8 million. No additional impairment loss was recognized in 2023 and 2022.

d. Bloom Capital B.V.

Bloom Capital B.V is a financial holding entity incorporated in the Netherlands as a private company with limited liability under the Dutch law in November 2013. On November 21, 2013, the Company subscribed to 60% of the capital stock of Bloom Capital B.V. at par value of EUR10 (₱585.58) per share or an aggregate amount of EUR60 (₱3,513). On October 23, 2014, the Company acquired the remaining 40% shares of Bloom Capital B.V. at a consideration amounting to ₱2,343. As of December 31, 2023 and 2022, the Company has 100% ownership interest in Bloom Capital B.V.

e. Bloomberry Cruise Terminals Inc ("BCTI")

BCTI, a wholly-owned subsidiary of Bloomberry, was incorporated in the Philippines and registered with SEC on July 19, 2019. The primary purpose of BCTI is to establish, operate and manage cruise terminals. The Company subscribed to 100% of the capital stock of BCTI at par value of ₱1 per share or an aggregate amount of ₱2.5 million. Out of the total subscription, ₱0.6 million was paid by the Company and the remaining balance of ₱1.9 million is presented as subscription payable to BCTI (see Note 9).

f. Bloomberry Resorts Japan ("BRJ")

In November 2019, BRJ's former shareholders transferred to Bloomberry 100% ownership interest in BRJ pursuant to a deed of assignment for a consideration amounting to ₱22.7 million.

g. Solaire Resorts Corporation ("SRC")

SRC, a wholly-owned subsidiary of Bloomberry, was incorporated in the Philippines and registered with SEC on October 18, 2022. The primary purpose of SRC is to develop and operate an integrated resort including a casino duly licensed by the Philippine Amusement and Gaming Corporation, and other relevant government regulators.

h. Solaire Properties Corporation ("SPC")

SPC, a wholly-owned subsidiary of Bloomberry, was incorporated in the Philippines and registered with SEC on April 29, 2022 as a holding company.

## 7. Office and Transportation Equipment

	2023			
	Office Furniture and Fixtures	Transportation Equipment	Office and Communication Equipment	Total
<b>Cost</b>				
Balance at beginning of year	₱1,604,860	₱16,444,570	₱3,080,074	₱21,129,504
Additions	28,895	22,729,621	523,154	23,281,670
Disposals	-	(6,314,442)	(393,975)	(6,708,417)
Balance at end of year	1,633,755	32,859,749	3,209,253	37,702,757
<b>Accumulated Depreciation</b>				
Balance at beginning of year	1,270,383	14,597,736	1,706,164	17,574,283
Depreciation (see Note 12)	243,688	4,985,462	786,077	6,015,227
Disposals	-	(6,314,442)	(393,975)	(6,708,417)
Balance at end of year	1,514,071	13,268,756	2,098,266	16,881,093
	<b>₱119,684</b>	<b>₱19,590,993</b>	<b>₱1,110,987</b>	<b>₱20,821,664</b>



	2022			
	Office Furniture and Fixtures	Transportation Equipment	Office and Communication Equipment	Total
<b>Cost</b>				
Balance at beginning of year	₱1,554,907	₱16,354,034	₱2,348,964	₱20,257,905
Additions	97,201	90,536	1,325,106	1,512,843
Disposals	(47,248)	–	(593,996)	(641,244)
Balance at end of year	1,604,860	16,444,570	3,080,074	21,129,504
<b>Accumulated Depreciation</b>				
Balance at beginning of year	945,621	12,198,558	1,631,308	14,775,487
Depreciation (see Note 12)	372,010	2,399,178	668,852	3,440,040
Disposals	(47,248)	–	(593,996)	(641,244)
Balance at end of year	1,270,383	14,597,736	1,706,164	17,574,283
	₱334,477	₱1,846,834	₱1,373,910	₱3,555,221

For the years ended December 31, 2023 and 2022, the Company recognized gain on disposal of property amounting to ₱0.01 million in both years.

#### 8. Accrued Expenses and Other Current Liabilities

	2023	2022
Provision for contingencies	<b>₱233,602,380</b>	₱203,860,929
Accrued outside services and charges	<b>125,440,418</b>	156,568,614
Accrued professional fees	<b>2,200,000</b>	2,207,616
Statutory payables	<b>895,089</b>	2,489,087
	<b>₱362,137,887</b>	₱365,126,246

Accrued expenses are normally settled within one year.

Provision for contingencies consists substantially of probable claims involving the Company. The timing of cash outflow of these provisions is uncertain as it depends upon the outcome of the Company's negotiations which are currently ongoing with the parties involved. Disclosure of additional details beyond the present disclosure may seriously prejudice the Company's position and negotiating strategy. Thus, as allowed by PAS 37, *Provisions, Contingent Liabilities and Contingent Assets*, only general descriptions were provided. In 2023 and 2022, additional provision for contingencies amounted to ₱29.7 million, and ₱75.3 million, respectively (see Note 12).

Statutory payables consist of withholding taxes payable and dues to various government agencies which are normally settled the following year.

#### 9. Related Party Transactions

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. This includes: (a) individuals owning, directly or indirectly through one or more intermediaries, control or are controlled by, or under common control with the Company; (b) subsidiaries; and (c) individuals owning, directly or indirectly, an interest in the voting power of the Company that give them significant influence over the Company and close members of the family of any such individual.

Related party receivables and payables are generally settled in cash.



Related party balances are as follows:

Related Party	Nature/Terms of Transaction	Transaction Amounts		Outstanding Receivable (Payable)		
		2023	2022	2023	2022	
Sureste, <i>subsidiary</i>	Additional investment through shared-based payment plan (see Notes 6 and 10)	₱231,605,224	₱132,859,211	₱-	₱-	
	Noninterest-bearing and unsecured cash advances	11,972,921	(2,153,764,830)	(4,641,877,020)	(4,653,849,941)	
BRHI, <i>subsidiary through Sureste</i>	Noninterest-bearing and unsecured cash advances	(840,598,724)	(372,221,038)	(7,333,018,085)	(6,492,419,361)	
Solaire Korea, <i>subsidiary</i>	Noninterest-bearing and unsecured cash advances; no impairment (see Note 5)	(41,792,365)	14,569,727	93,031,816	134,824,181	
	Interest-bearing at 1% per annum and unsecured loan (see Note 5):					
	Principal	(3,839,455,952)	-	-	3,839,455,952	
	Interest	(69,771,798)	26,023,599	-	69,771,798	
	Interest-bearing at 1% per annum and unsecured loan - net of current portion:					
Principal	4,092,083,951	769,964,541	6,111,435,420	2,019,351,469		
Interest	101,765,330	8,752,771	55,344,879	28,023,320		
G&L, <i>subsidiary</i>	Noninterest-bearing and unsecured cash advances; no impairment (see Note 5)	(7,518,270)	339,866	118,014,500	125,532,770	
	Interest-bearing at 3% per annum and unsecured loan (with impairment allowance of ₱1,041.8 million in 2022) (see Note 5):					
	Principal	(896,783,085)	-	-	896,783,085	
	Interest	(19,444,616)	11,775,333	-	19,444,616	
	Interest-bearing at 3% per annum and unsecured loan - net of current portion (with impairment allowance of ₱1,473.2 million and ₱441.7 million in 2023 and 2022, respectively) (see Note 5):					
	Principal	910,353,888	335,860,728	2,039,679,522	2,602,546,976	
	Interest	18,941,223	7,038,300	35,194,644	16,253,421	
	Allowance for impairment	(10,243,638)	126,542,184	(1,473,221,340)	(441,704,567)	
	Solaire Properties Corporation	Noninterest-bearing and unsecured cash advances; no impairment	493,805,113	3,639,912,712	4,133,717,825	3,639,912,712
	Solaire Resorts Corporation	Noninterest-bearing and unsecured cash advances; no impairment	248,563	456,690	705,253	456,690
Noninterest-bearing and unsecured cash advances		-	(25,000,000)	(25,000,000)	(25,000,000)	
Bloom Capital B.V., <i>subsidiary</i>	Noninterest-bearing and unsecured cash advances; no impairment (see Note 5)	(22,305)	898,073	11,366,629	11,388,934	
BCTI, <i>subsidiary</i>	Subscription payable (see Note 6)	-	-	(1,875,000)	(1,875,000)	
Bloomberry Resorts Japan, <i>subsidiary</i>	Noninterest-bearing and unsecured cash advances; no impairment (see Note 5)	3,959,121	4,262,122	19,310,997	15,351,876	
Key management personnel	Interest-bearing and unsecured cash advances to be settled through salary deduction within 1 year (see Note 5)	-	-	6,535,688	7,443,733	
<b>Total due from related parties*</b>				<b>₱241,723,942</b>	<b>₱5,112,553,212</b>	
<b>Total subscription payable**</b>				<b>(₱1,875,000)</b>	<b>(₱1,875,000)</b>	
<b>Total receivables from officers and employees*</b>				<b>₱6,535,688</b>	<b>₱7,443,733</b>	
<b>Total due from related parties - net of current portion**</b>				<b>₱12,376,077,543</b>	<b>₱7,864,840,081</b>	
<b>Total due to related parties**</b>				<b>(₱11,999,895,107)</b>	<b>(₱11,171,269,302)</b>	

\*Presented under "Receivables" account

\*\*Presented separately in the parent company statements of financial position

Other information on related party transactions follows:

In 2023 and 2022, short-term employee benefits paid to key management personnel amounted to ₱24.4 million and ₱17.9 million, respectively.



## 10. Equity

### Capital Stock

	2023		2022	
	Shares	Amount	Shares	Amount
Capital stock - ₱1 par value				
Authorized	15,000,000,000	₱15,000,000,000	15,000,000,000	₱15,000,000,000
Issued	11,591,998,225	11,591,998,225	11,032,998,225	11,032,998,225
Issued and outstanding	11,430,368,194	10,620,702,209	10,832,700,162	9,841,313,157

The rollforward of the outstanding number of common shares follows:

	2023		2022	
	Shares	Amount	Shares	Amount
Balance at beginning of year	10,832,700,162	₱9,841,313,157	10,861,125,857	₱9,992,067,309
Issuance of additional shares	559,000,000	559,000,000	-	-
Net movement in treasury shares	38,668,032	220,389,052	(28,425,695)	(150,754,152)
Balance at end of year	11,430,368,194	₱10,620,702,209	10,832,700,162	₱9,841,313,157

In September 2023, Bloomberry and Quasar Holdings, Inc. (Quasar), one of its affiliates, completed a Placing and Subscription Transaction under which Quasar first sold in a private placement to various institutional investors 559,000,000 shares of stock in Bloomberry at ₱10.00 per share. Quasar then used the proceeds of the placing transaction to subscribe to an equivalent number of shares in Bloomberry at the same subscription price of ₱10.00 per share.

### Stock Incentive Plan

The Stockholders of Bloomberry approved on June 25, 2012 a Stock Incentive Plan ("SIP") for directors, officers, and employees of Bloomberry, Sureste and BRHI (herein referred to as the "Group"), effective for a period of 10 years unless extended by the BOD. The Participants to the SIP are: permanent and regular employees of the Company or its affiliates with at least one year tenure; officers and directors of the Company; officers and directors of affiliates of the Company; and other persons who have contributed to the success and profitability of the Company or its affiliates.

The SIP shall be administered by the Stock Incentive Committee ("SIC") composed of three directors or officers to be appointed by the BOD. The SIC shall determine the number of shares to be granted to a participant and other terms and conditions of the grant.

Unissued shares from the authorized capital stock or treasury shares, together with shares already granted under the SIP, which are equivalent to seven percent (7%) of the resulting total outstanding shares of the Company, shall be allocated for the SIP.

The grant of shares under the SIP does not require an exercise price to be paid by the awardee. Originally, the shares awarded shall vest in two years: 50% on the first anniversary date of the award; and the other 50% on the second anniversary date of the award. Shares awarded on May 15, 2020 shall now vest in three years: 25% on the first anniversary date of the award; 25% on the second anniversary date of the award; and the remaining 50% on the third anniversary date of the award. Vesting grants the participant absolute beneficial title and rights over the shares, including full dividend and voting rights.

Unless the SIC determines otherwise, when dividends are declared by the Company, the number of shares subject to an award shall be increased by the number equal in value to the dividends the



awardee would have received in respect of an award had the shares awarded to the awardee vested at the time of the dividend declaration. This is designated as the Dividend Re-investment Plan (“DRIP”).

Stock awards, including DRIP shares, granted by the SIC to officers and employees of the Group are shown below:

	Number of Shares Granted	Fair Value per Share at Grant Date
May 16, 2018*	22,716,446	₱12.66
June 8, 2018*	91,068	11.40
August 1, 2018*	105,987	9.00
March 18, 2019*	25,465,791	11.62
May 15, 2020*	66,985,802	5.40
January 15, 2022	152,992	8.20
April 13, 2022	33,689,758	6.30
June 5, 2023	43,556,112	10.59

\*includes DRIP shares

Fair value per share was based on the market price of stock at the date of grant.

Movements in the stock awards granted (number of shares) follow:

	2023	2022
Balance at beginning of year	₱64,421,745	₱48,366,781
Stock awards granted	43,556,122	33,689,758
Stock awards vested	(38,668,032)	(15,366,005)
Stock awards of resigned/terminated employees	(486,400)	(2,268,789)
Balance at end of year	₱68,823,435	₱64,421,745

Amount recognized for stock awards granted to certain officers and employees of the Company’s subsidiaries in 2023 and 2022 amounting to ₱231.6 million and ₱132.9 million, respectively, are recognized as part of “Investments in subsidiaries” (see Note 6). Reduction in share-based payment plan and treasury shares arising from the issuance of treasury shares for vested stock awards amounted to ₱216.4 million and ₱220.4 million, respectively, in 2023; and ₱83.0 million and ₱109.7 million, respectively, in 2022. Such issuance of treasury shares resulted to decrease in additional paid-in capital amounting to ₱4.0 million and ₱26.7 million in 2023 and 2022, respectively.

The stock incentive obligation recognized as “Share-based payment plan” in the parent company statements of financial position amounted to ₱248.5 million and ₱233.3 million as of December 31, 2023 and 2022, respectively.

#### Treasury Shares

The movement in treasury shares follows:

	2023		2022	
	Shares	Amount	Shares	Amount
Balance beginning of year	200,298,063	₱1,191,685,067	171,872,368	₱1,040,930,916
Acquisitions	–	–	43,791,700	260,471,030
Issuance for share-based payments	(38,668,032)	(220,389,052)	(15,366,005)	(109,716,879)
Balance at end of year	161,630,031	₱971,296,015	200,298,063	₱1,191,685,067



In 2023 and 2022, a total of 38,668,032 and 15,366,005 treasury shares, respectively, were reissued for vested stock awards.

Set out below is Bloomberry's track record of issuance of its securities:

Date of Approval	Number of Shares		Issue/ Offer Price
	Authorized	Issued/ Subscribed	
May 3, 1999*	120,000,000	80,000,000	₱1.00
February 27, 2012**	15,000,000,000	9,211,840,556	1.00
May 2, 2012**	15,000,000,000	1,179,963,700	7.50
May 31, 2012***	15,000,000,000	117,996,300	7.50
November 10, 2014****	15,000,000,000	435,000,000	13.00
December 18, 2014****	15,000,000,000	8,197,669	12.60
September 28, 2023****	15,000,000,000	559,000,000	10.00

\*\*\*Date when the registration statement covering such securities was rendered effective by the SEC

\*\*\*\*SEC approval of the increase in the authorized capital stock; Offer Shares sold at ₱7.50 on May 2, 2012

\*\*\*\*Transaction date per SEC Form 23-B; Includes Offer Shares and Over-Allotment Option

\*\*\*\*Transaction date per SEC Form 17-C

As of December 31, 2023 and 2022, Bloomberry had total shareholders of 92 and 93, respectively, on record. For this purpose, public shares held under PCD Nominee are counted as two (one for PCD Nominee - Filipino and another for PCD Nominee - Foreign).

## 11. Retirement

The Company has an unfunded and noncontributory defined benefit retirement plan covering substantially all of its regular employees. The cost of providing benefits is valued every year by a professional qualified independent actuary. Benefits are dependent on the years of service and the respective employees' compensation and are determined using the projected unit credit method.

The Company recognized retirement expense in the parent company statement of comprehensive income and the retirement liability recognized in the parent company statement of financial position as of and for the year ended December 31, 2023 amounting to ₱502.1 million, which solely represents the past service cost.

The principal assumptions used in determining the Company's retirement liability as of December 31, 2023 are shown below:

Discount rate	4.0%
Future salary rate increase	3.0%



## 12. Expenses

	2023	2022
Salaries and benefits	P591,493,924	P84,852,587
Outside services and charges	102,753,596	166,337,707
Communication and transportation	87,478,977	64,544,253
Provision for contingencies (see Note 8)	29,741,451	75,264,840
Taxes and licenses	7,667,763	2,107,595
Depreciation (see Note 7)	6,015,227	3,440,040
Office, insurance, and other expenses	1,965,579	1,653,863
Advertising and promotions	1,562,297	1,612,938
Utilities	1,361,854	1,466,414
Others	41,005,473	16,137,234
	<b>P871,046,141</b>	<b>P417,417,471</b>

## 13. Income Taxes

The Company's provision for current income tax in 2023 and 2022 represents MCIT.

The reconciliation of provision for income tax computed at statutory income tax rate to actual provision for income tax as shown in the parent company statements of comprehensive income follows:

	2023	2022
Income tax computed at statutory tax rate of 25%	(P222,600,387)	P99,101,095
Tax effects of:		
Change in unrecognized deferred tax assets	205,310,317	(114,429,561)
Nondeductible expenses	18,246,827	17,146,080
Interest income subject to final tax	(188,261)	(1,277,806)
	<b>P768,496</b>	<b>P539,808</b>

The components of the Company's recognized deferred tax assets and liability are as follows:

	2023	2022
Deferred tax assets:		
Allowance for impairment loss	P368,305,335	P97,323,381
NOLCO	11,984,658	229,298,439
Provision for contingencies	6,694,775	42,843,500
Unrealized foreign exchange loss	3,585,142	92,431,152
MCIT	-	2,912,213
	<b>390,569,910</b>	<b>464,808,685</b>
Deferred tax liability -		
Unrealized foreign exchange gain	(390,569,910)	(464,808,685)
	<b>P-</b>	<b>P-</b>



The Company has the following temporary differences, NOLCO and MCIT, for which no deferred tax asset was recognized:

	2023	2022
NOLCO	P1,143,110,440	P56,076,942
Retirement plan	502,154,584	-
Provision for contingencies	171,588,699	-
MCIT	1,908,079	-
Allowance for impairment loss	-	1,094,171,454
	<b>P1,818,761,802</b>	<b>P1,150,248,396</b>

On September 30, 2020, the BIR issued Revenue Regulations No. 25-2020 implementing Section 4(b) of "Bayanihan to Recover As One Act" which states that the NOLCO incurred for taxable years 2020 and 2021 can be carried over and claimed as a deduction from gross income for the next five (5) consecutive taxable years immediately following the year of such loss.

As of December 31, 2023, the Company has incurred NOLCO after 2021 which can be claimed as deduction from the regular taxable income as follows:

Year Incurred	Availment period	Amount	Expired	Applied	Balance	Year Incurred
2023	2024 – 2026	P217,652,268	P-	P-	P-	P217,652,268
2022	2023 – 2025	233,370,855	-	-	-	233,370,855
		<b>P451,023,123</b>	<b>P-</b>	<b>P-</b>	<b>P-</b>	<b>P451,023,123</b>

As of December 31, 2023, the Company has incurred NOLCO in taxable year 2021 and 2020 which can be claimed as deduction from the regular taxable income for the next 5 consecutive taxable years pursuant to the Bayanihan to Recover As One Act, as follows:

Year Incurred	Availment Period	Amount	Expired	Applied	Balance	Year Incurred
2021	2022 – 2026	P360,525,256	P-	P-	P-	P360,525,256
2020	2021 – 2025	408,463,888	-	-	-	408,463,888
		<b>P768,989,144</b>	<b>P-</b>	<b>P-</b>	<b>P-</b>	<b>P768,989,144</b>

As of December 31, 2023, unused MCIT that can be carried forward and used as deduction from income tax due are as follows:

Year Incurred	Expiry Year	Amount	Applied	Expired	Balance
2023	2026	P768,496	P-	P-	P768,496
2022	2025	539,808	-	-	539,808
2021	2024	599,775	-	-	599,775
2020	2023	1,777,409	-	1,777,409	-
		<b>P3,685,488</b>	<b>P-</b>	<b>P1,777,409</b>	<b>P1,908,079</b>



#### 14. Financial Assets and Liabilities and Financial Risk Management Objectives and Policies

##### Fair Value

The carrying values of cash, receivables, accrued expenses and other current liabilities (except statutory payables) and due to related parties approximate the fair values at reporting date due to the relatively short-term nature of the transactions.

The estimated fair value of due from related parties amounted to ₱6,432.4 million and ₱6,432.4 million as of December 31, 2023 and 2022, respectively, based on the discounted value of future cash flows using the applicable BVAL rates ranging from 2.66% to 4.60% for December 31, 2023 and BVAL rates ranging from 2.66% to 4.60% for December 31, 2022.

##### Financial Risk Management Objectives and Policies

The Company's principal financial instruments consist of cash. The Company has other financial assets and financial liabilities such as receivables, due from related parties, advances to contractor, accrued expenses and other current liabilities (excluding statutory payables) and due to related parties.

The main risks arising from the Company's financial instruments are foreign exchange risk, liquidity risk and credit risk. The BOD reviews and approves policies for managing each of these risks and they are summarized below.

##### Foreign Exchange Risk

Foreign exchange risk is the risk that the value of the Company's financial instrument will fluctuate due to changes in foreign exchange rate. The Company has recognized in the parent company statements of comprehensive income net unrealized foreign exchange gains (losses) on the revaluation of its US Dollar-denominated cash in banks and due from related parties (including due from related parties classified as current presented under "Receivables" account) amounting to (₱71.3) million and ₱876.9 million in 2023 and 2022, respectively.

The Company's foreign currency-denominated monetary assets as of December 31, 2023 and 2022 and their Philippine Peso equivalents follow:

	USD	Peso Equivalent
<b>December 31, 2023</b>		
Financial assets:		
Cash in banks	\$570,227	₱31,573,468
Due from related parties*	254,036,894	14,066,022,829
<b>Net foreign currency-denominated financial assets</b>	<b>\$254,607,121</b>	<b>₱14,097,596,297</b>

*\*Including due from related parties classified as current presented under "Receivables" account and due from related parties presented separately in the noncurrent section of the parent company statements of financial position*

	USD	Peso Equivalent
<b>December 31, 2022</b>		
Financial assets:		
Cash in banks	\$161,372	₱8,997,296
Due from related parties*	240,679,720	13,419,097,789
<b>Net foreign currency-denominated financial assets</b>	<b>\$240,841,092</b>	<b>₱13,428,095,085</b>

*\*Including due from related parties classified as current presented under "Receivables" account and due from related parties presented separately in the noncurrent section of the parent company statements of financial position*



In the revaluation of its foreign currency-denominated financial assets, the Company used the exchange rate of ₱55.37 and ₱55.755 as of December 31, 2023 and 2022, respectively.

The following table demonstrates the sensitivity to a reasonably possible change in the US dollar exchange rates, with all other variables held constant, of the Company's income or loss before income tax as at December 31, 2023 and 2022. There is no other impact on the Company's equity other than those affecting income or loss before income tax.

	2023		2022	
	Increase (Decrease)	Effect on Income Before Tax	Increase (Decrease)	Effect on Income Before Tax
U.S. Dollar	1.00% (1.00%)	₱140,975,963 (140,975,963)	1.00% (1.00%)	₱134,280,951 (134,280,951)

The change in currency rate is based on the Company's best estimate of expected change considering historical trends and experiences. Positive change in currency reflects a weaker peso against foreign currency. On the other hand, a negative change in currency rate reflects a stronger peso against foreign currency.

#### Liquidity Risk

Liquidity risk is the potential of not meeting obligations as they become due because of an inability to liquidate assets or obtain funding. The Company's objective is to maintain a balance between continuity of funding and flexibility. In managing its liquidity risk, the Company monitors and maintains a level of cash deemed adequate by the management to finance the Company's operations.

As part of its liquidity strategy, the Group will set aside cash to ensure that financial obligations will be met as they fall due. The Group has cash and cash equivalents amounting to ₱5,613.0 million and ₱306.9 million as of December 31, 2023 and 2022, respectively, that are allocated to meet the Group's liquidity needs. The Group also has gross receivables amounting to ₱1,379.7 million and ₱5,344.2 million in 2023 and 2022, respectively.

The table below summarizes the maturity profile of the Company's financial liabilities as of December 31, 2023 and 2022 based on contractual undiscounted payments:

	2023				
	Within 1 Year	1-2 Years	2-3 Years	4 Years and above	Total
Financial liabilities:					
Accrued expenses and other current liabilities	₱127,640,418	₱-	₱-	₱-	₱127,640,418
Due to related parties	11,999,895,107	-	-	-	11,999,895,107
Subscription payable	-	-	-	1,875,000	1,875,000
	₱12,127,535,525	₱-	₱-	₱1,875,000	₱12,129,410,525
	2022				
	Within 1 Year	1-2 Years	2-3 Years	4 Years and above	Total
Financial liabilities:					
Accrued expenses and other current liabilities	₱158,776,230	₱-	₱-	₱-	₱158,776,230
Due to related parties	11,171,269,302	-	-	-	11,171,269,302
Subscription payable	1,875,000	-	-	-	1,875,000
	₱11,331,920,532	₱-	₱-	₱-	₱11,331,920,532



### Credit Risk

Credit risk is the risk that the Company will incur a loss because its customers or counterparties failed to discharge their contractual obligations. The Company trades only with recognized, creditworthy third parties. It is the Company's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis with the result that the Company's exposure to bad debts is not significant. The Company does not offer credit terms without the specific approval of the management. There is no significant concentration of credit risk.

*Credit Risk Exposures.* With respect to credit risk arising from the other financial assets of the Company, which comprise cash in banks, trade and other receivables, and refundable deposits, the Company's exposure to credit risk arises from default of the counterparty, with a maximum exposure equal to the carrying amount of these instruments.

The table below shows gross maximum exposure to the Company's credit risk without considering the effects of collateral, credit enhancements and other credit risk mitigation techniques:

	2023	2022
Cash and cash equivalents	₱5,612,925,202	₱306,812,223
Receivables	1,379,743,623	4,302,397,430
Due from a related party	12,376,077,543	7,864,840,081
	<b>₱19,368,746,368</b>	<b>₱12,474,049,734</b>

The tables below show the credit quality of the Company's financial assets based on their historical experience with the corresponding third parties:

	2023			Total
	Stage 1 12-month ECL	Stage 2 Lifetime ECL	Stage 3 Credit Impaired	
High	₱19,368,746,368	₱-	₱-	₱19,368,746,368
Moderate	-	-	-	-
Low	-	-	1,473,221,340	1,473,221,340
Gross carrying amount	19,368,746,368	-	1,473,221,340	20,841,967,708
ECL	-	-	(1,473,221,340)	(1,473,221,340)
Carrying amount	₱19,368,746,368	₱-	₱-	₱19,368,746,368

	2022			Total
	Stage 1 12-month ECL	Stage 2 Lifetime ECL	Stage 3 Credit Impaired	
High	₱12,474,049,734	₱-	₱-	₱12,474,049,734
Moderate	-	-	-	-
Low	-	-	1,483,464,978	1,483,464,978
Gross carrying amount	12,474,049,734	-	1,483,464,978	13,957,514,712
ECL	-	-	(1,483,464,978)	(1,483,464,978)
Carrying amount	₱12,474,049,734	₱-	₱-	₱12,474,049,734

### Capital Management

The primary objective of the Company's capital management is to ensure that the Company has sufficient funds in order to support its business, pay existing obligations and maximize shareholder value. The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions. To manage or adjust the capital structure, the Company may obtain advances from stockholders, return capital to shareholders or issue new shares.



The Company considers equity as its capital, which amounted to ₱31,332.3 million and ₱26,510.2 million as of December 31, 2023 and 2022, respectively.

## 15. Notes to Statements of Cash Flows

The Company's material non-cash investing and non-cash financing activity-related transactions for the years ended December 31, 2023 and 2022 are the following:

- a. The Company recognized additional contribution to its subsidiaries for stock awards granted to certain officers and employees of the Company's subsidiaries amounting to ₱231.6 million and ₱132.9 million in 2023 and 2022, respectively (see Note 10).
- b. Treasury shares were reissued for vested stock awards amounting to ₱220.4 million and ₱109.7 million in 2023 and 2022, respectively (see Note 10).
- c. In 2023, receivable from related parties amounting to ₱5,707.85 million was reclassified to noncurrent assets as part of "Due from related parties" account.
- d. In 2023, ₱1.0 billion deposit for the future investment was reclassified to "Receivables" account after the termination of the Term Sheet relating to the proposed investment of the Company (see Note 5).

## 16. Basic/Diluted Earnings Per Share

The following table presents information necessary to calculate earnings per share:

	2023	2022
(a) Net income (loss)	(₱891,170,044)	₱395,864,570
(b) Weighted average number of issued shares	11,169,302,335	11,032,998,225
Treasury shares at beginning of year	(200,298,063)	(171,872,368)
Weighted average number of:		
Treasury shares issued for vested stock awards	-	9,682,688
Treasury shares acquired	25,104,563	(12,514,283)
(c) Weighted average number of treasury shares	(175,193,500)	(174,703,963)
(d) Weighted average number of issued shares, net of treasury shares [(b)+(c)]	10,994,108,835	10,858,294,262
Unvested stock awards at beginning of year	25,267,313	30,731,987
Weighted average number of stock awards granted	24,940,355	24,182,785
(e) Weighted average number of stock awards granted	50,207,668	54,914,772
Basic earnings/(loss) per share (a)/(d)	(₱0.081)	₱0.036
Diluted earnings/(loss) per share (a)/[(d)+(e)]	(₱0.081)	₱0.036



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## 17. Segment Information

For management purposes, the Group (Bloomberry Resorts Corporation and subsidiaries) is organized into two geographical segments (i.e., Philippines and Korea). Both segments derive its revenues from operating a casino-hotel business.

Management monitors the operating results of its geographical segment separately for making decisions about resource allocation and performance assessment. The Group evaluates segment performance based on contributions to EBITDA, which is not a measure of operating performance or liquidity defined by PFRSs and may not be comparable to similarly titled measures presented by other entities. The Group's EBITDA is computed as the Group's consolidated net income/loss before interest expense, provision for/benefit from income tax, net foreign exchange gains/losses, mark-to-market gain/loss, depreciation and amortization and non-recurring expense such as impairment loss.





## 18. Supplementary Information Required Under Revenue Regulation No. 15-2010

On November 25, 2010, the BIR issued Revenue Regulation (“RR”) No. 15-2010 which prescribes additional procedural and/or documentary requirements in connection with the preparation and submission of parent company financial statements accompanying the tax returns. Under the said RR, companies are required to disclose, in addition to the disclosures mandated under PFRS and such other standards and/or conventions that may heretofore be adopted, in the notes to the parent company financial statements, information on taxes, duties and license fees paid or accrued during the taxable year.

### Value-added Tax (“VAT”)

The Company is not subject to VAT on its sales of goods and/or services. The amount of VAT passed on from its purchases of goods or service is recognized as part of the cost of goods/asset acquired or as part of the expense item, as applicable.

### Withholding Taxes

The Company remitted the following withholding taxes in 2023:

	Paid	Accrued	Total
Expanded withholding tax	₱1,359,056	(₱3,835)	₱1,355,221
Withholding tax on compensation and benefits	23,619,181	776,044	24,395,225
	₱24,978,237	₱772,209	₱25,750,446

### Documentary Stamp Tax

The Company has paid a documentary stamp taxes amounting to ₱5.6 million for the year ended December 31, 2023.

### Other Taxes and Licenses

Other taxes and licenses in 2023 are as follows:

	Amount
License - PSE listing fees	₱2,000,000
National tax - BIR annual registration	500
Local taxes -	
Business permit	75,343
Community tax certificate	1,920
	₱2,077,763

### Tax Assessments and Cases

There is no significant update on the Petition for Review filed by the Company to the Court of Tax Appeals (CTA) last October 18, 2019 and Answer to Petition for Review filed to CTA last January 20, 2020. Moreover, there is no settlement for deficiency taxes for the year ended December 31, 2023. The Company believes the assessment is without merit, and if required, will dispute the assessment in court. The Company has yet to receive response from the BIR.

### Others

The Company has no transactions in 2023 that were subject to the following taxes:

- Tariff fees
- Excise taxes
- Customs duties and taxes

