

COVER SHEET

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S.E.C. Registration Number

F	E	R	R	O	N	O	U	X		H	O	L	D	I	N	G	S	,		I	N	C	.						

(Company's Full Name)

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O	R	T	I	G	A	S		J	R	.		R	O	A	D	,		O	R	T	I	G	A	S		C	E	N	T
E	R	,		P	A	S	I	G		C	I	T	Y																

(Business Address : No. Street Company / Town / Province)

Phil Ivan A. Chan

Contact Person

09155920331

Company Telephone Number

1	2
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Month

3	1
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Day

SEC FORM 17-A

FORM TYPE

Last Friday of June

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Month

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Day

Annual Meeting

Registered & Listed

Secondary License Type, If Applicable

MSRD

Dept. Requiring this Doc.

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Amended Articles
Number/Section

Total Amount of Borrowings

3	4																												
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Total No. of Stockholders

Domestic

Foreign

To be accomplished by SEC Personnel concerned

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File Number

LCU

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Document I.D.

Cashier

STAMPS

Remarks = pls. use black ink for scanning purposes.

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 **December 31, 2024**
2. SEC Identification Number **A200115151** 3. BIR Tax Identification No. **219-045-668**
4. Exact name of issuer as specified in its charter **FERRONOUX HOLDINGS, INC.**
5. **Metro Manila, Philippines**
Province, Country or other jurisdiction of
incorporation or organization
6. (SEC Use Only)
Industry Classification Code:
7. **6th Floor, Hanston Building, F. Ortigas Jr. Road, Ortigas Center, Pasig City**
Address of principal office

1600
Postal Code
8. **+(63)917-807-88-15; or (02)8888-4762**
Issuer's telephone number, including area code
9. --
Former name, former address, and former fiscal year, if changed since last report.
10. Securities registered pursuant to Sections 8 and 12 of the Securities Regulation Code (**SRC**),
or Sec. 4 and 8 of the RSA

Title of Each Class	Number of Shares of Common Stock Outstanding and Amount of Debt Outstanding
Common Stock	341,824,002

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

Yes [☒] No [☐]

If yes, state the name of such stock exchange and the classes of securities listed therein:

Philippine Stock Exchange	Common Shares
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12. Check whether the issuer:

(a) has filed all reports required to be filed by Section 17 of the SRC and SRC Rule 17.1 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:

Yes [☒] No [☐]

(b) has been subject to such filing requirements for the past ninety (90) days.

Yes [☒] No [☐]

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PART I - BUSINESS AND GENERAL INFORMATION

ITEM 1. BUSINESS

Overview

Ferronoux Holdings, Inc. (**FERRO** or the **Company**) was incorporated in the Philippines on December 14, 2001. The Company was initially registered with the Securities and Exchange Commission (**SEC**) to operate as a financing company governed by the Republic Act (**R.A.**) No. 8556, or the Financing Company Act of 1998.

The Company initially had an authorized capital stock of Php10.0 million divided into 10.0 million common shares with a par value of Php1.00 per share. Due to the continuous growth and expansion of the Company, a series of capital infusions were made by its shareholders, as follows:

- On August 24, 2006, the Company increased its authorized capital stock to Php30.0 million divided into 30.0 million common shares, of which 20.0 million common shares were subscribed and paid-up.
- Subsequently, on June 16, 2009, the Company increased its authorized capital stock to Php75.0 million divided into 75.0 million common shares which were fully subscribed and paid-up.
- On June 29, 2012, the Company's board of directors (the **Board**) and stockholders approved the application for increase in its authorized capital stock to Php550.0 million divided into 550.0 million shares with a par value of Php1 per share.

The Company's shares of stock were listed in the Philippine Stock Exchange (**PSE**) on August 13, 2013. As of December 31, 2024, the total number of shares listed in the PSE is 261,824,002 shares.

On June 26, 2015, the Company disclosed that, on June 25, 2015, Mr. Tony O. King and his family sold to RYM Business Management Corporation (**RYM**) their 183,276,801 common shares or 70% of the Company through a block sale for Php280.00 million or approximately Php1.53 per share. Subsequently, the Company ceased its lending activities.

On November 27, 2017, ISOC Holdings, Inc. (**ISOC**) entered into an agreement with RYM for the purchase of RYM's 175,422,081 common shares in the Company equivalent to 67% interest at Php2.1662 per share or a total amount of approximately Php380.0 million. A mandatory tender offer was conducted for the benefit of the minority shareholders and the same was completed on January 3, 2018. Thus, the shares were crossed via PSE on January 4, 2018.

On February 6, 2018, the SEC approved the amendment of the Company's Articles of Incorporation to change its corporate name to Ferronoux Holdings, Inc. (from AG Finance Incorporated) and change its primary purpose to that of a holding company. As a result, the Company likewise changed its stock symbol to "FERRO".

On June 8, 2018, the Board approved the change in the Company's principal address from Unit 2205A East Tower, Philippine Stock Exchange Center, Exchange Road, Ortigas Center Pasig City to 6th Floor, Hanston Building, F. Ortigas Jr. Road, Ortigas Center, Pasig City. On October 5, 2018, the Board also approved the amendments to the Articles of Incorporation and By-Laws of the Company in order to comply with the Code of Corporate Governance for Publicly-Listed Companies (SEC Memorandum Circular No. 19, series of

2016). The foregoing resolutions of the Board of Directors were approved by the shareholders of the Company during the annual meeting of the stockholders held last December 3, 2018. On July 29, 2019, the SEC approved the foregoing amendments of the Articles of Incorporation and the By-Laws of the Company.

On December 18, 2024, the Board of Directors approved the following:

1. Private Placement of Themis for issuance of 240,000,000 common shares to be issued out of the Increase in the Authorized Capital Stock and Listing of said shares with PSE,
2. Property-for-Share Swap with Eagle 1 and issuance of 918,000,000 common shares to be issued out of the Increase in the Authorized Capital Stock and Listing of said shares with PSE,
3. Private Placement of Investors by way of subscription to 300,000,000 common shares of the Company to be issued out of the Increase in the Authorized Capital Stock and Listing of said shares with PSE, and
4. Increase of Capital Stock from Five Hundred Fifty Million Pesos (Php550,000,000.00), divided into Five Hundred Fifty Million (550,000,000) common shares with a par value of One Peso (Php1.00) per share, to Two Billion Five Hundred Million Pesos (Php2,500,000,000.00), divided into Two Billion Five Hundred (2,500,000,000) common shares with a par value of One Peso (Php1.00) per share, Amendment to the Seventh Article of the Articles of Incorporation to reflect the increase in capital stock and Issuance of Shares in support of the Increase.

Principal Business Activities

The Company used to provide worry-free short-term, unsecured credit facilities to permanent rank and file employees of reputable medium-sized companies in the Philippines. The Company ceased its lending activities in 2015 after RYM acquired 70% of the Company.

On February 6, 2018, the SEC approved the amendment of the Company's Articles of Incorporation to change its corporate name to Ferronoux Holdings, Inc. and to change its primary purpose to that of a holding company.

On 19 March 2025, the shareholders approved the Property-for-Share Swap agreement with Eagle 1 which involve properties adjacent to the Okada Integrated Casino Resort with a total area of 94,144 square meters. The Company and Eagle 1 intend to jointly develop the properties to realize its full potential value.

Reclassification, merger, consolidation, or purchase or sale of a significant amount of assets not in the ordinary course of business

On June 1, 2015, all of the Company's remaining property and equipment were sold at its carrying amount.

On June 26, 2020, the Board approved the assignment of its receivables in the aggregate amount of Php332,639,732.94 from Sunprime Finance, Inc. in exchange for certain receivables of Michael C. Cosiquien arising from his advances in favor of ISOC in the aggregate amount of Php132,714,385.00. The foregoing assignment of receivables is part of the Company's long-term investment plan and was approved in accordance with

the procedures and requirements of the Company's Material Related Party Transaction Policy and the relevant issuances of the SEC.

On 27 December 2024, the receivables from ISOC amounting to Php132,714,385.00 as of said date were assigned to Themis.

Products and Services Offered

The Company previously provided short-term, unsecured credit facilities to permanent rank-and-file employees of medium-sized companies in the Philippines and loans to Overseas Filipino Workers for deployment overseas needing immediate funds to support their initial expenses in the country of deployment.

On June 30, 2015, the Company ceased its lending activities since the stockholders approved the amendment of the Company's principal purpose to that of a holding company and it added a secondary purpose which is to engage in the business of mining and smelting in preparation of the Company's plan to diversify and expand its business.

Subsequently, on February 8, 2018, the SEC approved the amendment of the Company's Articles of Incorporation to change its corporate name to Ferronoux Holdings, Inc. and to change its purpose to a holding company.

Sources and availability of raw materials and the names of principal suppliers

This is not applicable to the Company.

Transaction with and/or dependence on related parties

The Company has advances from ISOC Holdings, Inc. for working capital purposes.

On June 26, 2020, the Board of Directors of the Company approved the assignment of its receivables in the aggregate amount of Php332,639,732.94 from Sunprime Finance, Inc. in exchange for certain receivables of Michael C. Cosiquien arising from his advances in favor of ISOC Holdings, Inc. in the aggregate amount of Php132,714,385.00. The foregoing assignment of receivables is part of the Company's long-term investment plan and was approved in accordance with the procedures and requirements of the Company's Material Related Party Transaction Policy and the relevant issuances of the SEC.

On 27 December 2024, the Company disclosed that it received a notification from ISOC that it entered into a Deed of Assignment of Shares for the sale, transfer and assignment of all of its One Hundred Thirty-Three Million Five Hundred Thirty Thousand Two Hundred Forty One (133,530,241) common shares of the Company in favor of Themis for an aggregate sum of Two Hundred Ninety Seven Million One Hundred Fifteen Pesos (Php297,000,115.00) or approximately Php2.2242 per share, subject to compliance by Themis with the Mandatory Tender Offer.

ISOC previously held 51% of the total issued and outstanding capital stock of the Company. However, the Company's Board and shareholders, on December 12, 2024, approved the issuance of 80,000,000 common shares arising from the private placement by way of subscription by Themis. ISOC's shareholdings shall be at 39.06% of the total issued and outstanding capital stock of 341,824,002 common shares following the issuance of the shares in favor of Themis.

Patents, trademarks, copyrights, licenses, franchises, concessions, and royalty agreements held

This is not applicable to the Company.

Government approval of principal products or services

This is not applicable to the Company.

Effect of existing or probable governmental regulations on the business

The Company was previously governed by Republic Act No. 8556, the Financing Company Act of 1998. It complied with the requirements of existing laws to engage in the business.

The Corporation's business is not affected by existing or probable government regulations.

Amount spent on research and development activities

The Company does not have research and development activities.

Cost and effects of compliance with environmental laws

This is not applicable to the Company.

Employees

As at December 31, 2024, the Company has no regular employees.

ITEM 2. PROPERTIES

On June 1, 2015, all of the Company's remaining property and equipment were sold at its carrying amount.

ITEM 3. LEGAL PROCEEDINGS

The Company is not involved in any legal proceedings.

ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS

Except for matters taken up during the annual meeting of the stockholders, there was no other matter submitted to a vote of security holders during the period covered by this report.

The Company submitted the following matters to a vote of the security holders during the 2024 Annual Meeting of the Stockholders held last June 28, 2024:

1. Approval of the Minutes of the Previous Annual Stockholders' Meeting held on October 20, 2023
2. Approval of the Annual Management Report and 2023 Audited Financial Statements
3. Ratification of all the actions and resolutions issued by the Board of Directors and

- management from the last shareholders' meeting up to the present
4. Election of the Board of Directors 2024-2025
 5. Approval of appointment of Reyes Tacandong and Co. as the Company's external auditor
 6. Other Matters
 7. Adjournment

The explanation of each of the foregoing items have been provided in the Definitive Information Statement, along with the guidelines for participation through remote communication and voting in absentia, filed by the Company with the SEC. No proxies were solicited pursuant to Rule 20 of the SRC. The foregoing matters were approved during the Annual Stockholders' Meeting held last June 28, 2024, and were previously reported by the Company in its duly submitted SEC Form 17-C dated July 29, 2024.

PART II - OPERATIONAL AND FINANCIAL INFORMATION

ITEM 5. MARKET FOR ISSUER'S COMMON EQUITY AND RELATED STOCKHOLDER MATTERS

Market Information

The common shares of the Company were listed on August 13, 2013 in the PSE. The high and low prices of the Company's share for each quarter from 2022 to 2024 were as follows:

Year	Quarter	High (Php)	Low (Php)
2022	First	2.85	2.10
	Second	2.20	2.11
	Third	1.80	1.79
	Fourth	2.44	1.87
2023	First	3.32	2.20
	Second	3.26	2.56
	Third	3.10	2.53
	Fourth	3.00	2.65
2024	First	3.32	2.20
	Second	3.26	2.56
	Third	3.10	2.65
	Fourth	5.35	1.86

Holders

The number of shareholders as of December 31, 2024 is 31. The top stockholders of the Company as of December 31, 2024 were as follows:

PCD Nominee Corp. (Filipino) ¹	261,465,068
PCD Nominee Corp. (Non-Filipino)	296,061
Joselyn C. Tiu	18,747
Marjorie Villanueva	18,747
Leila E. Jorge	10,001
Felisa D. King	8,747
Mathew John G. Almogino	1,000
Remegio C. Dayandayan, Jr.	1,000
Ramon N. Santos	1,000
Jesus San Luis Valencia	1,000
Abel M. Almario	1,000
Philipe T. Aquino	997

¹ PCD Nominee Corporation, a wholly-owned subsidiary of Philippine Central Depository, Inc (PCD) is the registered owner of the shares in the books of the Company's transfer agents in the Philippines. The beneficial owners of such shares are PCD's participants, who hold the shares on behalf of their clients. PCD is a private company organized by the major institutions actively participating in the Philippine capital markets to implement an automated book-entry system of handling securities transactions in the Philippines.

Isidro C. Alcantara, Jr.	100
Manuel M. Lazaro	100
Ge Lin	100
Hermogene H. Real	100
Arsenio K. Sebial, Jr.	100
Anthony M. Te	100
Owen Nathaniel S Au ITF: Li Marcus Au	20
Peter Kho	2
Daleson Uy	2
Jesus G. Chua, Jr.	1
Irving C. Cosiquien	1
Michael C. Cosiquien	1
Yerik C. Cosiquien	1
Alfred S. Jacinto	1
Erwin Terrell Y. Sy	1
Michelle Joan G. Tan	1
James G. Lorenzana	1
Johannes Benjamin R. Bernabe	1
Fiorello R. Jose	1
TOTAL	261,824,002

On June 26, 2015, the registrant disclosed to the PSE and SEC that on June 25, 2015, Mr. Tony O. King and his family sold to RYM 183,276,801 common shares or 70% of the Company through block sale for Php280.00 million or approximately Php1.53 per share.

Subsequently, on November 27, 2017, ISOC Holdings, Inc. entered into an agreement with RYM for the purchase of RYM's 175,422,081 common shares in the Company equivalent to 67% interest at Php2.1662 per share or a total amount of approximately Php380.0 million. A mandatory tender offer was conducted for the benefit of the minority shareholders and the same was completed on January 3, 2018. Thus, the shares were crossed via the PSE on January 4, 2018.

On December 18, 2024, the Board of Directors approved the following:

1. Private Placement of Themis for issuance of 240,000,000 common shares to be issued out of the Increase in the Authorized Capital Stock and Listing of said shares with PSE,
2. Property-for-Share Swap with Eagle 1 and issuance of 918,000,000 common shares to be issued out of the Increase in the Authorized Capital Stock and Listing of said shares with PSE,
3. Private Placement of Investors by way of subscription to 300,000,000 common shares of the Company to be issued out of the Increase in the Authorized Capital Stock and Listing of said shares with PSE, and
4. Increase of Capital Stock from Five Hundred Fifty Million Pesos (Php550,000,000.00), divided into Five Hundred Fifty Million (550,000,000) common shares with a par value of One Peso (Php1.00) per share, to Two Billion Five Hundred Million Pesos (Php2,500,000,000.00), divided into Two Billion Five Hundred (2,500,000,000) common shares with a par value of One Peso (Php1.00) per share, Amendment to the Seventh Article of the Articles of Incorporation to reflect the increase in capital stock and Issuance of Shares in support of the Increase.

Dividends

On March 25, 2015, the Board approved a cash dividend declaration of Php0.47 per share or a total of approximately Php123.06 million. The cash dividends were paid on April 24, 2015.

The Company did not declare dividends in 2022, 2023 and 2024.

Financial risk management objectives and policies

The Company is exposed to a variety of financial risks in relation to its financial instruments. The Company's risk management actively focuses on securing the Company's short-to-medium-term cash flows by minimizing the exposure to financial markets. The Company does not actively engage in the trading of financial assets for speculative purposes nor does it write options.

1. Market Risk

The Company is exposed to market risk through its use of financial instruments and specifically to currency risk and interest rate risk which result from both its operating and investing activities.

a. Foreign currency risk

Most of the Company's transactions are carried out in Philippine pesos, its functional currency.

b. Interest rate risk

There were no transactions in 2024 that are subject to interest rate risk. All financial assets and liabilities are non-interest bearing or has fixed interest rate.

c. Operational risk

Operational risk is the risk of loss arising from systems failure, human error, fraud or external events. When controls fail to perform, operational risks can cause damage to reputation, or may lead to financial loss. The Company cannot expect to eliminate all operational risks, but through a control framework and by monitoring and responding to potential risks, the Company is able to manage this risk. Controls include effective segregation of duties, access, authorization and reconciliation procedures, training and assessment processes, including the maintenance of internal audit.

2. Credit risk

Credit risk is the risk of loss that may arise on outstanding financial instruments should a counterparty default on its obligation. The Company's exposure to credit risk arises primarily from cash in bank and due from a related party.

The Company continuously monitors defaults of borrowers and other counterparties, identified either individually or by group, and incorporates this information into its credit risk controls. Where available at a reasonable cost,

external credit ratings and/or reports on customers and other counterparties are obtained and used. The Company's policy is to deal only with creditworthy counterparties.

None of the Company's financial assets are secured by collateral or other credit enhancements, except for the cash in bank. Effective 15 March 2025, cash in bank is insured by the Philippine Deposit Insurance Corporation up to a maximum coverage of Php1,000,000 for every depositor per banking institution.

The Company is not exposed to any significant credit exposure to any single counterparty or any group of counterparties having similar characteristics. The Company manages credit risk by setting limits for individual borrowings, and group of borrowers and industry segments. The Company maintains a general policy of avoiding excessive exposure in any particular sector of the Philippine economy. The Company actively seeks to increase its exposure in industry sectors which it believes to possess attractive growth opportunities.

Conversely, it actively seeks to reduce its exposure in industry sectors where growth potential is minimal.

3. Liquidity risk

Liquidity risk is the risk that the Company will not be able to settle or meet its financial obligations as they fall due. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

ITEM 6. MANAGEMENT'S DISCUSSION AND ANALYSIS OR PLAN OF OPERATION

Status of Operations

The Company has ceased its lending activities in 2015 and is currently evaluating and considering potential transactions with other entities. The Company's Board previously authorised its directors to enter into exploratory discussions with potential partners.

On 19 March 2025, the shareholders approved the Property-for-Share Swap agreement with Eagle 1 which involve properties adjacent to the Okada Integrated Casino Resort with a total area of 94,144 square meters. The Company and Eagle 1 intend to jointly develop the properties to realize its full potential value.

Basis of Financial Statements presentation 2024 and 2023

Basis of preparation

The financial statements of the Company have been prepared using the historical cost basis and are presented in Philippine Peso, the Company's functional currency.

Statement of compliance

The financial statements of the Company have been prepared in compliance with the Philippine Reporting standards (PFRS).

Management's Discussion and Analysis of Financial Condition and Results of Operations

The following management's discussion and analysis of the Company's financial condition and results of operations should be read in conjunction with the Company's audited financial statements, including the related notes, contained in this report. This report contains forward-looking statements that involve risks and uncertainties. The Company cautions investors that its business and financial performance are subject to substantive risks and uncertainties. The Company's actual results may differ materially from those discussed in the forward-looking statements as a result of various factors, including, without limitation, those set out in "Risk Factors". In evaluating the Company's business, investors should carefully consider all of the information contained in "Risk Factors".

Results of Operations

	Audited		Increase (Decrease)	
	2024	2023	Amount	%
	<i>(In PhP millions)</i>			
Income	₱3.28	₱3.30	(₱0.02)	(0.68%)
Expenses	2.15	1.97	0.18	9.33%

Income decreased by Php0.02 million or 0.68% as compared last year due to due to lower computed accretion upon maturity and due from a related party during the current year.

Expenses increased by Php0.18 million or 9.33%. Significant changes in the expense accounts for the year ended December 31, 2024 versus the same period in 2023 are as follows:

- Increase in professional fees by Php0.32 million is mainly due to increase in retainers' fees as compared to last year.

Financial Position

	Audited		Increase (Decrease)	
	2024	2023	Amount	%
	<i>(in PhP Millions)</i>			
Assets	157.40	154.32	3.08	1.99%
Liabilities	17.13	14.83	2.30	15.49%
Stockholders' Equity	140.27	139.49	0.78	0.56%

Assets

The total assets of the Company increased by Php3.08 million or 1.99% from Php154.32 million as of December 31, 2023 to Php157.40 as of December 31, 2024. The increase was mainly due to interest income earned on due from a related party.

Liabilities

As of December 31, 2024, the total liabilities of the Company increased by Php2.30 million or 15.49% from Php14.83 as of December 31, 2023. The increase was mainly due to increase in due to related parties, deferred output VAT attributable to the loan, and accrued expenses on unpaid professional fees.

Stockholders' Equity

As of year-end 2024, the stockholders' equity increased by Php0.78 million from Php139.49 million as of December 31, 2023 to Php140.27 million as of December 31, 2024. The increase was mainly attributable to income during the year amounting to Php0.78 million.

Explanations for the material changes in the Company's accounts between 2023 and 2022 are as follows:

Results of Operations

Income decreased by Php0.03 million or 1% as compared in 2022 due to lower computed accretion upon maturity and due from a related party during the 2023 fiscal year.

Expenses increased by Php0.24 million or 14%. Changes in the expense accounts for the year ended December 31, 2023 versus the same period in 2022 are as follows:

- Decrease in professional fees by Php0.09 million is mainly due to lower retainer fees in 2023 as compared to 2022.
- Increase in taxes and licenses by Php0.38 million mainly attributable to final taxes and penalties paid in 2023.
- Decrease in miscellaneous expenses by Php0.05 million due to lower administrative expenses in 2023.

Financial Position

Assets

The total assets of the Company increased by Php3.32 million or 2% from Php151 million as of December 31, 2022 to Php154.32 million as of December 31, 2023. The increase was mainly due to the interest receivable.

Liabilities

As of December 31, 2023, the total liabilities of the Company increased by Php2.35 million or 19% from Php12.48 million as of December 31, 2022. The increase was mainly due to the advances made by ISOC which are subject to reimbursement.

Stockholders' Equity

As of year-end 2023, the stockholders' equity increased by Php0.97 million from Php138.52 million as of December 31, 2022 to ₱139.49 million as of December 31, 2023. The increase was mainly attributable to the net income in 2023.

Explanations for the material changes in the Company's accounts between 2022 and 2021 are as follows:

Results of Operations

Income decreased by Php0.07 million or 2% as compared to 2021 due to lower computed accretion upon maturity and assignment notes receivable in 2022.

Expenses decreased by ₱0.67 million or 28%. Changes in the expense accounts for the year ended December 31, 2022 versus the same period last year are as follows:

- Decrease in professional fees by ₱0.80 million is mainly due to higher retainer fees in 2022 as compared in 2021.
- Decrease in taxes and licenses by ₱0.05 million mainly attributable to fewer services outsourced in 2022 as compared in 2021.
- Decrease in miscellaneous expenses by ₱0.18 million due to higher administrative expenses in 2022.

Financial Position

Assets

The total assets of the Company increased by ₱3.70 million or 3% from ₱147.30 million as at December 31, 2021 to ₱151 million as at December 31, 2022. The increase was mainly due to the interest receivable.

Liabilities

As of December 31, 2022, the total liabilities of the Company increased by ₱2.10 million or 20% from ₱10.38 million as of December 31, 2021. The increase was mainly due to the advances made by ISOC which are subject to reimbursement.

Stockholders' Equity

As of year-end 2022, the stockholders' equity increased by ₱1.59 million from ₱136.39 million as at December 31, 2021 to ₱138.52 million as of December 31, 2022. The increase was mainly attributable to the net income in 2022.

Explanations for the material changes in the Company's accounts between 2021 and 2020 are as follows:

Results of Operations

Income decreased by ₱1.21 million or 26% as compared last year due to lower computed accretion upon maturity and assignment of notes receivable in 2021.

Expenses decreased by ₱0.60 million or 33%. Changes in the expense accounts for the year ended December 31, 2021 versus the same period in 2020 are as follows:

- Increase in professional fees by ₱0.77 million is mainly due to higher retainer fees in 2021 as compared in 2020.
- Decrease in outside services by ₱0.11 million mainly attributable to fewer services in 2021 as compared in 2020.
- Decrease in miscellaneous expenses by ₱0.05 million due to lower administrative expenses in 2021.

Other (income) charges - net decreased by 100% or ₱3.17 million. For the year ended December 31, 2021, the Company did not recognize day 1 gain on due from a related party. Further, there were no provision for expected credit loss on assignment of note receivable in 2021.

Financial Position

Assets

The total assets of the Company increased by Php4.29 million or 3% from ₱143.01 million as at December 31, 2020 to Php147.30 million as at December 31, 2021. The increase was mainly due to the interest receivable.

Liabilities

As at December 31, 2021, the total liabilities of the Company increased by ₱2.76 million or 36% from ₱7.62 million as of December 31, 2020. The increase was mainly due to the advances made by ISOC which are subject to reimbursement.

Stockholders' Equity

As of year-end 2021, the stockholders' equity increased by ₱1.54 million from ₱135.39 million as at December 31, 2020 to ₱136.93 million as at December 31, 2021. The increase was mainly attributable to the net income in 2021.

Key performance indicators are listed below:

The key performance indicators presented below were selected to help the management in evaluating the Company's profitability, growth, efficiency, and financial stability, measures that will assist in the generation of future plans.

	2024	2023
Net income	Php780,286	Php970,563
Current assets	157,398,439	1,896,071
Total assets	157,398,439	154,321,186
Current liabilities	17,013,739	12,467,943
Total liabilities	17,128,233	14,831,266
Stockholders' equity	140,270,206	139,489,920
No. of common shares outstanding	261,824,002	261,824,002

	2024	2023
Current ratio ¹	9.25	0.15
Book value per share ²	0.54	0.53
Debt ratio ³	0.12	0.11
Profit per share ⁴	0.003	0.004
Return on assets ⁵	0.01	0.006

Note:

1. Current assets / Current liabilities
2. Stockholder's equity / Total outstanding number of shares
3. Total liabilities / Stockholder's equity
4. Net income / Total outstanding number of shares
5. Net income / Average total assets

ITEM 7. FINANCIAL STATEMENTS

The audited financial statements of the Company are filed as part of this SEC 17-A as **Annex A**.

ITEM 8. INFORMATION ON INDEPENDENT ACCOUNTANT AND OTHER RELATED MATTERS

The present auditor of the Company, Reyes Tacandong & Co. was also the auditor of the Company for the year 2024. There were no disagreements with the auditors on any matter of accounting principles or practices, financial statement disclosure, or auditing scope or procedure, which disagreements, if not resolved to their satisfaction, would have caused the auditor to make reference thereto in its respective reports on the Company's financial statements for aforementioned years.

The external auditor of the Company billed the amounts of Php[xxx] and Php350,000.00 in fees for professional services rendered for the audit of the Company's annual financial statements and services that are normally provided by the external auditor in connection with statutory and regulatory filings or engagements for 2024 and 2023, respectively. Except as disclosed above, no other services were rendered or fees billed by the external auditor of the Company for 2024 and 2023. All the above services have been approved by the Audit Committee through its internal policies and procedures of approval.

The Board, after consultation with the Audit Committee, recommends to the stockholders the engagement of the external auditors of the Company. The selection of external auditors is made on the basis of credibility, professional reputation, and accreditation with the SEC. The professional fees of the external auditors of the Company are approved by the Company's Audit Committee after approval by the stockholders of the engagement and prior to the commencement of each audit season.

PART III - CONTROL AND COMPENSATION INFORMATION

ITEM 9. DIRECTORS AND EXECUTIVE OFFICERS OF THE ISSUER

On October 5, 2018, the Board approved the resolution to amend the Articles of Incorporation of the Company to increase the number of directors from seven (7) to nine (9) in order to comply with the Code of Corporate Governance for Publicly-Listed Companies (SEC Memorandum Circular No. 19, series of 2016). During the annual stockholders meeting of the Company held on December 3, 2018, the foregoing resolution for the amendment of the Articles of Incorporation was duly approved by the stockholders of the Company. The foregoing amendment of the Company's Articles of Incorporation for the increase in the number of its Board seats from 7 to 9 members was subsequently approved by the SEC on July 29, 2019.

At the Company's annual shareholders meeting on June 28, 2024, the following directors were elected, to hold office until their successors have been duly elected and qualified. Thereafter, during the organizational meeting of the Board of Directors held on June 28, 2024, they were elected with the following positions:

Name	Citizenship	Position
<u>DIRECTORS</u>		
Michael C. Cosiquien	Filipino	Chairman / President
Jesus G. Chua, Jr.	Filipino	Vice-Chairman / Director
Irving C. Cosiquien	Filipino	Director
Yerik C. Cosiquien	Filipino	Director
Michelle Joan G. Tan	Filipino	Director
Erwin Terrell Y. Sy	Filipino	Director / Treasurer / CFO
Mathew-John G. Almogino	Filipino	Lead Independent Director
Alfred S. Jacinto	Filipino	Independent Director
Manuel Z. Gonzalez	Filipino	Corporate Secretary
Gwyneth S. Ong	Filipino	Assistant Corporate Secretary

On December 18, 2024, directors Michael C. Cosiquien, Erwin Terrell Y. Sy, Michelle Joan G. Tan, Jesus G. Chua, Jr., Yerik C. Cosiquien, Irvin C. Cosiquien and Alfred S. Jacinto, tendered their resignations consecutively ensuring a quorum throughout the Board meeting. In their stead, Mr. James G. Lorenzana, Atty. Philipe T. Aquino, Atty. Abel M. Almario, Atty. Johannes Benjamin R. Bernabe, Atty. Fiorello R. Jose, Atty. Rex Peter G. Raz and Atty. Omar C. Taccad were elected individually as directors upon resignation of each former director.

In addition, Atty. Manuel Z. Gonzalez and Gwyneth S. Ong likewise tendered their resignations as Corporate Secretary and Assistant Corporate Secretary, respectively and Atty. Phil Ivan A. Chan was appointed as Corporate Secretary.

Described below are relevant business experience and qualifications of each of the Company's directors and officers as of December 31, 2024, covering the past five years.

CURRENT DIRECTORS (AS OF DECEMBER 31, 2024):

Mr. James G. Lorenzana was elected as a Director and the Chairman of the Board on December 27, 2024. Mr. Lorenzana is a Filipino professional with a distinguished career that spans both public service and the private sector. He is an alumnus of Xavier School and holds a Bachelor of Arts in Political Science from the University of the Philippines Diliman. Mr. Lorenzana began his career in the private sector as a Marketing and Sales Manager for Lorenzana Food Corporation, where he continues to serve as a director. His professional experience extends across key roles in various corporations and institutions.

In addition to his work in the corporate world, Mr. Lorenzana has made significant contributions to public service. He served as Chief of Staff to a legislator, overseeing successful political campaigns and taking on leadership positions in several key government agencies, including NORTHRAIL, the Bases Conversion and Development Authority, the Subic Bay Metropolitan Authority, and the Fort Bonifacio Development Corporation, among others.

Today, Mr. Lorenzana holds prominent roles as Chairman and President of multiple companies and foundations. With his extensive background in governance, business development, and strategic management, he remains actively engaged in both civic and corporate initiatives.

Atty. Abel M. Almario was elected as a Director on December 12, 2024 and President on 27 December 2024. Atty. Almario is a Filipino professional currently serving as the President, Vice President, Chairman, and Director for several corporations.

Atty. Almario has extensive legal experience, primarily through his long tenure at M.M. Lazaro and Associates, where he rose from an Associate in 1996 to Senior Partner in 2024. Additionally, he holds various corporate secretary positions at companies such as Urban Consolidated Constructors Phils. Inc., Maxifix Realty Serv Corporation, Amstream Management Corporation, and Algimar Port Mgt. & Allied Services Inc.

In terms of education, Almario obtained his Juris Doctor from San Beda College of Law and previously attended the Philippine School of Business Administration, earning a BSBA in Accounting.

Atty. Philipe T. Aquino was elected as a Director on December 12, 2024. Atty. Aquino is a Filipino professional, currently serving as a Director and Corporate Secretary for several corporations.

Atty. Aquino has a legal background, working as a Junior Partner at M.M. Lazaro and Associates since July 2024, after previously serving as a consultant and associate at the same firm. He also has significant experience in the corporate sector, having been Vice President and Head of Legal and Compliance at Omnipay, Inc., where he additionally held the roles of Corporate Secretary and Data Protection Officer.

His educational background includes a Juris Doctor degree from Ateneo de Manila University School of Law, and an A.B. in Economics from Ateneo de Manila University.

Atty. Rex Peter G. Raz was elected as a Director on December 18, 2024. Atty. Raz is an accomplished legal professional, with a robust career in law and accounting. He graduated from the University of the East Manila with a degree in Accounting and earned his Certified Public Accountant certification in 1987. He continued his academic journey at the Ateneo de Manila University, where he obtained his Bachelor of Laws in 1988.

Over the course of his distinguished career, Atty. Raz has garnered a strong reputation in several specialized legal fields, including immigration, corporate rehabilitation and receivership, labor law, and corporate litigation. His extensive experience spans multiple decades, solidifying his status as a trusted legal expert.

Atty. Raz currently holds the position of Director at the Immigration Lawyers Association of the Philippines and serves as the Treasurer and Director of a private corporation. He is also the Managing Partner at Raz & Raz Law Offices, a role he took after previously serving as Managing Partner at Remollo Raz & Redillas Law Offices.

Under his leadership, Raz & Raz Law Offices has become highly skilled in a wide array of legal disciplines, including litigation in criminal, civil, administrative, labor, and commercial matters. The firm also specializes in immigration and deportation law, commercial and corporate law, finance, mergers and acquisitions, tax and customs, investments, administrative and election law, intellectual property, real estate, collective bargaining, and arbitration.

Atty. Fiorello R. Jose was elected as a Director on December 27, 2024. Atty. Jose holds a Bachelor of Arts in English from the University of the Philippines, where he also earned his law degree in 1991. He began his legal career the following year as an assistant attorney at Bito Lozada Ortega and Castillo, focusing on maritime law, litigation, labor, and corporate law.

In 1995, he joined forces with his late father, Plaridel C. Jose, before founding his own firm, F.R. Jose Law Office, in 1998. Since then, he has maintained a diverse legal practice, with specializations in civil litigation, labor law, family and property law, land titling and registration, conveyancing, estate settlement, and corporate law.

His extensive experience and commitment to a broad range of legal fields underscore his versatility and dedication to serving clients' varied legal needs.

Atty. Johannes Benjamin R. Bernabe was elected as a Director and the Chief Financial Officer / Treasurer on December 27, 2024. Atty. Bernabe is a distinguished Filipino lawyer with deep expertise in competition law, telecommunications, and international trade. As a former Commissioner of the Philippine Competition Commission (**PCC**), he played a crucial role in enforcing the Philippine Competition Act, overseeing key areas such as merger and acquisition reviews, investigating anti-competitive practices, and championing policies that promote fair market competition.

Prior to his role at the PCC, Bernabe served as a legal and policy advisor to the Philippine government on international trade. He represented the country in World Trade Organization (WTO) negotiations and various regional trade agreements, working to safeguard the nation's trade and economic interests in a rapidly globalizing market. Beyond his regulatory contributions, Bernabe has provided strategic legal counsel to both local and multinational corporations.

Atty. Mathew John G. Almogino was elected as an Independent Director of the Board in December 11, 2017 and was re-elected on December 3, 2018, October 15, 2019, October 20, 2020, October 21, 2021, November 14, 2022, October 20, 2023 and June 28, 2024. Atty. Almogino is a lawyer specializing in corporate law and commercial litigation, and has previously served as a member of the board of directors of several corporations engaged in various industries such as transportation, construction, and real estate. He is

currently the General Counsel of Nippon Express Philippines Corporation, a multinational corporation with headquarters in Tokyo, Japan and which conducts business operations in 698 locations in 44 countries, specializing in global logistics, including international freight forwarding using multimodal transport, storage, and inventory management. Atty. Almogino was also a former Senior Associate with Ocampo and Manalo Law Firm, a firm ranked by AsiaLaw, the Legal 500, and WorldLaw as one of the leaders in various practice areas such as corporate law, telecommunications and media, transportation, litigation and dispute resolution, and labor and employment. He obtained his Bachelor of Arts from De La Salle University with a Major in Political Science and Minor in History, and his Bachelor of Laws from the San Sebastian College-Recoletos Institute of Law, where he also lectured on various subjects on Corporate Law after passing the Philippine Bar Examinations.

Atty. Omar C. Taccad was elected as an Independent Director on December 18, 2024. Atty. Taccad is the Chief Legal Counsel and Compliance Officer for a publicly listed company, bringing extensive expertise in corporate governance and legal compliance. Previously, he served as the Chief Compliance Officer and Vice President for Legal, Governance, and Compliance at another corporation.

Before assuming his current roles, Atty. Taccad held the position of Corporate Secretary and Assistant Corporate Secretary at a major telecommunications company and its subsidiaries, where he also led legal and governance functions.

Atty. Taccad earned his Juris Doctor degree from Ateneo de Manila University and was admitted to the Philippine Bar in 1998.

OFFICERS (AS OF DECEMBER 31, 2024):

Atty. Phil Ivan A. Chan was elected Corporate Secretary on December 18, 2024. Atty. Chan is a co-founder of Serrano Law, with extensive experience in M&A, banking, mining and energy law, gaming, immigration, real estate, insurance, and corporate restructuring projects. In 2023, Atty. Chan was recognized as “Rising Star Partner” by IFLR1000. Most recently, Atty. Chan was recognized by the Legal 500 as “Leading Partner” for Corporate and M&A in its Legal 500 2025 Rankings, and as “Client Choice – Philippine Lawyer” in the Asialaw 2024 awards.

Atty. Chan holds a degree of B.S. Legal Management from Ateneo de Manila University and a Juris Doctor degree from Ateneo Law School.

Identify Significant Employees

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

Family Relationships

There are no other family relationships known to the registrant.

Involvement in Certain Legal Proceedings of Directors and Senior Management

To the knowledge of the Company, there has been no occurrence of any of the following events during the past five (5) years up to present which are material to an evaluation of

the ability and integrity of any director, any person nominated to become director, executive officer or control person of the Company:

1. Any insolvency or bankruptcy petition filed by or against any business of which such person was a general partner or executive officer whether at the time of insolvency or within two (2) years prior to that time;
2. Any conviction by final judgment in a criminal proceeding, domestic or foreign, in any pending criminal proceeding, domestic or foreign, excluding traffic violations and other minor offenses;
3. Any final and executory order, judgment or decree of any court of competent jurisdiction, domestic or foreign, permanently or temporarily, enjoining, barring, suspending or otherwise limiting involvement in any type of business, securities, commodities or banking activities; and
4. Any final and executory judgment by a domestic or foreign court or competent jurisdiction (in a civil action), the SEC, or comparable foreign body, or domestic or foreign exchange or electronic marketplace or self-regulatory organization, for violation of a securities or commodities law.

There are no legal proceedings to which the Company or its subsidiary or any of their properties is involved in or subject to any legal proceedings which would have a material adverse effect on the business or financial position of the Company or its subsidiary.

ITEM 10. EXECUTIVE COMPENSATION

Compensation of Directors

The table below summarizes the aggregate compensation of the Company's CEO and the four most highly compensated employees, as well as the aggregate compensation paid to all directors and officers as a group for the years 2020, 2021, 2022, 2023 and 2024.

	Year	Salary	Bonuses	Other Benefits	Total
CEO and Top 4 Executive Officers, as a group named above	2020	-	-	-	-
	2021	-	-	-	-
	2022	-	-	-	-
	2023	-	-	-	-
	2024	-	-	-	-
All Other Officers and Directors, as a group unnamed	2020	-	-	60,000	60,000
	2021	-	-	360,000	360,000
	2022	-	-	360,000	360,000
	2023	-	-	390,000	390,000
	2024	-	-	474,444	474,444

Standard Arrangement

There is no standard arrangement pursuant to which directors of the Company are compensated directly or indirectly, for any services provided as a director.

Other Arrangement

On November 4, 2020, the Board of Directors approved the payment of reasonable per diems to the Board of Directors of the Corporation for their services. The reasonable per diems paid to the directors amounted to ₱390,000 and ₱360,000 in 2023 and 2022, respectively.

Employment Contracts and Termination of Employment and Change-in-Control Arrangements

There are no special contracts of employment between the Company and the named directors and executive officers, as well as compensatory plans or arrangements.

There are no arrangements for compensation to be received by the officers from the Company in the event of a change in control of the Company.

Warrants and Options Outstanding

There are no outstanding warrants or options held by the Company's directors, named senior management and all officers and directors as a group.

ITEM 11. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

The following persons own at least five percent (5%) of the Company's outstanding common shares as of December 31, 2024:

	Name and Address of Record Owner & Relationship with the Company	Name of Beneficial Owner and Relationship with Record Owner	Citizenship	Number of Shares	Percent
Common	PCD NOMINEE CORPORATION - Tower 1 – Ayala Triangle Makati Avenue cor. Paseo de Roxas Makati City - Registered owner in the books of stock transfer agent	ISOC HOLDINGS, INC.² 23 rd Floor, The Glaston Tower, Ortigas Ave., cor. E. Rodriguez Ave., Pasig City (formerly 6 th Floor, Hanston Building, F. Ortigas, Jr. Road, Ortigas Center, Pasig City)	Filipino	133,530,241 (Direct)	50.99%

² ISOC Holdings, Inc. is the indirect beneficiary of 133,530,241 shares equivalent to 50.99% of the Company lodged under PCD Nominee Corp. (Filipino) through Armstrong Securities, Inc.

Other than the persons identified above, there are no beneficial owners of more than 5% of the Company's outstanding capital stock that are known to the Company.

Security Ownership of Directors and Officers

CURRENT DIRECTORS AND OFFICERS (AS OF DECEMBER 31, 2024)

	Name Beneficial Owner	Amount and nature of ownership (Indicate record ("r") and/or beneficial ("b"))	Citizenship	Percent
Common	James G. Lorenzana <i>Chairman</i>	1 – "R" (direct)	Filipino	0.00%
Common	Abel M. Almario <i>Director and President</i>	1,000 – "R" (direct) 0 – "B" (indirect)	Filipino	0.00%
Common	Philipe T. Aquino <i>Director</i>	997 – "R" (direct) 0 – "B" (indirect)	Filipino	0.00% 0.00%
Common	Rex Peter G. Raz <i>Director</i>	0 – "R" (direct) 1,000 – "B" (indirect)	Filipino	0.00% 0.00%
Common	Fiorello R. Jose <i>Director</i>	1 – "R" (direct) 0 – "B" (indirect)	Filipino	0.00% 0.00%
Common	Johannes Benjamin R. Bernabe <i>Director and Treasurer / CFO</i>	1 – "R" (direct) 0 – "B" (indirect)	Filipino	0.00% 0.00%
Common	Mathew-John G. Almogino <i>Independent Director</i>	1,000 – "R" (direct) 0 – "B" (indirect)	Filipino	0.00% 0.00%
Common	Omar C. Taccad <i>Independent Director</i>	0 – "R" (direct) 1,000 – "B" (indirect)	Filipino	0.00% 0.00%
-	Phil Ivan A. Chan <i>Corporate Secretary</i>	0 – "R" (direct) 0 – "B" (indirect)	Filipino	0.00% 0.00%
TOTAL		3,000 "R" (direct) 2,000 "B" (indirect)		0.00% 0.00%

Voting Trust Holders of 5% Or More

The Company has no voting trust agreement or any other similar arrangement which may result in a change in control of the Company.

Changes in Control

On November 27, 2017, ISOC entered into an agreement with RYM for the purchase of RYM's 175,422,081 common shares in the Company equivalent to 67% interest at Php2.1662 per share or a total amount of approximately Php380 million. A mandatory tender offer was conducted for the benefit of the minority shareholders and the same was completed on January 3, 2018. Thus, the shares were crossed via the facilities of the PSE on January 4, 2018.

As at December 31, 2024, ISOC holds 133,530,241 common shares equivalent to 50.99% interest.

On December 18, 2024, the Board of Directors approved the following:

1. Private Placement of Themis for issuance of 240,000,000 common shares to be issued out of the Increase in the Authorized Capital Stock and Listing of said shares with PSE,
2. Property-for-Share Swap with Eagle 1 and issuance of 918,000,000 common shares to be issued out of the Increase in the Authorized Capital Stock and Listing of said shares with PSE,
3. Private Placement of Investors by way of subscription to 300,000,000 common shares of the Company to be issued out of the Increase in the Authorized Capital Stock and Listing of said shares with PSE, and
4. Increase of Capital Stock from Five Hundred Fifty Million Pesos (Php550,000,000.00), divided into Five Hundred Fifty Million (550,000,000) common shares with a par value of One Peso (Php1.00) per share, to Two Billion Five Hundred Million Pesos (Php2,500,000,000.00), divided into Two Billion Five Hundred (2,500,000,000) common shares with a par value of One Peso (Php1.00) per share, Amendment to the Seventh Article of the Articles of Incorporation to reflect the increase in capital stock and Issuance of Shares in support of the Increase.

ITEM 12. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control or common significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control or common significant influence. Related parties may be individuals or corporate entities. Transactions between related parties are on arm's length basis in a manner similar to transactions with non-related parties.

On June 26, 2020, the Board of Directors of the Company approved the assignment of its receivables in the aggregate amount of Php332,639,732.94 from Sunprime Finance, Inc. in exchange for certain receivables of Michael C. Cosiquien arising from his advances in favor of ISOC in the aggregate amount of Php132,714,385.00. On June 29, 2020, the Company and Michael C. Cosiquien, with the conformity of ISOC and Sunprime Finance, Inc. entered into a Deed of Assignment covering the note. The foregoing assignment of receivables is part of the Company's long-term investment plan and was approved in accordance with the procedures and requirements of the Company's Material Related Party Transaction Policy and the relevant issuances of the SEC. As a result of such assignment, the Company reclassified the note receivable to "Due to a related party" account and recognized a loss amounting to Php1,167,349.00 on assignment. On 27 December 2024, the receivables from ISOC was assigned to Themis Group Corporation.

On 27 December 2024, the Company disclosed that it received a notification from ISOC that it entered into a Deed of Assignment of Shares for the sale, transfer and assignment of all of its One Hundred Thirty-Three Million Five Hundred Thirty Thousand Two Hundred Forty One (133,530,241) common shares of the Company in favor of Themis for an aggregate sum of Two Hundred Ninety Seven Million One Hundred Fifteen Pesos

(Php297,000,115.00) or approximately Php2.2242 per share, subject to compliance by Themis with the Mandatory Tender Offer.

ISOC previously held 51% of the total issued and outstanding capital stock of the Company. However, the Company's Board and shareholders approved the issuance of 80,000,000 common shares arising from the private placement by way of subscription by Themis. ISOC's shareholdings shall be at 39.06% of the total issued and outstanding capital stock of 341,824,002 common shares post-subscription of Themis.

Apart from the foregoing, there was no transaction or series of similar transactions with or involving the Company or any of its subsidiaries in which a director, executive officer, nominee for election as a director or stockholder owning ten percent (10%) or more of total outstanding shares and members of their immediate family, had or is to have a direct or indirect material interest.

PART IV – CORPORATE GOVERNANCE

ITEM 13. THIS PORTION HAS BEEN DELETED PURSUANT TO SEC MEMORANDUM CIRCULAR NO. 5-2013.

PART V - EXHIBITS AND SCHEDULES

ITEM 14. EXHIBITS AND REPORTS ON SEC FORM 17-C

(a) Exhibits

The audited financial statements of the Company are filed as part of this SEC 17-A as **Annex A**.

The Company's Sustainability Report is attached pursuant to SEC Memorandum Circular No. 4, series of 2019 as **Annex B**.

(b) Reports on SEC Form 17-C until 31 December 2024

Date of Disclosure	Subject
May 8, 2024	Notice of Setting of Annual Stockholders' Meeting (Date, Time, Venue, and Agenda)
May 31, 2024	Submission of Integrated Annual Corporate Governance Report (I-ACGR) for the year 2023
June 6, 2024	Submission of Definitive Information Statement
July 30, 2024	Disclosure on the Results of the Annual Stockholders' Meeting and Organizational Board Meeting held on June 28, 2024
December 13, 2024	Disclosure on the Result of the Board Meeting held on December 12, 2024
December 19, 2024	Disclosure on the Result of the Board Meeting held on December 18, 2024
December 19, 2024	Notice of Setting of Special Stockholders' Meeting (Date, Time, Venue, and Agenda)
December 27, 2024	Notice of signing of Deed of Assignment of Shares

(c) Reports on SEC Form 17-Q until 31 December 2024

Date	Subject
April 16, 2024	Annual Report for 2023
May 14, 2024	First Quarter Results
August 14, 2024	Second Quarter Results
November 11, 2024	Third Quarter Results

SIGNATURES

Pursuant to the requirements of Section 17 of the Securities Regulation Code and Section 177 of the Revised Corporation Code, this report is signed on behalf of the issuer by the undersigned, thereunto duly authorized, in the City of TAGUIG on APR 30 2025, 2025.

By:




JAMES G. LORENZANA
Chairman

SUBSCRIBED AND SWORN to before me this _____ day of APR 30 2025
affiant(s) exhibiting to their evidence of identity, as follows:

NAMES	Competent Evidence of Identity
James G. Lorenzana	

Notary Public

Doc. No. 36 ;
Page No. 9 ;
Book No. 1 ;
Series of 2025.


ERIELLE ROBYN T. ONGCHAN
Appointment No. 133 (2024-2025)
Notary Public for Taguig City
Until December 31, 2025
Attorney's Roll No. 88303
1105 Tower 2 High Street South Corporate Plaza
26th Street, Bonifacio Global City, Taguig City
PTR Receipt No. A-6396477; 01.03.25; Taguig City
IBP Receipt No. 495636; 01.02.25; Pasig City
Admitted to the Bar on December 2023


SIGNATURES

Pursuant to the requirements of Section 17 of the Securities Regulation Code and Section 177 of the Revised Corporation Code, this report is signed on behalf of the issuer by the undersigned, thereunto duly authorized, in the City of _____ on APR 30 2025,
TAGUIG

By:


ABEL M. ALMARIO
President

SUBSCRIBED AND SWORN to before me this _____ day of APR 30 2025
affiant(s) exhibiting to their evidence of identity, as follows:

NAMES	Competent Evidence of Identity
Abel M. Almario	

Notary Public

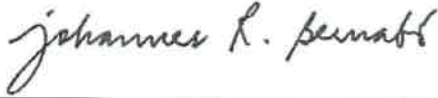
Doc. No. 37;
Page No. 9;
Book No. 11;
Series of 2025.


ERIELLE ROBYN T. ONGCHAN
Appointment No. 133 (2024-2025)
Notary Public for Taguig City
Until December 31, 2025
Attorney's Roll No. 88303
1105 Tower 2 High Street South Corporate Plaza
26th Street, Bonifacio Global City, Taguig City
PTR Receipt No. A-6396477; 01.03.25; Taguig City
IBP Receipt No. 495636; 01.02.25; Pasig City
Admitted to the Bar on December 2023

SIGNATURES

Pursuant to the requirements of Section 17 of the Securities Regulation Code and Section 177 of the Revised Corporation Code, this report is signed on behalf of the issuer by the undersigned, thereunto duly authorized, in the City of TAGUIG on APR 30 2025, 2025.


By:



JOHANNES BENJAMIN R. BERNABE

Chief Financial Officer / Treasurer

SUBSCRIBED AND SWORN to before me this _____ day of APR 30 2025
affiant(s) exhibiting to their evidence of identity, as follows:

NAMES	Competent Evidence of Identity
Johannes Benjamin R. Bernabe	

Notary Public

Doc. No. 35;
Page No. 8;
Book No. II;
Series of 2025.



ERIELLE ROBYN T. LONGCHAN

Appointment No. 133 (2024-2025)

Notary Public for Taguig City

Until December 31, 2025

Attorney's Roll No. 88303

1105 Tower 2 High Street South Corporate Plaza
26th Street, Bonifacio Global City, Taguig City
PTR Receipt No. A-6396477; 01.03.25; Taguig City
IBP Receipt No. 495636; 01.02.25; Pasig City
Admitted to the Bar on December 2023

SIGNATURES


Pursuant to the requirements of Section 17 of the Securities Regulation Code and Section 177 of the Revised Corporation Code, this report is signed on behalf of the issuer by the undersigned, thereunto duly authorized, in the City of Taguig on APR 30 2025.

By:




PHIL IVAN A. CHAN
Corporate Secretary

SUBSCRIBED AND SWORN to before me this APR 30 2025 affiant exhibiting to his evidence of identity, as follows:

NAME	Competent Evidence of Identity
Phil Ivan A. Chan	

Doc. No. 34 ;
Page No. 8 ;
Book No. II ;
Series of 2025.


ERIELLE ROBYN T. ONGCHAN
Appointment No. 133 (2024-2025)
Notary Public for Taguig City
Until December 31, 2025
Attorney's Roll No. 88303
1105 Tower 2 High Street South Corporate Plaza
26th Street, Bonifacio Global City, Taguig City
PTR Receipt No. A-6396477; 01.03.25; Taguig City
IBP Receipt No. 495636; 01.02.25; Pasig City
Admitted to the Bar on December 2023

SIGNATURES

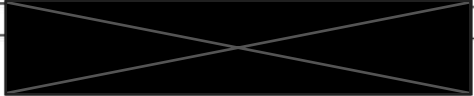
Pursuant to the requirements of Section 17 of the Securities Regulation Code and Section 177 of the Revised Corporation Code, this report is signed on behalf of the issuer by the undersigned, thereunto duly authorized, in the City of TAGUIG on APR 30 2025, 2025.

By:



FERDINAND C. PONCE
Principal Accounting Officer

SUBSCRIBED AND SWORN to before me this _____ day of APR 30 2025 affiant(s) exhibiting to their evidence of identity, as follows:

NAMES	Competent Evidence of Identity
Ferdinand C. Ponce	


Notary Public


Doc. No. 38;
Page No. 2;
Book No. 11;
Series of 2025.


ERIELLE ROBYN T. ONGCHAN
Appointment No. 133 (2024-2025)
Notary Public for Taguig City
Until December 31, 2025
Attorney's Roll No. 88303
1105 Tower 2 High Street South Corporate Plaza
26th Street, Bonifacio Global City, Taguig City
PTR Receipt No. A-6396477; 01.03.25; Taguig City
IBP Receipt No. 495636; 01.02.25; Pasig City
Admitted to the Bar on December 2023

ANNEX A


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 **BUREAU OF INTERNAL REVENUE**
AFS eSUBMISSION <

 **LAVINIA BUCTOLAN**
AGFINANCE

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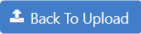
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COVER SHEET

for

AUDITED FINANCIAL STATEMENTS

SEC Registration Number

A	2	0	0	1	1	5	1	5	1
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COMPANY NAME

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

Form Type

A	A	F	S
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Department requiring the report

C	R	M	D
---	---	---	---

Secondary License Type, If Applicable

N	/	A
---	---	---

COMPANY INFORMATION

Company's Email Address

ferronouxmc28@gmail.com

Company's Telephone Number/s

09178078815

Mobile Number

09155920331

No. of Stockholders

34

Annual Meeting (Month / Day)

Last Friday of June

Fiscal Year (Month / Day)

December 31

CONTACT PERSON INFORMATION

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

Name of Contact Person

Phil Ivan A. Chan

Email Address

mc28@serranolawph.com

Telephone Number/s

Mobile Number

09178078815

CONTACT PERSON'S ADDRESS

6th Floor, Hanston Building, F. Ortigas Jr. Road, Ortigas Center, Pasig City

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

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

FERRONOUX HOLDINGS, INC.

6th Floor, Hanston Building F. Ortigas, Jr. Road, Ortigas Center, Pasig City

STATEMENT OF MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL STATEMENTS

The Management of Ferronoux Holdings, Inc. is responsible for the preparation and fair presentation of the financial statements including the schedules attached therein, for the period ended **January 1, 2024 to December 31, 2024**, in accordance with the prescribed financial reporting framework indicated therein, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

The Board of Directors is responsible in 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.

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


JAMES G. LORENZANA

(Chairman of the Board)

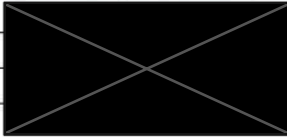

ABEL M. ALMARIO

(President)


JOHANNES BENJAMIN R. BERNABE

(Treasurer)

SUBSCRIBED AND SWORN to before me this APR 30 2025 at TAGUIG CITY,
with affiants exhibiting to me their following Competent Evidence of Identity:

Name	Competent Evidence of Identity
James G. Lorenzana	
Abel M. Almario	
Johannes Benjamin R. Bernabe	

Doc. No. 431;
Page No. 82;
Book No. 7;
Series of 2025.


PAUL B. BINAG

Appointment No. 151 (2024-2025)
Notary Public for Taguig City
Until December 31, 2025
Attorney's Roll No. 90383
1105 Tower 2, High Street South Corporate Plaza
26th Street, Bonifacio Global City, Taguig City
PTR Receipt No. A-6396476; 01.03.25; Taguig City
IBP Receipt No. 496513; 01.03.25; Quezon City
Admitted to the Bar on December 2023



INDEPENDENT AUDITORS' REPORT

The Stockholders and the Board of Directors
Ferronoux Holdings, Inc.
6th Floor, Hanston Building
F. Ortigas, Jr. Road, Ortigas Center
Pasig City

Opinion

We have audited the accompanying financial statements of Ferronoux Holdings, Inc. (the Company), which comprise the statements of financial position as at December 31, 2024 and 2023, and the statements of comprehensive income, statements of changes in equity and statements of cash flows for the years ended December 31, 2024, 2023 and 2022, and notes to the financial statements, including a summary of material accounting policy information.

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2024 and 2023, and its financial performance and its cash flows for the years ended December 31, 2024, 2023 and 2022 in accordance with Philippine Financial Reporting Standards (PFRS) Accounting Standards.

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 the audit of the financial statements in the Philippines, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. 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.

Adequacy of Disclosures of Management's Plan to Enable the Company to Continue as a Going Concern

As discussed in Note 1 to the financial statements, the Company ceased its lending activities in 2015 and has since engaged in exploratory discussions with potential strategic partners. In December 2024, the Board of Directors (BOD) approved a series of capital infusions from new investors to support the Company's planned future operations. The Company is actively pursuing opportunities in property development to establish competitive presence in the real estate sector. The financial statements have been prepared on a going concern basis, as further discussed in Note 3 to the financial statements.



The Management's disclosures on its assessment of the Company's ability to continue as a going concern has been identified as a key audit matter because significant management judgment is required in evaluating the reasonableness of assumptions relating to the realization of the capital infusions based on the arrangements with the new investors and the subsequent resumption of the Company's commercial operations.

In evaluating the adequacy of management's disclosures on the appropriateness of the going concern assumption used in preparing the financial statements, we performed the following audit procedures, among others: (a) obtained an understanding of the Company's business plans and strategic initiatives; (b) reviewed the plans and strategies by examining the relevant minutes of the meetings of the BOD, the arrangements with new investors, and the relevant post-reporting date transactions, and by evaluating the financial capability of the new investors; and (c) reviewed the appropriateness and sufficiency of the related disclosures in Notes 1, 3, and 7 to the financial statements.

Assessment of the Realizability of the Due from Related Parties

As at December 31, 2024, the Company's due from related parties amounting to ₱156.3 million represents 99% of its total assets. The assessment of the realizability of the due from related parties involves the exercise of significant judgment by management.

In evaluating the assessment of the realizability of the due from related parties, we performed the following audit procedures, among others: (a) reviewed the appropriateness of key inputs and assumptions used, and (b) assessed the adequacy of the related disclosures in Notes 3, 6, and 11 to the financial statements.

Other Information

Management is responsible for the other information. The other information comprises the information included in the Securities and Exchange Commission (SEC) Form 20-IS (Definitive Information Statement), SEC Form 17-A and Annual Report distributed to stockholders for the year ended December 31, 2024, but does not include the financial statements and our auditors' report thereon. The SEC Form 20-IS, SEC Form 17-A and Annual Report to be distributed to stockholders for the year ended December 31, 2024 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 audit 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 Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.



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

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

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, these 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 audits.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and 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 auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditors' report is Mark Christian M. Ababa.

REYES TACANDONG & Co.

Mark Christian M. Ababa

MARK CHRISTIAN M. ABABA

Partner

CPA Certificate No. 130245

Tax Identification No. 287-809-533-000

BOA Accreditation No. 4782/P-027; Valid until June 6, 2026

BIR Accreditation No. 08-005144-026-2024

Valid until March 26, 2027

PTR No. 10467117

Issued January 2, 2025, Makati City

March 11, 2025

Makati City, Metro Manila

FERRONOUX HOLDINGS, INC.
STATEMENTS OF FINANCIAL POSITION

		December 31	
	Note	2024	2023
ASSETS			
Current Assets			
Cash in bank	4	₱111,459	₱138,606
Due from related parties	6	156,251,595	–
Creditable withholding taxes		460,470	1,130,125
Other current assets		574,915	627,340
Total Current Assets		157,398,439	1,896,071
Noncurrent Asset			
Due from a related party	6	–	152,425,115
		₱157,398,439	₱154,321,186
LIABILITIES AND EQUITY			
Current Liabilities			
Accrued expenses and other current liabilities	5	₱17,013,739	₱12,467,943
Noncurrent Liabilities			
Deferred tax liability	10	114,494	440,054
Deferred output VAT	6	–	1,923,269
Total Noncurrent Liabilities		114,494	2,363,323
Total Liabilities		17,128,233	14,831,266
Equity			
Capital stock	7	261,824,002	261,824,002
Additional paid-in capital		74,277,248	74,277,248
Deficit		(195,831,044)	(196,611,330)
Total Equity		140,270,206	139,489,920
		₱157,398,439	₱154,321,186

See accompanying Notes to Financial Statements.

FERRONOUX HOLDINGS, INC.

STATEMENTS OF COMPREHENSIVE INCOME

		Years Ended December 31		
	Note	2024	2023	2022
INTEREST INCOME	6	₱3,276,974	₱3,299,346	₱3,329,876
EXPENSES	8	(2,152,593)	(1,968,962)	(1,734,876)
INCOME BEFORE INCOME TAX		1,124,381	1,330,384	1,595,000
PROVISION FOR (BENEFIT FROM) INCOME TAX	10			
Current		669,655	676,660	310,460
Deferred		(325,560)	(316,839)	(309,206)
		344,095	359,821	1,254
NET INCOME		780,286	970,563	1,593,746
OTHER COMPREHENSIVE INCOME		—	—	—
TOTAL COMPREHENSIVE INCOME		₱780,286	₱970,563	₱1,593,746
EARNINGS PER SHARE - BASIC AND DILUTED	9	₱0.003	₱0.004	₱0.006

See accompanying Notes to Financial Statements.

FERRONOUX HOLDINGS, INC.
STATEMENTS OF CHANGES IN EQUITY

	Note	Years Ended December 31		
		2024	2023	2022
CAPITAL STOCK	7	₱261,824,002	₱261,824,002	₱261,824,002
ADDITIONAL PAID-IN CAPITAL				
Balance at beginning and end of year		74,277,248	74,277,248	74,277,248
DEFICIT				
Balance at beginning of year		(196,611,330)	(197,581,893)	(199,175,639)
Net income		780,286	970,563	1,593,746
Balance at end of year		(195,831,044)	(196,611,330)	(197,581,893)
		₱140,270,206	₱139,489,920	₱138,519,357

See accompanying Notes to Financial Statements.

FERRONOUX HOLDINGS, INC.
STATEMENTS OF CASH FLOWS

		Years Ended December 31		
	Note	2024	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES				
Income before income tax		₱1,124,381	₱1,330,384	₱1,595,000
Adjustment for interest income	6	(3,276,974)	(3,299,346)	(3,329,876)
Operating loss before working capital changes		(2,152,593)	(1,968,962)	(1,734,876)
Decrease (increase) in other current assets		(151,089)	(138,734)	(144,288)
Increase (decrease) in accrued expenses and other current liabilities		326,535	(567,170)	3,404
Net cash used in operating activities		(1,977,147)	(2,674,866)	(1,875,760)
CASH FLOWS FROM FINANCING ACTIVITY				
Due to a related party	6	1,950,000	2,684,874	1,863,620
NET INCREASE (DECREASE) IN CASH IN BANK		(27,147)	10,008	(12,140)
CASH IN BANK AT BEGINNING OF YEAR		138,606	128,598	140,738
CASH IN BANK AT END OF YEAR		₱111,459	₱138,606	₱128,598

See accompanying Notes to Financial Statements.

FERRONOUX HOLDINGS, INC.

NOTES TO FINANCIAL STATEMENTS AS AT DECEMBER 31, 2024 AND 2023 AND FOR THE YEARS ENDED DECEMBER 31, 2024, 2023 AND 2022

1. Corporate Information

Ferronoux Holdings, Inc. (the “Company”) was incorporated in the Philippines and registered with the Securities and Exchange Commission (SEC) on December 14, 2001 under the name AG Finance Incorporated. The Company was initially established to operate as a financing company, primarily providing short-term, unsecured credit facilities to permanent rank-and-file employees of medium-sized companies in the Philippines.

The Company’s shares are listed on the Philippine Stock Exchange (PSE), with all 261,824,002 shares outstanding as at December 31, 2024 and 2023. The Company now operates as a holding company following the approval by the SEC on February 6, 2018 of amendments to its Articles of Incorporation, which included the change of its corporate name from AG Finance Incorporated to Ferronoux Holdings, Inc. and the revision of its primary purpose. In connection with these changes, the Company’s stock symbol was also updated from “AGF” to “FERRO”.

The Company’s principal office address is at 6th Floor, Hanston Building, F. Ortigas, Jr. Road, Ortigas Center, Pasig City.

Status of Operations

The Company ceased its lending activities in 2015 and has since engaged in exploratory discussions with potential strategic partners. In alignment with its long-term growth objectives, the Company is actively pursuing opportunities in property development by implementing targeted strategic initiatives aimed at establishing a competitive presence in the real estate sector.

On December 12, 2024, the Board of Directors (BOD) approved the subscription of Themis Group Corporation (Themis) to the Company’s 80.0 million common shares at ₱1.00 per share, or equivalent to ₱80.0 million. The related subscription agreements were executed on December 18, 2024. Of the ₱80.0 million, ₱20.0 million was paid and the related shares were issued on January 3, 2025 (see Note 7).

The Company also plans to increase its authorized capital stock from 550.0 million common shares at ₱1.00 per share, or equivalent to ₱550.0 million, to 2,500.0 million common shares at ₱1.00 per share, or equivalent to ₱2,500.0 million, in view of the following capital infusions, as approved by the BOD on December 18, 2024:

- Additional subscription of Themis to the Company’s 240.0 million common shares at ₱1.00 per share, or equivalent to ₱240.0 million, which shall be paid either in cash or property;
- Property-for-share swap, through subscription of Eagle 1 Landholdings, Inc. (Eagle 1) to the Company’s 918.0 million common shares at ₱4.70 per share, or equivalent to ₱4,314.6 million, in exchange for parcels of land; and
- Subscription of various investors to the Company’s 300.0 million common shares in order to comply with the minimum public ownership requirement.

On December 27, 2024, ISOC Holdings, Inc. (ISOC) executed a deed to assign its existing shares in the Company to Themis, subject to a Mandatory Tender Offer.

The Company will conduct a Follow-on Offering in accordance with the Revised Rules on Backdoor Listing within one year from the completion of the property-for-share swap with Eagle 1.

Approval of the Financial Statements

The financial statements of the Company as at December 31, 2024 and 2023 and for the years ended December 31, 2024, 2023, and 2022 were authorized and approved for issuance by the BOD on March 11, 2025, as reviewed and recommended for approval by the Audit Committee on the same date.

2. Summary of Material Accounting Policy Information

Basis of Preparation

The financial statements have been prepared in accordance with the Philippine Financial Reporting Standards (PFRS) Accounting Standards issued by the Philippine Financial and Sustainability Reporting Standards Council and adopted by the SEC, including SEC pronouncements. This financial reporting framework includes PFRS Accounting Standards, Philippine Accounting Standards (PAS) and Philippine Interpretations from International Financial Reporting Interpretations Committee.

Measurement Bases

The financial statements are presented in Philippine Peso, which is the Company's functional currency. All values are in absolute amount, unless otherwise stated.

The financial statements of the Company have been prepared on a historical basis. Historical cost is generally based on the fair value of the consideration given in exchange of an asset or fair value of consideration received in exchange for incurring a liability. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the transaction date.

The Company uses market observable data to a possible extent when measuring the fair value of an asset or a liability. Fair values are categorized into different levels in a fair value hierarchy based on inputs used in the valuation techniques as follows:

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

If the inputs used to measure the fair value of an asset or a liability might be categorized in different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

The Company recognizes transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair value is included in Note 11, *Financial Risk Management Objectives and Policies*.

Adoption of Amendments to PFRS Accounting Standards

The accounting policies adopted are consistent with those of the previous year, except for the adoption of amendments to PFRS Accounting Standards effective January 1, 2024. The adoption of the amendments to PFRS Accounting Standards did not materially affect the financial statements of the Company.

New and Amendments to PFRS Accounting Standards in Issue But Not Yet Effective or Adopted

Relevant new and amendments to PFRS Accounting Standards, which are not yet effective as at December 31, 2024, and have not been applied in preparing the financial statements, are summarized below.

Effective January 1, 2026 -

- Amendments to PFRS 9, *Financial Instruments*, and PFRS 7, *Financial Instruments: Disclosures – Classification and Measurement of Financial Assets* – The amendments clarify that a financial liability is derecognized when the related obligation is discharged or cancelled, expires, or otherwise qualifies for derecognition (e.g. settlement date), and introduce a policy option to derecognize financial liabilities settled through an electronic payment system before settlement date if the required conditions are met. The amendments also clarify the assessment of contractual cash flow characteristics of financial assets, the treatment of non-recourse loans and contractually linked instruments, as well as require additional disclosure requirements for financial assets and liabilities with contingent features and equity instruments classified at fair value through other comprehensive income (FVOCI). Earlier application is permitted.

Effective January 1, 2027 -

- PFRS 18, *Presentation and Disclosure in Financial Statements* – This standard replaces PAS 1, *Presentation of Financial Statements*, and sets out the requirements for the presentation and disclosure of information to help ensure that the financial statements provide relevant information that faithfully represents the entity's assets, liabilities, equity, income, and expenses. The standard introduces new categories and sub-totals in the statements of comprehensive income, disclosures on management-defined performance measures, and new principles for grouping of information, which the entity needs to apply retrospectively. Earlier application is permitted.

Under prevailing circumstances, the adoption of the foregoing new and amendments to PFRS Accounting Standards is not expected to have any material effect on the financial statements of the Company. Additional disclosures will be included in the financial statements, as applicable.

Financial Instruments

Date of Recognition. The Company recognizes a financial asset or a financial liability in the statements of financial position when it becomes a party to the contractual provisions of a financial instrument.

“Day 1” Difference. Where the transaction in a non-active market is different from the fair value of other observable current market transactions in the same instrument or based on a valuation technique whose variables include only data from observable market, the Company recognizes the difference between the transaction price and fair value (a “Day 1” difference) in profit or loss. In cases where there is no observable data on inception, the Company deems the transaction price as the best estimate of fair value and recognizes “Day 1” difference in profit or loss when the inputs become observable or when the instrument is derecognized. For each transaction, the Company determines the appropriate method of recognizing the “Day 1” difference.

Financial Assets

Initial Recognition and Measurement. Financial assets are recognized initially at fair value, which is the fair value of the consideration given. The initial measurement of financial assets, except for those designated at fair value through profit or loss (FVPL), includes transaction cost.

Classification. The Company classifies its financial assets at initial recognition under the following categories: (a) financial assets at amortized cost, (b) financial assets at fair value through other comprehensive income (FVOCI), and (c) financial assets at FVPL. The classification of a financial asset largely depends on the Company’s business model and its contractual cash flow characteristics.

As at reporting date, the Company does not have financial assets measured at FVOCI and at FVPL.

Financial Assets at Amortized Cost. Financial assets shall be measured at amortized cost if both of the following conditions are met:

- The financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- The contractual terms of the financial asset give rise, on specified dates, to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial recognition, financial assets at amortized cost are subsequently measured at amortized cost using the effective interest method, less allowance for impairment, if any. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees that are an integral part of the effective interest rate. Gains and losses are recognized in profit or loss when the financial assets are derecognized and through amortization process. Financial assets at amortized cost are included under current assets if realizability or collectability is within 12 months after the reporting period. Otherwise, these are classified as noncurrent assets.

The Company’s cash in bank and due from related parties are classified under this category (see Notes 4 and 6).

Impairment. The Company records an allowance for expected credit loss (ECL) based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive. The difference is then discounted at an approximation to the asset’s original effective interest rate.

For financial assets at amortized cost, the ECL is based on the 12-month ECL, which pertains to the portion of lifetime ECLs that result from default events on a financial instrument that are possible within 12 months after the reporting date. However, when there has been a significant increase in credit risk since initial recognition, the allowance will be based on the lifetime ECL. When determining whether the credit risk of a financial asset has increased significantly since initial recognition, the Company compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and consider reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition. This includes both quantitative and qualitative information and analysis, based on the financial capacity of the counterparty and historical credit loss experience and including forward-looking information.

Reclassification. The Company reclassifies its financial assets when, and only when, it changes its business model for managing those financial assets. The reclassification is applied prospectively from the first day of the first reporting period following the change in the business model (reclassification date).

For a financial asset reclassified out of the financial assets at amortized cost category to financial assets at FVPL, any gain or loss arising from the difference between the previous amortized cost of the financial asset and fair value is recognized in profit or loss.

For a financial asset reclassified out of the financial assets at amortized cost category to financial assets at FVOCI, any gain or loss arising from a difference between the previous amortized cost of the financial asset and fair value is recognized in other comprehensive income (OCI).

Derecognition. A financial asset (or where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognized when:

- The right to receive cash flows from the asset has expired;
- The Company retains the right to receive cash flows from the financial asset, but has assumed an obligation to pay them in full without material delay to a third party under a “pass-through” arrangement; or
- The Company has transferred its right to receive cash flows from the financial asset and either (a) has transferred substantially all the risks and rewards of the asset, or (b) has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its right to receive cash flows from a financial asset or has entered into a pass-through arrangement, and has neither transferred nor retained substantially all the risks and rewards of ownership of the financial asset nor transferred control of the financial asset, the financial asset is recognized to the extent of the Company’s continuing involvement in the financial asset. Continuing involvement that takes the form of a guarantee over the transferred financial asset is measured at the lower of the original carrying amount of the financial asset and the maximum amount of consideration that the Company could be required to repay.

Financial Liabilities

Initial Recognition and Measurement. Financial assets are recognized initially at fair value, which is the fair value of the consideration received. The initial measurement of financial liabilities, except for those designated at fair value through profit or loss (FVPL), includes transaction cost.

Classification. The Company classifies its financial liabilities at initial recognition under the following categories: (a) financial liabilities at amortized cost and (b) financial liabilities at FVPL.

As at reporting date, the Company does not have financial liabilities measured at FVPL.

Financial Liabilities at Amortized Cost. Financial liabilities are categorized as financial liabilities at amortized cost when the substance of the contractual arrangement results in the Company having an obligation either to deliver cash or another financial asset to the holder, or to settle the obligation other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of its own equity instruments.

These financial liabilities are initially recognized at fair value less any directly attributable transaction costs. After initial recognition, these financial liabilities are subsequently measured at amortized cost using the effective interest method. Amortized cost is calculated by taking into account any discount or premium on the issue and fees that are an integral part of the effective interest rate. Gains and losses are recognized in profit or loss when the liabilities are derecognized or through the amortization process.

The Company's accrued expenses and other current liabilities is classified under this category (see Note 5).

Derecognition. A financial liability is derecognized when the obligation under the liability is discharged or cancelled, or has expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognized in profit or loss.

The fair value of the modified financial liability is determined based on its expected cash flows, discounted using the interest rate at which the Company could raise debt with similar terms and conditions in the market. The difference between the carrying amount of the original liability and fair value of the new liability is recognized in profit or loss.

Classification of Financial Instrument between Liability and Equity

A financial instrument is classified as liability if it provides for a contractual obligation to:

- Deliver cash or another financial asset to another entity;
- Exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavorable to the Company; or
- Satisfy the obligation other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of own equity shares.

If the Company does not have an unconditional right to avoid delivering cash or another financial asset to settle its contractual obligation, the obligation meets the definition of a financial liability.

Offsetting of Financial Assets and Liabilities

Financial assets and financial liabilities are offset and the net amount reported in the statements of financial position if, and only if, there is a currently enforceable legal right to offset the recognized amounts, and there is intention to settle on a net basis or to realize the asset and settle the liability simultaneously. This is not generally the case with master netting agreements, and the related assets and liabilities are presented gross in the statements of financial position.

Creditable Withholding Taxes (CWT)

CWT are the amounts withheld from income subject to expanded withholding taxes. CWT can be utilized as payment for income taxes provided that these are properly supported by certificates of creditable tax withheld at source subject to the rules on Philippine income taxation.

Value-Added Tax (VAT)

VAT is a tax on consumption levied on the sale, barter, exchange, or lease of goods or properties and services, and on importation of goods in the Philippines. It is an indirect tax, which may be shifted or passed on to the buyer, transferee or lessee of goods, properties or services.

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

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

The net amount of VAT recoverable from the taxation authority is presented as “Other current assets” account in the statements of financial position.

Deferred Output VAT. Deferred output VAT represents the amount of VAT on credit income that is not due to the taxation authority until the corresponding amount of receivable is collected.

Impairment of Nonfinancial Assets

The Company assesses at each reporting date whether there is an indication that nonfinancial assets may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Company makes an estimate of the asset’s recoverable amount. An asset’s recoverable amount is the higher of an asset’s or cash-generating unit’s fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. These calculations are corroborated by valuation multiples or other available fair value indicators. Impairment losses from continuing operations are recognized in profit or loss.

An assessment is made at each reporting date to determine whether there is any indication that previously recognized impairment loss may no longer exist or may have decreased. If such indication exists, the Company makes an estimate of recoverable amount. Any previously recognized impairment loss is reversed only if there has been a change in the estimates used to determine the asset’s recoverable amount since the last impairment loss was recognized. If that is the case, the carrying amount of the asset is increased to its recoverable amount.

That increased amount cannot exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in profit or loss.

Capital Stock

Capital stock is measured at par value for all shares issued.

Additional Paid-in Capital (APIC)

APIC represents proceeds and/or fair value of considerations received in excess of par value, if any, are recognized as APIC. Incremental costs directly attributable to the issuance of new shares are treated as deduction from equity, net of any tax effects.

Deficit

Deficit represents the cumulative balance of net losses of the Company.

Interest Income

Interest Income. Interest income is recognized in profit or loss as it accrues, taking into account the effective yield on the asset.

Expense Recognition

Expenses are decreases in economic benefits during the accounting period in the form of outflows or decrease of assets or incurrence of liabilities that result in decrease in equity, other than those relating to distributions to equity participant. Expenses are generally recognized in profit or loss as incurred.

Income Taxes

Current Tax. Current tax is the expected tax payable on the taxable income for the year, using the tax rate enacted or substantively enacted at the reporting date, and any adjustment to tax payable in the previous years.

Deferred Tax. Deferred tax is recognized on differences between the carrying amounts of assets and liabilities in the financial statements and their corresponding tax bases. Deferred tax liabilities are recognized for all temporary differences that are expected to increase taxable profit in the future.

Deferred tax assets are recognized for all temporary differences and carry forward benefits of net operating loss carry over (NOLCO) and excess of minimum corporate income tax (MCIT) over regular corporate income tax (RCIT) that are expected to reduce taxable profit in the future. Deferred tax assets are measured at the highest amount that, on the basis of current or estimated future taxable profit, is more likely than not to be recovered.

The carrying amount of deferred tax assets is reviewed at each reporting date 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 asset to be utilized. Unrecognized deferred tax assets are reassessed at each reporting date 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 year when the asset is realized or the liability is settled, based on tax rate and tax laws that have been enacted or substantively enacted at reporting date.

Current tax and deferred tax are recognized in profit or loss except to the items recognized directly in equity or in OCI.

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

Earnings Per Share (EPS)

Basic EPS is computed by dividing net income attributable to the stockholders by the weighted average number of shares of stock outstanding during the year, with retroactive adjustments for any stock dividends declared and stock split.

Diluted EPS is calculated by adjusting the weighted average number of shares of stock outstanding to assume conversion of potential dilutive ordinary shares of stock.

Where the effect of potential dilutive ordinary shares of stock would be anti-dilutive, basic and diluted EPS are stated at the same amount.

As at December 31, 2024 and 2023, the Company does not have potential dilutive ordinary shares of stock.

Segment Reporting

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to the transactions with any of the Company's other components.

Aside from being a holding company, the Company does not have any other operating segments.

Related Parties

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. The key management personnel of the company, post-employment benefits plans of employees, and close members of the family of any individuals owning, directly or indirectly, a significant voting power of the Company that gives them significant influence in the financial and operating policy decisions of the Company are also considered to be related parties. Parties are also considered to be related if they are subject to common control or common significant influence. In considering each possible related party relationship, attention is directed to the substance of the relationship and not merely on legal form.

A related party transaction is a transfer of resources, services or obligations between a reporting entity and a related party, regardless of whether a price is charged.

Pursuant to SEC Memorandum Circular No. 10-2019, material related party transactions are related party transactions, either individually, or in aggregate over a 12-month period with the same related party, amounting to 10% or higher of a company's total assets based on its latest audited financial statements.

Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, 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. Provisions are discounted to present values using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. Changes in estimates are reflected in profit or loss in the period these arise.

Contingencies

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

Events after the Reporting Date

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

3. Material Judgments, Accounting Estimates, and Assumptions

The preparation of the financial statements in accordance with PFRS Accounting Standards requires the Company to make judgments, accounting estimates and assumptions that affect the reported amounts of assets, liabilities, income and expenses and disclosure of contingent assets and contingent liabilities. Future events may occur which will cause the assumptions used in arriving at the estimates to change. The effects of any change in estimates are reflected in the financial statements as they become reasonably determinable.

Judgments, accounting estimates, and assumptions 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.

Judgment

In the process of applying the Company's accounting policies, management has made the following judgment, apart from those involving estimation, which has the most significant effect on the amount recognized in the financial statements.

Assessing the Ability of the Company to Continue as a Going Concern. As discussed in Note 1 to the financial statements, the Company ceased its lending activities in 2015 and has no other business activities since then. The Company, however, has been engaging in exploratory discussions with potential strategic partners. As part of the Company's business plans and strategic initiatives, the BOD approved in December 2024 a series of capital infusions from new investors, including the ₱80.0 million subscription of Themis to the Company's unissued common shares, for which ₱20.0 million was paid in January 2025. These capital infusions aim to support the planned future operations of the Company, primarily in the real estate sector.

The Company is satisfied that, with the planned capital infusions, it has the available resources to continue the business for the foreseeable future, thereby eliminating material uncertainties that may cast significant doubt on its ability to continue as a going concern. Accordingly, the Company's financial statements have been prepared on a going concern basis.

Accounting Estimates and Assumptions

The key estimates concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below.

Assessing the ECL on Financial Assets at Amortized Cost. The Company applies the general approach in measuring ECL. For cash in bank, the Company assessed that cash in bank is deposited in a reputable counterparty bank that possess good credit ratings. For due from related parties, the Company considers the financial capacity of the counterparty and historical credit loss experience adjusted for forward-looking factors, as applicable. After taking into consideration the related party's ability to pay depending on the sufficiency of liquid assets and available forward-looking information, the risk of default of the related parties is assessed to be minimal.

No provision for ECL was recognized on financial assets at amortized cost in 2024, 2023 and 2022.

The carrying amounts of the financial assets at amortized cost (cash in bank and due from related parties) as at December 31, 2024 and 2023 are disclosed in Notes 4 and 6 to the financial statements.

4. Cash in Bank

Cash in bank amounted to ₱111,459 and ₱138,606 as at December 31, 2024 and 2023, respectively. Cash in bank is immediately available for use in the current operations.

5. Accrued Expenses and Other Current Liabilities

This account consists of:

	Note	2024	2023
Due to a related party	6	₱13,812,501	₱11,862,501
Deferred output VAT	6	2,269,261	–
Accrued expenses		931,977	605,442
		₱17,013,739	₱12,467,943

Accrued expenses mainly include unpaid professional fees that are expected to be settled within one year.

6. Related Party Transactions

The following table summarizes the transactions with related parties and the outstanding balance arising from these transactions:

Nature of Relationship	Nature of Transaction	Amount of Transactions		Outstanding Balance	
		2024	2023	2024	2023
Due from Related Parties					
Entity under common key management	Assignment of note receivable	₱132,714,385	₱—	₱132,714,385	₱—
	“Day 1” difference	457,974	—	457,974	—
	Interest	20,606,461	—	20,606,461	—
				153,778,820	—
Stockholder	Assignment of note receivable	—	—	—	132,714,385
	“Day 1” difference	(1,302,240)	(1,267,356)	—	1,760,214
	Interest	5,128,720	5,114,706	2,472,775	17,950,516
				2,472,775	152,425,115
			₱156,251,595	₱152,425,115	
Due to a Related Party					
Stockholder	Advances for working capital requirements	₱1,950,000	₱2,684,874	₱13,812,501	₱11,862,501

Assignment of Receivables

In 2020, notes receivable arising from the Company’s past lending activities was assigned to ISOC, and was presented as due from a related party in the statements of financial position. At the date of the assignment, the fair value of due from a related party, computed at the present value of future cash flows discounted using effective interest rate of 2.44%, is different from the transaction price. Accordingly, the Company recognized “Day 1” gain on due from a related party of ₱6.1 million.

The outstanding balance of due from related parties as at December 31, 2024 and 2023 is unsecured and payable in full in 2025, and bears interest at 3.44% per annum payable upon maturity.

On December 27, 2024, due from a related party and the related interests aggregating ₱153.8 million were assigned to Themis, carrying on the same terms as the previous receivable. The assignment is considered as a noncash financial information in the statements of cash flows.

The movements of due from related parties are as follows:

	2024	2023
Original Amount	₱132,714,385	₱132,714,385
“Day 1” Gain		
Balance at beginning of year	1,760,214	3,027,570
Accretion	(1,302,240)	(1,267,356)
Balance at end of year	457,974	1,760,214
Carrying Amount	₱133,172,359	₱134,474,599

Interest earned on due from related parties, net of accretion of “Day 1” gain, amounted to ₱3.3 million in 2024, 2023 and 2022. Interest receivable, included as part of “Due from related parties” account in the statements of financial position, amounted to ₱23.1 million and ₱18.0 million as at December 31, 2024 and 2023, respectively.

Deferred output VAT on interest receivable amounted to ₱2.3 million and ₱1.9 million as at December 31, 2024 and 2023, respectively. Deferred output VAT as at December 31, 2024, which is the balance prior to the effectivity of Republic Act (RA) No. 11976, *Ease of Paying Taxes Law*, is due upon settlement of the interest receivable.

As at December 31, 2024 and 2023, the Company has not provided any allowance for impairment losses for the amounts owed by a related party. This assessment is undertaken each financial year by examining the financial position of the related party and the market in which the related party operates. The Company also considered the available liquid assets of the related party and the anticipated capital infusions.

Terms and Conditions of Due to a Related Party

The outstanding balance of due to a related party as at December 31, 2024 and 2023 is unsecured, noninterest-bearing, due and demandable, and normally settled in cash.

Key Management Personnel

The reasonable per diems paid to directors amounted to ₱0.4 million in 2024, 2023 and 2022. The financial and administrative functions of the Company are being handled by employees of the Parent Company at no cost to the Company.

Reconciliation of Liability Arising from a Financing Activity

The table below details movement in the Company's due to a related party arising from financing activity.

	2024	2023
Balance at beginning of year	₱11,862,501	₱9,177,627
Cash change -		
Advances received from a related party	1,950,000	2,684,874
Balance at end of year	₱13,812,501	₱11,862,501

7. Equity

Details and movements of the Company's capital stock are as follows:

	2024		2023		2022	
	Number of Shares	Amount	Number of Shares	Amount	Number of Shares	Amount
Authorized - ₱1.00 par value						
Balance at beginning and end of year	550,000,000	₱550,000,000	550,000,000	₱550,000,000	550,000,000	₱550,000,000
Issued and Outstanding						
Balance at beginning and end of year	261,824,002	₱261,824,002	261,824,002	₱261,824,002	261,824,002	₱261,824,002

On December 12, 2024, the BOD approved the subscription of Themis to the Company's 80.0 million common shares, which will be issued out of the remaining unissued capital stock at par value or a total amount of ₱80.0 million, representing 23.4% ownership interest. The related subscription agreements were executed on December 18, 2024.

In January 2025, the Company received a partial payment amounting to ₱20.0 million or 25% of the subscribed capital, and paid the related documentary stamp tax (DST) amounting to ₱0.8 million.

8. Expenses

This account consists of:

	2024	2023	2022
Professional fees	₱1,494,445	₱1,179,231	₱1,152,329
PSE and SEC fees	253,500	267,825	250,000
Fines and penalties	252,000	288,946	—
Taxes and licenses	53,706	88,795	20,415
Advertising	48,702	42,009	60,813
Trainings and seminars	39,800	76,440	87,760
Outside services	—	18,120	137,572
Others	10,440	7,596	25,987
	₱2,152,593	₱1,968,962	₱1,734,876

9. Earnings Per Share (EPS)

Basic EPS is computed as follows:

	2024	2023	2022
Net income	₱780,286	₱970,563	₱1,593,746
Weighted average number of common shares	261,824,002	261,824,002	261,824,002
	₱0.003	₱0.004	₱0.006

The Company does not have potential dilutive shares of stock.

10. Income Taxes

The Company's provision for current income tax pertains to RCIT in 2024 and 2023.

The reconciliation of provision for income tax at statutory income tax rate to the provision for income tax shown in the statements of comprehensive income follows:

	2024	2023	2022
Income tax expense at statutory tax rate	₱281,095	₱332,596	₱398,750
Nondeductible expenses	63,000	27,225	—
Changes in unrecognized deferred tax assets	—	—	(397,496)
Income tax expense at effective income tax rate	₱344,095	₱359,821	₱1,254

As at December 31, 2024 and 2023, the Company's deferred tax liability amounting to ₱0.1 million and ₱0.4 million, respectively, pertains to "Day 1" difference on due from a related party.

NOLCO incurred in 2021 and 2020, and excess of MCIT over RCIT incurred in 2021, 2020, and 2019, which amounted to ₱1.2 million and ₱0.1 million, respectively, were applied in 2022.

11. Financial Risk Management Objectives and Policies

The Company has risk management policies that systematically view the risks that could prevent the Company from achieving its objectives. The BOD has identified each risk and is responsible for coordinating and continuously improving risk strategies, processes and measures in accordance with the Company's established business objectives.

Financial Risks

The Company's financial instruments consist of cash in bank, due from related parties, and accrued expenses and other current liabilities which arise directly from its operations. The main risks arising from the use of these financial instruments are credit risk and liquidity risk. The BOD reviews and approves the policies for managing each of these risks which are summarized below.

Credit Risk

Credit risk is the risk of loss that may arise on outstanding financial instruments when a counterparty defaults on its obligation. The Company's exposure to credit risk arises primarily from cash in bank and due from a related party.

The carrying amount of financial assets recognized in the financial statements represents the Company's maximum exposure to credit risk, without taking into account collateral or other credit enhancement.

The credit quality of the Company's financial assets is as follows:

	December 31, 2024				
	Neither Past due nor Impaired		Past Due but not Impaired	Impaired	Total
	High Grade	Standard Grade			
Cash in bank	₱111,459	₱—	₱—	₱—	₱111,459
Due from related parties	—	156,251,595	—	—	156,251,595
	₱111,459	₱156,251,595	₱—	₱—	₱156,363,054

	December 31, 2023				
	Neither Past due nor Impaired		Past Due but not Impaired	Impaired	Total
	High Grade	Standard Grade			
Cash in bank	₱138,606	₱—	₱—	₱—	₱138,606
Due from a related party	—	152,425,115	—	—	152,425,115
	₱138,606	₱152,425,115	₱—	₱—	₱152,563,721

The Company manages the credit quality of its financial assets using internal credit ratings such as high grade and standard grade. High grade pertains to a counterparty who is not expected by the Company to default in settling its obligations, thus credit risk exposure is minimal. Standard grade is given to counterparties with average capacity to meet its obligations.

Cash in bank is classified as high grade because it is deposited in a reputable bank, which has a low probability of insolvency. Due from related parties are classified as standard grade since the Company considers the financial capacity of the counterparties and historical credit loss experience adjusted for forward-looking factors, as applicable.

The Company's financial assets, in evaluating credit quality, are also grouped according to ECL stages as follows:

- Stage 1 financial assets are those that are considered current and up to 30 days past due, and based on change in rating, delinquencies and payment history, do not demonstrate significant increase in credit risk. Impairment, if any, is determined and measured using 12-month ECL.
- Stage 2 financial assets are those that, based on change in rating, delinquencies and payment history, demonstrate significant increase in credit risk, and/or are considered more than 30 days past due but does not demonstrate objective evidence of impairment as of reporting date. Impairment, if any, is determined and measured using lifetime ECL.
- Stage 3 financial assets are those that are considered in default or demonstrate objective evidence of impairment as of reporting date. Impairment, if any, is determined and measured using lifetime ECL.

As at December 31, 2024 and 2023, cash in bank and due from related parties aggregating ₱156.4 million and ₱152.6 million, respectively, are determined to be Stage 1 financial assets.

Liquidity Risk

Liquidity risk is the risk that the Company will not be able to settle or meet its financial obligations when they fall due. The Company aims to maintain flexibility by maintaining sufficient cash to meet all foreseeable cash needs.

The carrying amount of the accrued expenses and other current liabilities as at December 31, 2024 and 2023 represents the contractual undiscounted cash flows and is payable within the next reporting year.

Capital Management

The Company's capital management objectives are to ensure the Company's ability to continue as a going concern and to provide an adequate return to shareholders by creating products and services commensurate with the level of risk. The Company manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Company may return capital to shareholders, issue new shares or convert related party advances to an equity component item.

There has been no change made in the objectives, policies and processes in 2024 and 2023.

The Company is not subject to externally-imposed capital requirements.

Fair Value Measurement

Set out below is a comparison by category of carrying amounts and fair values of the Company's financial instruments that are carried in the financial statements:

	2024		2023	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Financial Assets				
Cash in bank	₱111,459	₱111,459	₱138,606	₱138,606
Due from related parties*	156,251,595	156,251,595	152,425,115	136,169,146
	₱156,363,054	₱156,363,054	₱152,563,721	₱136,307,752
Financial Liabilities				
Accrued expenses and other current liabilities	₱17,013,739	₱17,013,739	₱12,467,943	₱12,467,943

*Including future interest.

Cash in Bank and Accrued Expenses and Other Current Liabilities. The carrying amounts of cash in bank and accrued expenses and other current liabilities approximate their fair values due to the short-term and demandable nature of the transactions.

Due from Related Parties. The carrying amount of due from related parties in 2024 approximate their fair values due to the short-term and demandable nature of the transaction. The fair value of the Company's due from related parties in 2023 was determined based on the discounted cash flow analysis using effective interest rates for similar types of instruments. These financial instruments are classified under Level 2 (significant observable inputs) of the fair value hierarchy groups in the financial statements.



**INDEPENDENT AUDITORS REPORT ON
COMPONENTS OF FINANCIAL SOUNDNESS INDICATORS**

The Stockholders and the Board of Directors
Ferronoux Holdings, Inc.
6th Floor, Hanston Building
F. Ortigas, Jr. Road, Ortigas Center
Pasig City

We have audited in accordance with Philippine Standards on Auditing (PSA), the financial statements of Ferronoux Holdings, Inc. (the Company) as at December 31, 2024 and 2023, and for the years ended December 31, 2024, 2023 and 2022, and have issued our report thereon dated March 11, 2025. Our audits were made for the purpose of forming an opinion on the basic financial statements taken as a whole. The Supplementary Schedule on Financial Soundness Indicators as at and for the year ended December 31 2024 and 2023, including their definitions, formulas, calculation, and their appropriateness or usefulness to the intended users, are the responsibility of the Company's management. These financial soundness indicators are not measures of operating performance defined by Philippine Financial Reporting Standards (PFRS) Accounting Standards and may not be comparable to similarly titled measures presented by other companies. This schedule is presented for purposes of complying with the Revised Securities Regulation Code Rule 68 issued by the Securities and Exchange Commission, and is not a required part of the basic financial statements prepared in accordance with PFRS Accounting Standards. The components of these financial soundness indicators have been traced to the Company's financial statements as at December 31, 2024 and 2023 and for the years then ended December 31, 2024, 2023 and 2022 and no material exceptions were noted.

REYES TACANDONG & Co.

Mark Christian M. Ababa

MARK CHRISTIAN M. ABABA

Partner

CPA Certificate No. 130245

Tax Identification No. 287-809-533-000

BOA Accreditation No. 4782/P-027; Valid until June 6, 2026

BIR Accreditation No. 08-005144-026-2024

Valid until March 26, 2027

PTR No. 10467117

Issued January 2, 2025, Makati City

March 11, 2025
Makati City, Metro Manila

FERRONOUX HOLDINGS, INC.

SCHEDULE OF FINANCIAL SOUNDNESS INDICATORS

Below is a schedule showing financial soundness indicators in 2024 and 2023.

Ratio	Formula	2024	2023
Current Ratio	Total current assets	₱157,398,439	₱1,896,071
	Divided by: Total current liabilities	17,013,739	12,467,943
	Current Ratio	9.25:1	0.15:1
Acid Test Ratio	Quick assets	₱111,459	₱138,606
	Divide by: Total current liabilities	17,013,739	12,467,943
	Acid Test Ratio	0.01:1	0.01:1
Solvency Ratio	Net income after depreciation and amortization	₱780,286	₱970,563
	Add: Depreciation and amortization	—	—
	Net income before depreciation and amortization	780,286	970,563
	Divided by: Total liabilities	17,128,233	14,831,266
	Solvency Ratio	0.05:1	0.07:1
Debt-to-Equity Ratio	Total liabilities	₱17,128,233	₱14,831,266
	Divided by: Total equity	140,270,206	139,489,920
	Debt-to-Equity Ratio	0.12:1	0.11:1
Asset-to-Equity Ratio	Total assets	₱157,398,439	₱154,321,186
	Divided by: Total equity	140,270,206	139,489,920
	Asset-to-Equity Ratio	1.12:1	1.11:1
Return on Equity	Net income	₱780,286	₱970,563
	Divided by: Average total equity	139,480,063	139,004,639
	Return on Equity	0.01:1	0.01:1
Return on Assets	Net income	₱780,286	₱970,563
	Divided by: Average total assets	155,859,813	152,661,470
	Return on Assets	0.01:1	0.01:1
Net Profit Margin	Net income	₱780,286	₱970,563
	Divided by: Revenue	3,276,974	3,299,346
	Net Profit Margin	0.24:1	0.29:1



REPORT OF INDEPENDENT AUDITORS ON SUPPLEMENTARY SCHEDULES

The Stockholders and the Board of Directors
Ferronoux Holdings, Inc.
6th Floor, Hanston Building
F. Ortigas, Jr. Road, Ortigas Center
Pasig City

We have audited in accordance with Philippine Standards on Auditing, the financial statements of Ferronoux Holdings, Inc. (the Company) as at December 31, 2024 and 2023 and for the years ended December 31, 2024, 2023 and 2022 and have issued our report thereon dated March 11, 2025. Our audits were made for the purpose of forming an opinion on the financial statements taken as a whole. The accompanying Supplementary Schedules are the responsibility of the Company's management.

These supplementary schedules include the following:

- Reconciliation of Retained Earnings Available for Dividend Declaration as at December 31, 2024
- Schedules required by Annex 68-J as at December 31, 2024
- Conglomerate Map as at December 31, 2024

These schedules are presented for purposes of complying with Revised Securities Regulation Code Rule 68 Part II, and are not part of the basic financial statements. The supplementary schedules have been subjected to the audit procedures applied in the audit of the basic financial statements and, in our opinion, fairly state, in all material respects, the financial data required to be set forth therein in relation to the basic financial statements taken as a whole.

REYES TACANDONG & Co.

MARK CHRISTIAN M. ABABA

Partner

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March 11, 2025
Makati City, Metro Manila

**RECONCILIATION OF RETAINED EARNINGS AVAILABLE FOR DIVIDEND DECLARATION
FOR THE REPORTING PERIOD ENDED DECEMBER 31, 2024**

FERRONOUX HOLDINGS, INC.
6th Floor, Hanston Building
F. Ortigas, Jr. Road, Ortigas Center
Pasig City

	Amount
Deficit, beginning reporting period	(₱197,931,491)
Add: Net income for the current year	780,286
Add/less: Other items that should be excluded from the determination of the amount of available for dividends distribution	
Amortization of Day 1 gain (net of tax)	976,680
Adjusted net income	1,756,966
Deficit, end of the reporting period	(₱196,174,525)

FERRONOUX HOLDINGS, INC.
SUPPLEMENTARY SCHEDULE OF
EXTERNAL AUDITOR FEE-RELATED INFORMATION

DECEMBER 31, 2024 AND 2023

	2024	2023
Total Audit Fees	₱365,000	₱350,000
Non-audit service fees:		
Other assurance services	—	—
Tax services	—	—
All other services	—	—
Total Non-audit Fees	—	—
Total Audit and Non-audit Fees	₱365,000	₱350,000

FERRONOUX HOLDINGS, INC.

**SEC SUPPLEMENTARY SCHEDULES AS REQUIRED BY
PAR. 7 PART II OF REVISED SRC RULE 68
DECEMBER 31, 2024**

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<i>Schedule</i>	<i>Description</i>	<i>Page</i>
A	Financial Assets	N/A
B	Amounts Receivable from Directors, Officers, Employees, Related Parties, and Principal Stockholders (Other than Related Parties)	1
C	Amounts Receivable from Related Parties which are Eliminated during the Consolidation of Financial Statements	N/A
D	Long-Term Debt	N/A
E	Indebtedness to Related Parties	N/A
F	Guarantees of Securities of Other Issuers	N/A
G	Capital Stock	2

Schedule B. Amounts Receivable from Directors, Officers, Employees, Related Parties, and Principal Stockholders (Other than Related Parties)

	Balance at beginning of year	Additions	Deductions		Balance at end of year		Total
			Assignment	Write Off	Current	Noncurrent	
Themis Group Corporation	₱—	₱153,778,820	₱—	₱—	₱153,778,820	₱—	₱153,778,820
ISOC Holdings, Inc.	152,425,115	3,826,480	153,778,820	—	2,472,775	—	2,472,775
	₱152,425,115	₱157,605,300	₱153,778,820	₱—	₱156,251,595	₱—	₱156,251,595

The outstanding balance of due from related parties as at December 31, 2024 and 2023 is unsecured and payable in full in 2025, and bears interest at 3.44% per annum payable upon maturity. On December 27, 2024, due from a related party and the related interests aggregating ₱153.8 million were assigned to Themis, carrying on the same terms as the previous receivable.

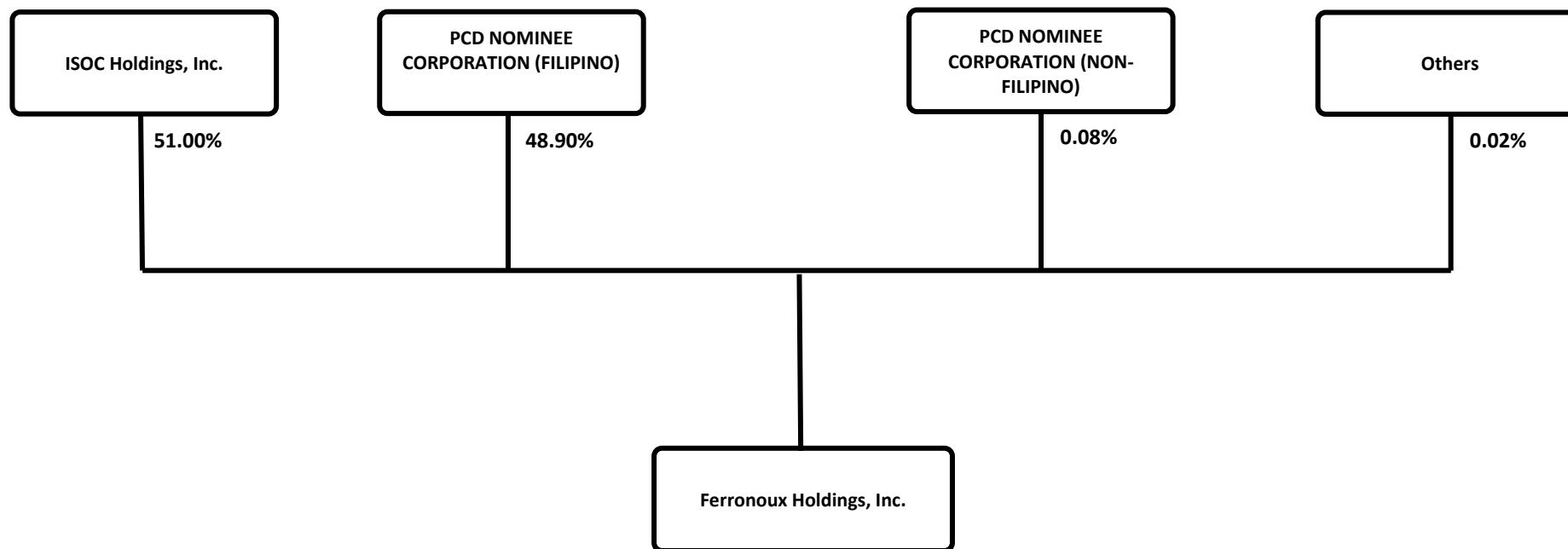
Schedule G. Capital Stock

Title of issue	Number of shares authorized	Number of shares issued and outstanding at shown under related balance sheet caption	Number of shares reserved for options, warrants, conversion and other rights	No. of shares held by related parties	Directors, officers and employees	Others
Common Stock	550,000,000	261,824,002	–	133,530,241	4,997	128,288,764

FERRONOUX HOLDINGS, INC.

**SUPPLEMENTARY SCHEDULE OF COMPANY'S
CONGLOMERATE MAP**

DECEMBER 31, 2024



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**REPORT OF INDEPENDENT AUDITORS
TO ACCOMPANY FINANCIAL STATEMENTS FOR FILING WITH THE
BUREAU OF INTERNAL REVENUE**

The Stockholders and the Board of Directors
Ferronoux Holdings, Inc.
6th Floor, Hanston Building
F. Ortigas, Jr. Road, Ortigas Center
Pasig City

We have audited the accompanying financial statements of Ferronoux Holdings, Inc. (the Company), as at December 31, 2024 and 2023 and for the years ended December 31, 2024, 2023 and 2022 on which we have rendered our report dated March 11, 2025.

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.

REYES TACANDONG & Co.

MARK CHRISTIAN M. ABABA

Partner

CPA Certificate No. 130245

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Makati City, Metro Manila

Introduction

Ferronoux Holdings, Inc. (**FERRO** or the **Company**) was incorporated and registered with the Philippine Securities and Exchange Commission (**SEC**) on December 14, 2001 as “AG Finance Incorporated.” The Company’s primary purpose was, initially, to operate as a financing company and provide short-term, unsecured credit facilities to permanent rank-and- file employees of medium-sized companies in the Philippines.

On February 6, 2018, the SEC approved the amendment to the Company’s Articles of Incorporation: (i) to change its corporate name from AG Finance Incorporated to Ferronoux Holdings, Inc., and (ii) to change its purpose to a holding company. The Company also changed its stock symbol from “AGF” to “FERRO.”

The Company’s shares of stock were listed in the Philippine Stock Exchange (**PSE**) on August 13, 2013. As of December 31, 2024, the total number of shares listed in the PSE is 261,824,002 shares.

On June 25, 2015, RYM Business Management Corp. (**RYM**) acquired 183,276,801 shares representing seventy percent (70%) interest in the Company from Tony King and family. Subsequently, the Company ceased its lending activities.

On November 17, 2017, ISOC Holdings, Inc. (**ISOC**) entered into an agreement with RYM for the purchase of 175,422,081 common shares held by RYM equivalent to sixty-seven percent (67%) interest in the Company. A mandatory tender offer was conducted for the benefit of the minority shareholders and the same was completed on January 3, 2018. Thus, the shares were crossed via the PSE on January 4, 2018.

On July 29, 2019, the SEC approved the amendment to the Company’s Articles of Incorporation to change its principal office from Unit 2205A, East Tower, Philippine Stock Exchange, Exchange Road, Ortigas Center, Pasig City to 6th Floor, Hanston Building, F. Ortigas Jr. Road, Ortigas Center, Pasig City.

On June 26, 2020, the Board of Directors of the Company approved the assignment of its receivables in the aggregate amount of Php332,639,732.94 from Sunprime Finance, Inc. in exchange for certain receivables of Michael C. Cosiquien arising from his advances in favor of ISOC in the aggregate amount of Php132,714,385.00. The foregoing assignment of receivables is part of the Company’s long-term investment plan and was approved in accordance with the procedures and requirements of the Company’s Material Related Party Transaction Policy and the relevant issuances of the SEC.

On 27 December 2024, the Company disclosed that it received a notification from ISOC that it entered into a Deed of Assignment of Shares for the sale, transfer and assignment of all of its One Hundred Thirty-Three Million Five Hundred Thirty Thousand Two Hundred Forty One (133,530,241) common shares of the Company in favor of Themis for an aggregate sum of Two Hundred Ninety Seven Million One Hundred Fifteen Pesos (Php297,000,115.00) or approximately Php2.2242 per share, subject to compliance by Themis with the Mandatory Tender Offer.

ISOC previously held 51% of the total issued and outstanding capital stock of the Company. However, the Company's Board and shareholders approved the issuance of 80,000,000 common shares arising from the private placement by way of subscription by Themis. ISOC's shareholdings shall be at 39.06% of the total issued and outstanding capital stock of 341,824,002 common shares post-subscription of Themis.

Following the approval of the Company's Board, the shareholders approved and/or ratified, among others, the following matters during the 19 March 2025 Special Stockholders' Meeting:

1. Private Placement with Themis Group Corporation (Themis) for 80,000,000 common shares and Listing of said shares with the PSE,
2. Increase of Capital Stock from Five Hundred Fifty Million Pesos (Php550,000,000.00), divided into Five Hundred Fifty Million (550,000,000) common shares with a par value of One Peso (Php1.00) per share, to Two Billion Five Hundred Million Pesos (Php2,500,000,000.00), divided into Two Billion Five Hundred (2,500,000,000) common shares with a par value of One Peso (Php1.00) per share, Amendment to the Seventh Article of the Articles of Incorporation to reflect the increase in capital stock and Issuance of Shares in support of the Increase,
3. Property-for-Share Swap with Eagle 1 Land Corporation (Eagle 1) and issuance of 918,000,000 common shares to be issued out of the Increase in the Authorized Capital Stock and Listing of said shares with PSE,
4. Private Placement of Themis for issuance of 240,000,000 common shares to be issued out of the Increase in the Authorized Capital Stock and Listing of said shares with PSE, and
5. Private Placement of Investors by way of subscription to 300,000,000 common shares of the Company to be issued out of the Increase in the Authorized Capital Stock and Listing of said shares with PSE.

This is the Company's sixth year to report on its sustainability efforts, as a supplement to the Company's 2024 Financial Report. The report covers the period of January 1 to December 31, 2024 and highlights issues defined as material for the Company's stakeholders.

2024 Sustainability Report

Ferronoux Holdings, Inc.

FERRO is committed to practicing sustainable development in its projects and its daily operations, keeping in mind global standards and national impact.

As good corporate stewards, sustainability is inherent in the Company's core values as well as good governance and ethical business practices, and responsibility towards the economy, the environment, and society.

Contextual Information

Name of Organization	Ferronoux Holdings, Inc.
Location of Headquarters	6/F Hanston Building, F. Ortigas Jr. Avenue, Ortigas Center, Pasig City
Location of Operations	
Report Boundary: Legal entities (e.g. subsidiaries) included in this report	Ferronoux Holdings, Inc.
Reporting Period	December 31, 2024
Highest Ranking Person responsible for this report	Abel M. Almario

This report provides information about the Company's Environmental, Social and Governance (**ESG**) impact for the year ending December 31, 2024. The report contains topics on good governance and ethical business practices, economy and environment and social responsibility.

Even as it ceased its lending activities, the Company plans to restructure its operations. It acknowledges that its shareholders are therefore interested in the disclosure about the Company's financial and sustainability performance, hence we deem the concept of 'Materiality' to refer to vital economic, environmental, and social impacts that are relevant to the assessment and decisions of its shareholders.

Good Governance and Ethical Business Practices

Corporate governance is the foundation of the Company's strategy. As a publicly-listed company, FERRO complies with SEC and PSE's pertinent rules and regulations.

Consistent with Philippine laws, the Company's By-Laws grant primary responsibility for ensuring good corporate governance in the Company to its Board of Directors, via its Corporate Governance Committee (the **Committee**). The Committee oversees the implementation of the corporate governance framework and periodically reviews such framework to ensure it remains appropriate considering material changes to the Company's size, complexity, and business strategy, as well as its business and regulatory environments, among others. The Committee also adopts corporate governance policies and ensures these are reviewed and updated regularly, and consistently implemented in form and substance.

The Board of Directors are bound to act in the best interests of the Company and for the

common benefit of its stockholders and other stakeholders. It also has access to independent professional advice and access to management as it deems necessary to carry out its duties.

The Company's Board of Directors and Officers as of December 31, 2024 are as follows:

Directors	Designation
James G. Lorenzana	Chairman
Abel M. Almario	President
Philipe T. Aquino	Director
Rex Peter G. Raz	Director
Fiorello R. Jose	Director
Johannes Benjamin R. Bernabe	Director/Treasurer/Chief Financial Officer
Mathew-John G. Almogino	Independent Director
Omar C. Taccad	Independent Director
Officers	Designation
Phil Ivan A. Chan	Corporate Secretary

Among the Ferronoux Board of Directors' and officers' duties and responsibilities are to ensure the following: (i) the existence and implementation of an effective investor relations program that will keep stockholders and investors informed of key developments in the Company; (ii) the respect and promotion of the rights of stockholders; and (iii) the establishment of an engagement policy that promotes communication and cooperation with host communities where the Company operates.

Ethical Business Practice

The Company is committed to doing business ethically and lawfully in order to build and sustain trust from various stakeholders. Its Code of Business and Ethics define the standards of business conduct expected from its directors and officers in terms of legal compliance, competition and fair deals, confidentiality of information, and proper use of property.

Periodic Review of Policies

All governance policies of the Company are regularly reviewed to ensure they remain appropriate and relevant. The policies are benchmarked with global best practices and compliant with local applicable laws and regulations.

Anti-Corruption Program

The Company recognizes the harmful impacts of corrupt practices, should they take place, in its business operations and relationships with both private and public institutions. While there is zero risk of corruption within the Company and its officers and shareholders, it ensures that all stakeholders adhere to the anti-corruption practices in accordance with Republic Act 9485 or the Anti-Red Tape Act of 2007 and its implementing rules and regulations.

Within the Company, officers are prohibited from engaging in direct and indirect bribery and corrupt practices, such as improper payments to government offices/officials and business partners to influence actions or decisions on pending transactions or to gain improper advantage. As part of the Company's efforts to cultivate a culture of good governance, officers have access to corporate governance policies and to regular

advisories on such policies. The Company is also finalizing its written anti-corruption policies. To date, there are no incidents or reports of confirmed corruption involving the Company.

Supplier-Contractor Relations Policy

The Company follows best practices in supply chain management and mandates all directors and officers to maintain the Company's reputation for equal opportunity and honest treatment of suppliers in all business transactions. It embodies the Company's commitment to look for and maintain mutually beneficial relationships with similarly principled suppliers. In this case, suppliers are accredited based on established criteria, purchases are made through competitive bidding, and transactions are fully documented.

Compliance with Statutory Standards

The Company ensures that it complies with all laws and regulations, including the requirement of local government units (**LGUs**) in the areas where it operates. The Company adheres to regulations issued by the SEC, Department of Trade and Industry, Department of Labor and Employment, Bureau of Internal Revenue and other relevant government authorities.

The Company's Legal Department provides essential support in ensuring the Company's compliance with laws and regulations. It manages the efficient and proactive provisioning of legal service in government, regulatory, administrative, court and arbitral proceedings. It also assists in preparing, reviewing and negotiating contracts and provides legal advice on matters regarding the enforcement of obligations, exercise of rights, and resolution of disputes.

Economic Performance

Disclosure	Amount	Units
Direct economic value generated (revenue)	780,286	PhP
Direct economic value distributed:		
a. Operating costs	Nil	PhP
b. Employee wages and benefits	Not Applicable	PhP
c. Payments to suppliers, other operating costs	1,494,445	Php
d. Dividends given to stockholders and interest payments to loan providers	Not Applicable	PhP
e. Taxes given to government	53,706	PhP

Since the Company has ceased its lending activities in 2015, the Company's new shareholders have committed to provide financial support for the Company to continue as a going concern.

	Year	Salary	Bonuses	Other Benefits	Total
CEO and Top 4 Executive	2020	-	-	-	-
	2021	-	-	-	-
	2022	-	-	-	-
	2023	-	-	-	-

	Year	Salary	Bonuses	Other Benefits	Total
Officers, as a group named above	2024	-	-	-	-
All Other Officers and Directors, as a group unnamed	2020	-	-	60,000	60,000
	2021	-	-	360,000	360,000
	2022	-	-	360,000	360,000
	2023	-	-	390,000	390,000
	2024	-	-	474,444	474,444

Environment

The Company is aware that business affects the environment, and thus it exerts reasonable efforts to manage and minimize its carbon footprint. The Company only utilizes what it needs while caring for its community and environment and providing a safer and secured workplace for its stakeholders including its colleagues. Sustainable operations result in efficiencies that affect its people and planet, which also allow the Company to reach more people and improve quality of lives.

Resource Management

The Company recognizes that proper resource management in the Company's day-to-day activities makes a difference in collective efforts to conserve energy and mitigate climate change. Proper resource management benefits not only the Company, but more so its community. As a going concern, the Company ensures it does not use more resources than is necessary.

In 2024, the Company promotes efficient use of space and utilities by sharing resources with ISOC. Since the Company occupied space within ISOC's office, the Company benefits from the latter's energy conservation measures that include the switching off of lights in areas where there are no people and the switching off of air conditioning units after business hours. Moreover, since the COVID-19 pandemic, the Company has implemented a rotating Work-from-Home setup that ensures employee safety as well as optimizing resource use.

Water Consumption

The Company similarly recognizes that water is a finite resource which must always be conserved. It is keenly aware of recurring water shortages in the region and how such shortages may affect its administrative and day-to-day operations and the overall well-being of the community.

The Company is an advocate of water conservation and constantly reminds its people to do their share. The Company acts with urgency and concern to address reports of leaks within its office. It also aims to lessen its water consumption to avoid wastage by way of constant reminders in its facilities. The Company continues to work efficiently to manage its water consumption.

Waste Management

The Company clarifies that it has yet to practice the weighing of discarded wastes. Nonetheless, the Company remains cognizant that running the business generates waste,

the disposal of which affects the health of the community.

Segregation is practiced and allows the Company to capture recyclables from non-hazardous waste. It also ensures proper and regular disposal for different types of waste. The Company does not produce hazardous waste.

Collection and disposal of solid waste is done through garbage collectors authorized by LGUs. Used oil, busted lamps, and discarded batteries are collected and temporarily stored until authorized haulers for treatment arrive and collect such wastes.

Social Responsibility

The Company pursues innovations aimed at providing solutions that would benefit stakeholders, including partners, clients, customers, and communities where it conducts business.

Employee Data

In 2024, the Company's administrative functions are handled by the employees of ISOC at minimal to no cost to the Company.

Given that the Company's daily operations are handled by ISOC, the latter's corporate values also serve as guiding principles for potential employee management. ISOC's employee benefits include a well-crafted benefit package that shows how it values its workforce and understands what matters most to them.

Workplace Conditions, Labor Standards, and Human Rights

Occupational Health and Safety

Disclosure	Quantity
No. of work-related injuries	Zero
No. of work-related fatalities	Zero
No. of work-related ill-health	Zero

The Company prioritizes safety and security throughout the workplace. The welfare of its officers, guests, contractors, and neighbor communities are an important consideration whenever a decision is made. Operational health and safety standards are always upheld as it recognizes that accidents may happen any time.

Continuous training in health and safety has been the key approach, which includes critical emergency drills that provide a deeper learning experience for officers to rely on during actual incidents.

Labor Laws and Human Rights

The Company reiterates that its administrative functions are handled by the employees of ISOC at minimal to no cost to the company in 2024. There have been no reports of any legal action or employee grievances at the ISOC level. Nonetheless, the Company has mechanisms in place for reporting or handling such issues with due process.

Supply Chain Management

The Company is currently working on creating a supplier accreditation policy.

Nonetheless, suppliers are required to accomplish an accreditation form and submit government-issued and financial supporting documents. Suppliers are selected based on definite criteria, which includes good governance, ethical business practices, among others.

Business Continuity and Disaster Management

The recent pandemic and the business environment have also prompted the Company to consider establishing a process to enable organizational resilience, minimize the impact of disruptions, and facilitate immediate recovery of operations using the quickest and most effective means possible.

The Company continues to improve its Business Continuity Management System (**BCMS**) to enhance its capability to effectively respond to and manage various crises in protecting its assets and the interest of its officers and shareholders.

As disasters and disruptions are unpredictable, the BCMS is designed to be flexible to effectively respond to the actual complex nature of crises and disruptions as they occur. The response strategies empower the organization to adapt and respond to the nature of the disruption, instead of having rigid policies that limit options available to the organization when responding to disruptions.

Asset Protection

The Company has installed necessary policies, processes, and systems, accompanied with training, testing, and governance for continuous process upgrades, which provide resilient and responsive security coverage for the Company's assets and operations. This ensures that it has a response protocol that is agile and capable of addressing current and emerging threats.

The asset protection processes and guidelines use an approach that features a robust system for physical security, by using an optimal mix of pro-active personnel and industrial security solutions, which include electronic access controls, closed circuit television systems, 24/7 security monitoring command centers and trained security response personnel.

Data Security

The Company complies with the Republic Act 10173 or the Data Privacy Act of 2012. Ensuring data privacy and information security is deemed important in maintaining good relations between the Company and its partners.

Data/information assets are protected and are maintained at the highest level to detect potential threats such as phishing attacks or data breaches. The Company has put in place stringent policies on social media and information security and data privacy, as well as drafted guidelines on handling information assets and the proper use of technology resources.

The Company has assigned a Data Privacy Officer who oversees the implementation and management of data privacy and information security as mandated in RA 10173. It also drafted and put in place its own Data Privacy Manual.