COVER SHEET

CS201307234

S E C Registration Number

MONTEMARIA ASIA, PILGRIMS, INC.

(Company's Full Name)

ALPA HOTEL, TOLENTINO ROAD

KUMINTANG IBABA, BATANGAS CITY

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

VICENTE RAFAEL L. ROSALES	8724-3759/8725-0049
Contact Person	Company Telephone Number/s

1 2	3 1	**Preliminary Information Statement(20-IS)**	1 1	2nd Wed
Month	*Day*	FORM TYPE	*Month*	*Day*
Fiscal Year			Annual Meeting	

SRC, Secs. 8 & 12

Secondary License Type, If Applicable

CGFD	
Dept. Requiring this Doc.	Amended Articles Number/Section

Total Amount of Borrowings

Total No. of Stockholders	Domestic	Foreign

To be accomplished by SEC Personnel concerned

File Number

LCU

Document I.D.

Cashier

S T A M P S

Remarks = pls. use black ink for scanning purposes

NOTICE OF JOINT ANNUAL STOCKHOLDERS' AND ORGANIZATIONAL BOARD MEETING

To all stockholders:

The annual stockholders' meeting of **Montemaria Asia Pilgrims, Inc.** will be held on December 05, 2025, Thursday, 11:00 a.m. at Alpa Hotel, Tolention Road, Kumintang Ibaba, Batangas.

The agenda for the meeting is as follows:

1. Call of meeting to order/Proof of Notice and Quorum
2. Approval of minutes of previous stockholders' meeting
3. President's report to the stockholders
4. Approval of audited financial statements as of December 31, 2024
5. Ratification of acts of directors and officers since the previous annual stockholders' meeting
6. Election of directors, including independent directors
7. Election of Officers and Committee Members
8. Authority to Increase the Number of Proprietary Shares by 15,000
9. Waiver of Preemptive right in favor of HIM Management and Associates, Inc. or their nominees, or assignees to the increase of 15,000 proprietary shares.
10. Authority to amend the Registration Statement of the Corporation to authorize the Board of Directors to determine benefits of owners of Proprietary and Associate shares
11. Authority to amend the Registration Statement to authorize the Board of Directors to grant use to MAPI members of specific areas at 1 sqm per 1 Proprietary / Founder share
12. Appointment of external auditors
13. Other matters
14. Adjournment

Stockholders of record as of the end of the business day of November 12, 2025 will be entitled to notice and to vote at said meeting and any adjournment thereof.

If you will not be able to attend the meeting but would like to be represented thereat, you may send your duly accomplished proxy form to the Office of the Corporate Secretary, 135 J.P. Rizal St.,Project 4, Quezon City 1109 no later than November 25, 2025. Validation of proxies will take place on November 28, 2025 at the same address.

Registration for the meeting begins at 10:00 am. To facilitate registration, please bring a valid ID bearing your photograph and signature.

For the Board of Directors:

Vicente

VICENTE RAFAEL L. ROSALES
Corporate Secretary

PROXY

I, the undersigned stockholder of MONTEMARIA ASIA PILGRIMS, INC. (the "Corporation") do hereby nominate, constitute and appoint:

____

as my attorney and proxy, to represent me and to vote all the shares registered in my name in the books of the Corporation at the Annual Stockholders' Meeting on December 05, 2025 and at any adjournment thereof.

The proxy is authorized to vote on the following matters (PLEASE CHECK THE APPROPRIATE BOX):

ITEM		FOR	AGAINST	ABSTAIN
1. Call of meeting to order				
2. Approval of minutes of previous stockholders' meeting				
3. Approval of audited financial statement as of December 31, 2024				
4. Ratification of acts of directors and officers since previous annual stockholders' meeting				
5. Election of directors for the ensuing year				
	Hermilando I. Mandanas			
	Ernesto I. Mandanas, Jr			
	Arturo V. Magtibay			
	Arnold R.A. Gutierrez			
	Iluminado B. Montemayor			
	Ma. Isabel B. Bejasa			
	Ma. Filomena R. Legaspi-Rosales			
	Ricardo C. Leong			
	Antonio V.F. Gregorio III			
	Mary Jane M. Rodriguez			
	Jackson L. Laureano			
	Jose O. Pastor Jr.			
	Bernardo M. Villegas – Independent Director			
	Omar T. Cruz – Independent Director			
	Clarita T. Zarraga			
6.	Authority to Increase the Number of Proprietary Shares by 15,000			
7.	Waiver of Preemptive right in favor of HIM Management and Associates, Inc. or their nominees, or assignees to the increase of 15,000 proprietary shares			
8.	Authority to amend the Registration Statement of the Corporation to authorize the Board of Directors to determine benefits of owners of Proprietary and Associate shares			
9.	Authority to amend the Registration Statement to authorize the Board of Directors to grant use to MAPI members of specific areas at 1 sqm per 1 Proprietary / Founder share			
10. Appointment of the external auditors				
11. Other matters				
		Proxy's Discretion		Abstain

For all nominees : ____ **Withhold authority to vote for all nominees : ____**

Withhold authority to vote for: ________________________ ________________________

IF NO INSTRUCTIONS ARE INDICATED ON A RETURNED AND DULY SIGNED PROXY, THE SHARES REPRESENTED BY THE PROXY WILL BE VOTED FOR THE APPROVAL OF THE ABOVE ITEMS AS PRESENTED. AS FOR OTHER MATTERS THAT MAY PROPERLY COME BEFORE THE MEETING, THE SAID SHARES SHALL BE VOTED IN ACCORDANCE WITH THE JUDGMENT OF THE PERSON/S NAMED IN THIS PROXY.

This proxy shall be valid for the Annual Stockholders' Meeting on the 5th day of December 2025 or any adjournment thereof, until such time that it is withdrawn by the undersigned stockholder by written notice filed with the Corporate Secretary. This proxy may be withdrawn by the person giving it by filing a written notice with the Corporate Secretary or by personally registering with the Committee of Election Inspectors before 5:00 p.m. of the 28th day of November 2025 and by attending the annual stockholders' meeting.

Signed this __________________ 2025 at ____________________

______________________________ ______________________________

Printed Name of Stockholder Signature of Stockholder or Authorized Signatory*

[*N.B.: Partnerships, corporations and associations must attach certified resolutions or extracts thereof designating their Proxy/Representative and authorized signatories.]

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 20-IS

INFORMATION STATEMENT PURSUANT TO SECTION 20
OF THE SECURITIES REGULATION CODE

1. Check the appropriate box:

   [X] Preliminary Information Statement

   [ ]Definitive Information Statement

2. Name of issuer as specified in its charter: Montemaria Asia Pilgrims, Inc.

3. Province, country or other jurisdiction of incorporation or organization: Philippines

4. SEC Identification No.: CS201307234

5. BIR Tax Identification No.: 008-512-584

6. Address of principal office: Alpa Hotel, Tolentino Road Kumintang Ibaba, Batangas City Postal Code: 4200

7. Issuer's telephone number, including area code: (043)7237701; (02)87250049

8. Date, time and place of the meeting of security holders:

Date	:	December 05, 2025 **(Annual Stockholders' Meeting)**
Time	:	11:00 am
Place	:	Alpa Hotel, Tolentino Road, Kumintang Ibaba Batangas

9. Approximate date on which the Information Statement is first to be sent or given to security holders:

   November 12, 2025

10. In case of Proxy Solicitations:

   Name of Person Filing the Statement/Solicitor: The Management of the Corporation

   Address and Telephone Number: Alpa Hotel, Tolentino Road, KumintangIbaba
   Batangas City
   (043) 702-3545/(043)706-4841

11. Securities registered pursuant to Section 8 and 12 of the Code or Sections 4 and 8 of the RSA

   7,500 proprietary shares and 30,000 associate shares

   Amount of Debt Outstanding as of September 30, 2025: ₱274,302,904

11. Are any or all of these securities listed on a Stock Exchange? Yes [ ] No [x]

INFORMATION REQUIRED IN INFORMATION STATEMENT

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

Date	:	December 05, 2025 **(Annual Stockholders' Meeting)**
Time	:	11:00 am
Place	:	Alpa Hotel, Tolentino Road, KumintangIbaba Batangas

Mailing address of principal office: Alpa Hotel, Tolentino Road
Kumintang Ibaba, Batangas City 4200

Approximate date on which the Information Statement is first to be sent or given to security holders: November 12,2025

2. Dissenters' Right of Appraisal

All stockholders have a right to dissent and demand payment of the fair value of their shares in the following instances: (i) in case any amendment to the articles of incorporation has the effect of changing or restricting the rights of any stockholders or class of shares or of authorizing preferences over the outstanding shares or of extending or shortening the term of corporate existence; (ii) in case any sale, lease, mortgage or disposition of all or substantially all the corporate property or assets; and (iii) in case of merger or consolidation. At any rate, should any matter be acted upon at the annual stockholders' meeting which may give rise to the right of appraisal, in order that a dissenting stockholder may exercise his appraisal right such dissenting stockholder shall, within thirty (30) days after the annual meeting at which such stockholder voted against the corporate action, make a written demand on the company for the value of his shares. The procedure to be followed in exercising the appraisal right shall be in accordance with Sections 80 to 84 of the Revised Corporation Code.

3. Interest of Certain Persons in or Opposition to Matters to be Acted Upon

None of the incumbent directors or officers, nominees for such positions, or their associates, have any direct or indirect substantial interest, by security holdings or otherwise, in the matters to be acted upon.

None of the incumbent directors has informed the company in writing that he or she intends to oppose any action to be taken at the meeting.

4. Voting Securities and Principal Holders Thereof

a) Stockholders entitled to vote; record date

Per Article Seventh of the Amended Articles of Incorporation (AOI), the voting rights of holders of associate shares are suspended for a period of five (5) years counting from April 12, 2013, the date of issuance of the Certificate of Incorporation. Therefore, only holders of proprietary shares are entitled to vote on matters for decision at the meeting, with the exception of the amendments to the articles of incorporation and the by-laws and the merger with HIM Management and Associates, Inc. (see 10 and 11 below), on which, per Section 6 of the Revised Corporation Code, holders of associate shares are nevertheless also entitled to vote.

In accordance with the current provisions of Article Seventh of the AOI, all stockholders, whether of proprietary or associate shares, are entitled to one (1) vote for every share.

The record date for the meeting is November 12, 2024. The record date is the cutoff date for determining the names of stockholders who, based on entries recorded in the stock and transfer book, are entitled to notice, and for reckoning the number of shares they can vote at the meeting.

b) Manner of voting

Stockholders may vote in person or by proxy. Stockholders who wish to vote by proxy must have their proxy validated by the Corporate Secretary no later than five (5) calendar days before the meeting.

In the election of directors, for which only proprietary shareholders may in the meantime vote (see 4a above), stockholders may cumulate their votes. This means that they may cast their total number of votes, computed as the number of their votes multiplied by the number of directors to be elected, in favor of a single candidate, or they may distribute their total number of votes among several candidates.

c) Security Ownership of Certain Record and Beneficial Owners and Management

Security Ownership of Certain Record and Beneficial Owners (of more than 5%) as of September 30, 2025:

Proprietary Shares--

Name of Record Owner	Address and relation-ship with Issuer	Name of Beneficial Owner and relation-ship to the issuer	Citizen-ship	Proprietary share	Percent of Class
Omnicor Industrial Estate & Realty Center, Inc. [1]	135 J.P.Rizal St.,Milagrosa, Quezon City -Affiliate	Same as record owner	Filipino	4,659	44.42%
Hedge Integrated Management Group, Inc. (HIMGI)[2]	135 J.P.Rizal St.,Milagrosa, Quezon City - Affiliate	Same as record owner	Filipino	2,178	20.76%

Associate Shares--

Name of Record Owner	Address and relation-ship with Issuer	Name of Beneficial Owner and relation-ship to the issuer	Citizen-ship	Associate share	Percent of Class
Omnicor Industrial Estate and Realty Center, Inc. [1]	135 J.P>Rizal St.,Milagrosa, Quezon City -Affiliate	Same as record owner	Filipino	7,319	34.98%
Hedge Integrated Management Group, Inc. (HIMGI) [2]	135 J.P.Rizal St.,Milagrosa, Quezon City - Affiliate	Same as record owner	Filipino	9,990	47.74%
HIM Management &Associates, Inc. [3]	135 J.P.Rizal St.,Milagrosa, Quezon City - Affiliate	Same as record owner	Filipino	2,343	11.20%
Calatagan Aqua Farms, Inc. [4]	135 J.P.Rizal St.,Milagrosa, Quezon City - Affiliate	Same as record owner	Filipino	1,159	5.53%

[1]Omnicor Industrial Estate & Realty Center, Inc. (OMNICOR) has the following directors and officers in common with the company:

NAME	POSITION IN OMNICOR	POSITION IN MAPI
Arturo V. Magtibay	Chairman/President	VP-Facilities
Vicente Rafael L. Rosales	Corporate Secretary	Corporate Secretary
Iluminado B. Montemayor	Director/Treasurer	VP-Internal Audit
Arnold Raymund A. Gutierrez	Director	Chief Operations Officer/EVP

The Board of Directors of OMNICOR decides on the manner in which OMNICOR's votes will be cast and has designated Arturo V. Magtibay, President, Arnold R.A. Gutierrez, Director, Rowena Piad, authorized representative, Hazel Caoc, authorized representative, authorized representative, Abigail Virrey and Nanette Albana, Authorized representatives, Rico delos Reyes, as representatives for the purpose.

[2]Hedge Integrated Management Group, Inc. (HIMGI) has the following directors and officers in common with the company:

NAME	POSITION IN HIMGI	POSITION IN MAPI
Arturo V. Magtibay	Chairman/President	VP-Facilities
Arnold Raymond A. Gutierrez	Director	Chief Operations Officer/EVP
Ma. Isabel B. Bejasa	Treasurer	Treasurer
Vicente Rafael L. Rosales	Corporate Secretary	Corporate Secretary

The Board of Directors of HIMGI decides on the manner in which HIMGI's votes will be cast and has designated Arturo V. Magtibay, President, Arnold R.A. Gutierrez, Director, Maria Isabel B. Bejasa, Treasurer, as representative for the purpose.

[3]HIM Management & Associates, Inc. (HIM Management) has the following directors and officers in common with the company:

NAME	POSITION IN HIM MANAGEMENT	POSITION IN MAPI
Arturo V. Magtibay	Chairman/President	VP-Facilities
Arnold Raymund A. Gutierrez	Director	Chief Operations Officer/EVP
Iluminado B. Montemayor	Treasurer	VP-Internal Audit
Vicente Rafael L. Rosales	Corporate Secretary	Corporate Secretary

The Board of Directors of HIM Management decides on the manner in which HIM Management's votes will be cast and has designated Arturo V. Magtibay, President, Arnold R.A. Gutierrez, Director, as representative for the purpose.

[4]Calatagan Aqua Farms, Inc. (Calatagan) has the following directors and officers in common with the company:

NAME	POSITION IN CALATAGAN	POSITION IN MAPI
Arturo V. Magtibay	Chairman/President	VP-Facilities
Vicente Rafael L. Rosales	Corporate Secretary	Corporate Secretary
Arnold Raymund A. Gutierrez	Director	Chief Operations Officer/EVP
Iluminado B. Montemayor	Treasurer	VP-Internal Audit

The Board of Directors of Calatagan decides on the manner in which Calatagan's votes will be cast and has designated Arturo V. Magtibay, President, s representative for the purpose.

Please note that Calatagan also has proprietary shares but these are not mentioned above since they constitute less than five percent (5%) of the total number of proprietary shares.

Security Ownership of Directors and Management as of September 30, 2025:
Proprietary Shares--

Name of Record Owner	Address and Relationship with Issuer	Citizen-ship	No. of Proprietary Shares	Percent of Class
Hermilando I. Mandanas	#135 JP Rizal St., Project 4, QC - Director/Chairman	Filipino	1	0.01%
Ma.FilomenaR.Legaspi-Rosales	501 NarraBldg.,PasongTamo Ext. - Director	Filipino	1	0.01%
Arturo V. Magtibay	88 Riverside Subdivision, Balintawak, Lipa City - Director/VP-Facilities	Filipino	1	0.01%
Iluminado B. Montemayor	#33 Canberra St., BF Homes III, Parañaque City -Director/VP-Internal Audit	Filipino	1	0.01%
Arnold R.A. Gutierrez	P. Canlapan St., Batangas City - VP-Operations	Filipino	1	0.01%
Ma. Isabel B. Bejasa	78-C Tirona St., Batangas City - Director/Treasurer	Filipino	1	0.01%
Ricardo C. Leong	275 A. Mabini St., Caloocan City- Director	Filipino	1	0.01%
Mary Jane Rodriguez	G26 South Star Plaza,OsmeG26 South Star Plaza,Osmena Highway,Bangkal,Makati City – Director	Filipino	1	0.01%
Antonio V. F. Gregorio III	12 Jaime St. Carmel 1 Bahay Toro, Quezon City- Director	Filipino	1	0.01%
Jojo O. Pastor Jr	Strawberry St.Greenwoods, Pallocan East, Batangas City - Director	Filipino	1	0.01%
Jackson Laureano	852 Gov. PascualAve.,Potrero,Malabon - Director	Filipino	1	0.01%
Omar T. Cruz	408 CaloSt.,AyalaAlabang, Muntinlupa City - Director	Filipino	1	0.01%
Bernardo M. Villegas	119AguirreSt.,LegaspiVillage,Makati City - Director	Filipino	1	0.01%
Ernesto I. Mandanas Jr.	Catholic Church, Bauan, Batangas - Director/President	Filipino	1	0.01%

Clarita T. Zarraga	#26 Santan St.,Tahanan Vill.,Parañaque City-nominee Director	Filipino	1	0.01%
Vicente Rafael L. Rosales	501 Narra Building, Pasong Tamo Extension, Makati City-Corp. Secretary	Filipino	1	0.01%
TOTAL			16	0.16%

Associate Shares--

Name of Record Owner	Address and Relationship with Issuer	Citizen-ship	No. of Associate Shares	Percent of Class
Hermilando I. Mandanas	#135 JP Rizal St., Project 4, QC - Director/Chairman	Filipino	1	0.005%
Ma.FilomenaR. Legaspi-Rosales	501 NarraBldg.,PasongTamo Ext. - Director	Filipino	1	0.005%
Arturo V. Magtibay	85 Riverside Subdivision, Balintawak, Lipa City - Director/VP-Facilities	Filipino	1	0.005%
Iluminado B. Montemayor	#33 Canberra St., BF Homes III, Parañaque City -Director/VP-Internal Audit	Filipino	1	0.005%
Arnold R.A. Gutierrez	P. Canlapan St., Batangas City - VP-Operations	Filipino	1	0.005%
Ma. Isabel B. Bejasa	78-C Tirona St., Batangas City - Director/Treasurer	Filipino	1	0.005%
Ricardo C. Leong	275 A. Mabini St., Caloocan City- Director	Filipino	1	0.005%
Mary Jane Rodriguez	G26 South Star Plaza,OsmeG26 South Star Plaza,Osmena Highway,Bangkal,Makati City - Director	Filipino	1	0.005%
Antonio V.F. Gregorio III	12 Jaime St. Carmel 1 Bahay Toro, Quezon City- Director	Filipino	1	0.005%
Jojo O. Pastor Jr	Strawberry St.Greenwoods, Pallocan East, Batangas City - Director	Filipino	1	0.005%
Jackson Laureano	852 Gov.PascualAve.,Potrero, Malabon- Director	Filipino	1	0.005%
Bernardo M. Villegas	119 Aguirre St.,LegaspiVill.,Makati City - Director	Filipino	-	-
Clarita T. Zarraga	#26 Santan St.,Tahanan Vill.,Parañaque City-nominee Director	Filipino	-	-
Omar T. Cruz	408 Calo St.,AyalaAlabang,Muntinlupa City - Director	Filipino	-	-
Ernesto I. Mandanas Jr.	Catholic Church, Bauan, Batangas -Director/President	Filipino	-	-
Vicente Rafael L. Rosales	501 Narra Building, Pasong Tamo Extension, Makati City-Corp. Secretary	Filipino	-	-
TOTAL			11	0.05%

All shares are held in direct ownership.

d) Voting Trust Holders of 5% or More

The Company is not aware of any person holding more than 5% of any class of the company’s securities under a voting trust or similar agreement.

e) Changes in Control

There is no arrangement which may result in a change of control of the company.

5. Directors and Executive Officers

a) Name, age, position, citizenship and period of service of each incumbent director and executive officer

NAME	AGE	POSITION	CITIZENSHIP	PERIOD OF SERVICE
Hermilando I. Mandanas	81	Director/Chairman	Filipino	2013 to present
Ernesto I. Mandanas, Jr.	78	Director/President	Filipino	2017 to present
Ma. Filomena R. Legaspi-Rosales	70	Director	Filipino	Elected 10-06-2022
Arturo V. Magtibay	76	Director/VP-Facilities	Filipino	2013topresent
Iluminado B. Montemayor	77	Director/VP-Audit	Filipino	2013 to present
Arnold R.A. Gutierrez	57	Director/COO	Filipino	2013 to present
Ma. Isabel B. Bejasa	67	Director/Treasurer	Filipino	2013 to present
Rodrigo C. Reyes	75	Director	Filipino	2017 to present
Jose O. Pastor Jr.	61	Director	Filipino	Elected12-05-2024
Jackson L. Laureano	62	Director	Filipino	2019 to present
Bernardo M. Villegas	85	Independent Director	Filipino	2017 to present
Omar T. Cruz	69	Independent Director	Filipino	2019 to present
Clarita T. Zarraga	84	Independent Director	Filipino	Elected09-01-2023
Ricardo C. Leong	90	Director	Filipino	2020 to present
Antonio V.F. Gregorio III	52	Director	Filipino	2018 to present
Vicente Rafael L. Rosales	40	Corp. Sec.	Filipino	2017 to present

Directors and officers hold office for one (1) year or until their successors shall have been duly elected and qualified. A director elected to fill in a vacancy arising in the Board shall only serve the unexpired portion of the term of his/her predecessor in office.

Fifteen (15) directors, including three (3) independent directors, will be elected during the annual stockholders' meeting.

b) Business experience of incumbent directors and executive officers and of nominees for directors during the past five (5) years

Hermilando I. Mandanas (81 years old, Filipino), is a Director of the company since April 12, 2013 and currently Chairman of MAPI, he is Vice-Governor of the Province of Batangas, having previously served in that position for the years 1995 up to 2004 and 2016 to 2025. He also served for three terms as 2nd District Representative of the Province of Batangas. He is a Certified Public Accountant and Investment Banker.

*Ernesto I, Mandanas, Jr.(78 years old, Filipino),*is a Director of the company since 2017 and currently President. He is a Roman Catholic priest of the Archdiocese of Lipa. He also serves as member of the Board of Advisers of StonyhurstSouthville International School and of the Board of Trustees of Bishop Alfredo Ma. Obviar Foundation. He has a doctorate in canon law.

Arturo V. Magtibay (75 years old, Filipino), is a Director of the company since April 12, 2013 and currently Vice President-Facilities. He was the Provincial Engineer of Batangas from 1996 to 2007. He was also Assistant Professor III and Chairman of the College of Engineering of the University of Batangas. He is a licensed Civil Engineer with a wide experience in construction projects. He obtained his degree of Bachelor of Science in Civil Engineering from the Mapua Institute of Technology. He is the Chairman/President of Omnicor Industrial Estate & Realty Center, Inc., HIM Management & Associates, Inc., Calatagan Aqua Farms, Inc. and Hedge Integrated Management Group, Inc.

Iluminado B. Montemayor (77 years old, Filipino), is a Director of the company since April 12, 2013and currently Vice President-Internal Audit, is also a member of the Board of Directors of Abacore Capital Holdings, Inc., Philippine Regional Investment Development Corporation and Abacus Global Technovisions, Inc.. He finished BS Commerce at the De La Salle University.

Arnold R.A. Gutierrez (57 years old, Filipino), is a Director of the company since April 12, 2013and currently Chief Operations Officer/Executive Vice-President, was General Manager of the Batangas Port Livelihood Center from 2004 to 2007. He also served as Executive Assistant to the Provincial Governor of Batangas from 2001 to 2004. He finished his Bachelor of Arts Degree in Political Science at the De La Salle University. He is a director of Omnicor Industrial Estate & Realty Center, Inc. and director/Senior Vice-President for Projects of Abacore Capital Holdings, Inc.

Ma. Isabel B. Bejasa (67 years old, Filipino), is a Director of the company since April 12, 2013and currently Treasurer, is an incorporator/President of Blue Stock Development Holdings, Inc. (BSDHI), the parent company of AbaGT, and has been a director of BSDHI since 1982. Since 1995 she has also been part of the management team of the Alpa Hotel and Batangan Plaza, two well known hotels located in Batangas City which AbaGT acquired in August 2007. She is the former Treasurer of Omnicor Industrial Estate & Realty Center, Inc., HIM Management & Associates, Inc. and Calatagan Aqua Farms, Inc.

Ma. Filomena R. Legaspi-Rosales (70 years old, Filipino), is a Director of the company since October 6, 2022, Atty. Legaspi-Rosales has decades of experience serving in national and local government agencies, structuring complex real estate transactions, and rendering legal advice. Her legal expertise and relationships in the community have given her multiple opportunities to assist clients in overcoming the challenges of multiple deals. Atty. Legaspi-Rosales' legal practice focuses on real estate; general corporate representations; trusts and estates; regulatory and administrative law. She has worked with the Cagayan Economic Zone Authority, Subic Bay Metropolitan Authority, Bureau of Food and Drugs, Commission on Human Rights, and many others. She was also the Barangay Captain of Dasmarinas Village, Makati. She has been serving Santuario de San Antonio as a Lector/Commentator for over 25 years. She is the Founding Partner of Legaspi Rosales Law Office as well as the President of the Ateneo Law Alumni Association Inc. and Rafel Realty & Development Corp. Atty. Legaspi-Rosales finished her Bachelor of Laws at the Ateneo Law School.

Ricardo C. Leong(90 *years old, Filipino*), is a Director of the company since 2020. He is a director of Flexo Manufacturing Corporation and Sinophil Corporation and a member of the Advisory Board of Equitable PCI Bank. He obtained his Bachelor of Science Degree in Mathematics from Fordham University, New York.

*Mary Jane M. Rodriguez (*50 years old, Filipino) nominee for Director, is a Certified Public Accountant (CPA) duly registered with the Philippine Regulation Commission/Board of Accountancy, with experience in professional consultancy for finance and tax matters. Her experience in business spans a wife array of industries including Holding companies, Investments Houses, Real Estate Development, Manufacturing, Trading and Distribution, Shipping and Transport, Mining, Not-for-profit Organizations, and professional services. She is accredited as an auditor by the Professional Regulation Commission (PRC), the Securities Exchange Commission (SEC), and the Bureau of Internal Revenue (BIR). Mary Jane is a member of several professional societies, including the Philippine Institute of Public Accountants (PICPA), Certified Management Accountants (CMA), Certified Financial Consultants (CFC), and the Chartered Association of Business Administration (CABA). She continues her professional education by attending various seminars, focusing on Philippine Financial Reporting Standards, corporate governance, and updates on tax laws and regulations.

Antonio V.F. Gregorio III (53 years old, Filipino), is a Director of the company since 2018*,* has been Chairman and President of various listed companies such as Nihao Mineral Resources, Asia Best Group, lodestar Investment and Holding Corporation. He graduated, Second Honors, with a Juris Doctor Degree from the Ateneo de Manila University in 1998 and passed the bar examinations in 1999. He also has a Bachelor of Science Major in Management Engineering and a Bachelor of Arts Major in Economics-Honors, both from the Ateneo de Manila University, Honorable Mention and Cum Laude, respectively. He was valedictorian of his high school class in Ateneo. Atty. Gregorio is a partner of Gregorio Law Offices and sits as director and officer of various private and public companies, including AGP Industrial Corporation, Active Earnings, Inc., among other companies.

Jackson L. Laureano (63 years old, Filipino), is a Director of the company since 2019*,* serves as Chairman/President of the Fitrite Inc. and Holrite International Corporation from 2008 to present. Mr. Laureano serves also as member of the Board of Director of Ancal Development & Investment Corporation and Holsum Foods, Inc. from 2008 to present.

Jose O. Pastor Jr. (61 years old, Filipino), is a Director of the company elected on December 5, 2024. He was a teacher in Southridge School for Boys 1989-91, Teacher of English as a Foreign Language (TOEFL) 1992-1994, Provincial Information Officer 1995, Professor Pablo Borbon Memorial Institute of Technology 1996-1998, General Manager/Proprietor GV Broadcasting Inc. 1999-2011, Manager/Owner E xManuela Realty Inc. 2016 to present, General Services Department Head 2017-2018. He graduated BS Psychology in Colegio de San Juan de Letran.

Bernardo M. Villegas (86 years old, Filipino), is a Director of the company since December 15, 2017, nominee for independent director. He is Senior Vice President of the University of Asia and the Pacific, Educational Consultant of the Parents for Education Foundation Inc. ("PAREF"), and a columnist for the Manila Bulletin. He has been the Chairman of Filipino Fund Inc. since June 2012 and serves as Independent Director of Benguet Corp., Director of Alaska Milk Corp., Bank of the Philippine Islands, Transnational Diversified Inc., Insular Life Assurance Company, Ltd. He was a member of the 1986 Constitutional Commission and is a well-known economist. He obtained his PhD in Economics from Harvard University.

Omar T. Cruz (70 years old, Filipino), is a Director of the company since December 17, 2019,nominee for independent director, serves as Chairman, International Treasury Committee of International Association of Financial Executive Institute from 2015 - 2017. Mr. Cruz serves as Senior Advisor of Prudential Corporation Asia (HK) from 2014 - 2016. He served as EVP and Chief Investment Officer and then President and Chief Executive Officer of BPI Philam Life Assurance Corporation from 2007 to 2011 and 2011 to 2013, respectively. He served as a Director of PHINMA Corporation until November 6, 2013. He served as Director of Union Galvasteel Corporation, Philamlife Company and BPI PhilamLIfe Assurance Corporation.

Clarita T. Zarraga (85 years old, Filipino), is a Director of the company elected on September 01, 2023, nominee for independent director. She is currently the President of BOSS, Inc., a management services outsourcing company. She previously served as President of Abacore Capital Holdings, Inc. when it was still called Abacus Consolidated Resources and Holdings, Inc. (ACRHI), a position she held until her retirement in 2009. For some years after her retirement from ACRHI she served in the Board of some of ACRHI's related companies, a position she has since relinquished. A Certified Public Accountant and licensed real estate broker, she has extensive experience in management, accounting and real estate business.

Vicente Rafael L. Rosales (41 years old, Filipino),joined in the company since January 30, 2017 as Corporate Secretary, Works as a Professor at Lyceum Law School where he teaches Partnership, Agency, and Trusts since 2013. In 2011-2013, Atty. Rosales was a Delegate to the National Conference for the Revision of the Rules of Civil Procedure working with the Pre-Trial to Trial working Group under Supreme Court Justice Roberto A. Abad. He also worked as a consultant to the Sangguniang Kabataan of Dasmariñas Village, Makati City and was the Sole Philippine Representative to the First United Nations World Youth Assembly for Road Safety at the United Nations, Geneva, Switzerland in April of 2007. His other volunteer charity work includes being Senior Legal Advisor since 2016 to Gov. Hermilando I. Mandanas of the Province of Batangas, Philippines, an honorific title given to him by Governor Mandanas to recognize the contributions of Atty. Rosales to the Province of Batangas. Atty. Rosales was also the President of the Rotary Club of Makati Poblacion in 2023. He is Corporate Secretary of Philippine Regional Investment Development Corporation, an investment house in the Philippines, Corporate Secretary of Montemaria Asia Pilgrims, Inc. which owns the tallest statue of the Virgin Mary in the world located in Batangas City. He is a partner at Legaspi Rosales Law office and a Director and Corporate Secretary of Rafel Realty & Development Corporation. He finished his Juris Doctor degree at the Ateneo Law School.

c) Other directorships held in reporting companies

ArturoV. Magtibay, Antonio V.F. Gregorio III, Iluminado B. Montemayor, Clarita T. Zarraga, and Mary Jane M. Rodriguez are also directors, while Bernardo M. Villegas, Omar T. Cruz are also independent directors, of AbaCore Capital Holdings, Inc.

d) Significant Employees

Other than the officers mentioned above the company has no other significant employees.

e) Family Relationships

Ernesto I. Mandanas is the brother of Hermilando I. Mandanas. Ma. Filomena Legaspi-Rosales is the mother of Vicente Rafael L. Rosales. Apart from this, there are no other family relationships, insofar as known to the company.

f) Involvement in Certain Legal Proceedings

To the best of the company's knowledge, none of the above-named directors and officers has been subject to the following during the past five (5) years:

(a) any bankruptcy petition filed by or against a business of which he or she was a general partner or executive officer either at the time of the bankruptcy or within two years prior to that time;

(b) any conviction by final judgment in a criminal proceeding, domestic or foreign, or for that matter any criminal proceeding, domestic or foreign;

(c) any order, judgment or decree not subsequently reversed, suspended or vacated, of a court of competent jurisdiction, domestic or foreign, permanently or temporarily enjoining, barring, suspending or otherwise limiting his or her involvement in any type of business, securities, commodities or banking activities; and

(d) any violation, as determined by judgment by a domestic or foreign court of competent jurisdiction (in a civil action), the Securities and Exchange Commission or comparable foreign body, or a domestic or foreign exchange or other organized training market or self-regulatory organization, of a securities or commodities law or regulation.

g) Certain Relationships and Related Transactions

The company's relationships with related parties are as follows:

1. Intercompany advances to and from Omnicor Industrial Estate and Realty Center, Inc., a parent company. These advances are obtained to fund a portion of the development activities of the company.
2. Four (4) corporations who are affiliates of the company are major stockholders.

Aside from the above-mentioned relationships and transactions, the company has had no other transactions in which a director, executive officer, nominee for election as director, significant holder of security, promoter or members of their immediate family has or had a direct or indirect material interest.

h) Parent Company

The corporation has no parent company.

i) Resignation of Directors

There have been no recent resignation of directors in the past year.

j) Nominees for Election as Directors, Including Independent Directors

For the election of directors at the annual stockholders' meeting slated for 05 December 2025 to 2026 Omnicor Industrial Estate and Realty Center, Inc. has nominated the following:

Name	Age	Citizenship	Nominated for
1. Hermilando I. Mandanas	81	Filipino	Director
2. Ernesto I. Mandanas Jr.	78	Filipino	Director
3. Ma. Filomena R. Legaspi-Rosales	70	Filipino	Director
4. Antonio V.F. Gregorio III	53	Filipino	Director
5. Arturo V. Magtibay	76	Filipino	Director
6. Omar T. Cruz	70	Filipino	Independent Director
7. Iluminado B. Montemayor	77	Filipino	Director
8. Ma. Isabel B. Bejasa	67	Filipino	Director
9. Arnold R.A. Gutierrez	57	Filipino	Director
10. Ricardo C. Leong	91	Filipino	Director
11. Mary Jane M. Rodriguez	50	Filipino	Director
12. Jose O. Pastor Jr.	61	Filipino	Director
13. Jackson L. Laureano	63	Filipino	Director
14. Clarita T. Zarraga	85	Filipino	Director
15. Bernardo M. Villegas	86	Filipino	Independent Director

Please see Part V of the attached “Report Accompanying SEC Form 20-IS” for the qualifications and business experience of the nominees.

In accordance with the company’s amended by-laws and with SRC Rule 38 the ad hoc Nomination Committee has reviewed the background of the above nominees and has determined them to be duly qualified. The nominations for independent director comply with SRC Rule 38. The Nomination Committee is currently composed of the following:

Hermilando I. Mandanas – Chairman
Arturo V. Magtibay - Member
Iluminado B. Montemayor- Member

The members of the Nomination Committee for the succeeding period will be appointed during the organizational Board meeting that will be held immediately after the annual stockholders’ meeting.

6. Compensation of Directors and Executive Officers

a) Compensation of directors

Directors receive per diems of five thousand pesos (₱5,000) for every Board meeting they attend.

The total per diems paid to directors for 2023 and 2022 and the estimated total amount for 2024 are as follows:

2023	325,439.00
2024	237,135.00
2025	248,245.00

b) Compensation of executive officers

Name and Principal Position	Year	Salary/Fee (PhP)	Bonus (PhP)	Other Annual Compensation (PhP)
Hermilando I. Mandanas, Chairman Ernesto I. Mandanas Jr., President Arturo V. Magtibay, VP-Facilities Iluminado B. Montemayor, VP-InternalAudit Arnold R.A. Gutierrez, COO/EVP Ma. Isabel B. Bejasa, Treasurer Vicente Rafael L. Rosales, Corp. Sec.				
Total for the Executive Officers as a group	2023	379,876		
	2024	786,581		
	2025[1]	807,914		
Total for the Directors and Executive Officers as a group	2023	705,315		
	2024	1,023,716		
	2025[1]	1,056,159		

[1]2025 figures are estimates only

Each executive officer has an employment contract with the company for an indefinite period. The company has no termination of employment or change-in-control arrangements with its executive officers apart from those specified by labor and retirement laws.

c) Standard arrangement/s

As stated above, the company currently has no contracts or arrangements with its directors and executive officers. Employees, on the other hand, execute an employment contract with the company for an indefinite period.

d) Material terms of any other arrangement

The company has no other arrangement with its directors or officers that could be considered material.

e) Terms and conditions of employment contract, compensatory plan or arrangement, outstanding warrants or option.

The company has no employment contracts, compensatory plans or arrangements with its directors and officers. There are no outstanding warrants or options held by the company's directors and/or executive officers.

7. Independent Public Accountant

For fiscal year 2025, the Audit Committee has recommended the appointment of Valdes Abad & Company CPAs as the company's independent accountant, with Renato M. Cabral as partner in charge, on condition that the appointment of the independent accountant should comply with SRC Rule 68 Part 1(3)(B)(ix) on the rotation of external auditors.

Valdes Abad & Company, CPAs, was appointed as the company's independent accountant for fiscal year 2024. Duly authorized representatives of Valdes Abad& Company, CPAs, are expected to be present at the annual meeting of stockholders. They will be available to answer questions.

Valdes Abad & Company, CPAs audited the Company's statement of financial position as of December 31, 2024, and the statement of comprehensive income, statement of changes in stockholders' equity and statement of cash flows for the year ended December 31, 2024 and a summary of significant accounting policies and other explanatory notes. Valdes Abad & Company, CPAs, responsibility is to express an opinion on these financial statements based on their audit. The audits were conducted in accordance with Philippine Standards on Auditing. The signing partner of the Company's external auditor was Mr. Renato M. Cabral.

The Audit Committee is as follows:

Omar T. Cruz – Chairman
Iluminado B. Montemayor – Member
Arturo V. Magtibay- Member

<u>Changes in and Disagreements with Accountants on Accounting and Financial Disclosure</u>

The company has not had any disagreements with Valdes Abad & Company, CPAs, on matters of accounting principles or practices, financial statements disclosure or auditing scope or procedure.

8. Compensation Plans

No action with respect to any plan pursuant to which cash or non-cash compensation will be paid or distributed will be proposed during the meeting.

9. Action With Respect to Reports

The Audited Financial Statements as of December 31, 2024 will be presented for approval at the annual stockholders' meeting.

The President shall report on the company's operations for the period covering start of fiscal year 2024 to the present. The said report will be presented for information and notation only.

10. Amendment of Charter, By-laws or other Documents

<u>Management, as approved by the Board of Directors, intends to amend the articles of incorporation to increase the number of proprietary shares by 15,000 which required 2/3rds vote.</u>

11. Other Proposed Actions

a) Approval of minutes of previous stockholders' meeting
b) Approval of audited financial statement as of December 31, 2024

c) Ratification of acts and directors and officers since the previous annual stockholders' meeting

These acts are covered by resolutions of the Board of Directors duly adopted in the normal course of the company's business and include the following:

-election of officers for 2024-25
-appointment of members of the Nomination, Audit and Remuneration and Compensation committees of the Board for 2024-25

d) Updating of bank account information and designation of signatories thereof for fiscal year 2026

e) Election of directors, including independent directors

f) Authority to amend the registration statement of the Corporation to authorize the Board to grant use of 1 square meter of property per proprietary share to proprietary/founder shareholders of specific areas as determined and approved by the Board of Directors.

g) To Authorize the Board of Directors to determine any additional benefits be granted to proprietary shareholders and/or associate shareholders as authorized by the SEC and other regulatory bodies.

h) Waiver of preemptive right to increase of shares in favor of HIM Management and Associates, Inc., or their nominees, or assignees to the increase of 15,000 proprietary shares.

i) Appointment of external auditors

j) Other matters -No other matters aside from those already mentioned above will be taken up.

12. Voting Procedures

In the election of directors, the nominees with the greatest number of votes will be elected directors. If the number of nominees for election as directors does not exceed the number of directors to be elected, the Secretary of the meeting shall be instructed to cast all votes represented at the meeting equally in favor of all such nominees. On the other hand, if the number of nominees for election as directors exceeds the number of directors to be elected, voting shall be done by ballot, cumulative voting will be followed, and counting of votes shall be done by the Committee of Election Inspectors.

The amendment of the articles of Incorporation shall require the approval of stockholders representing at least two-thirds (2/3) of the outstanding capital stock. The amendment of the by-laws shall require the approval of stockholders owning at least a majority of the outstanding capital stock. All other matters shall require the approval by majority of the shares of stockholders voting in person or by proxy at the meeting.

A stockholder is entitled to cumulative voting in the election of Directors. This means that a stockholders may cumulate the total votes that the number of his shares, multiplied by the number of directors to be elected shall equal and either give such total votes to one candidate or distribute such total votes to as many candidates as he sees fit.

SIGNATURE

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this report is true, complete and correct. This report is signed in Quezon City on 27 October 2025.

MONTEMARIA ASIA PILGRIMS, INC.
By:

Vicente

VICENTE RAFAEL L. ROSALES
Corporate Secretary

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REPORT ACCOMPANYING SEC FORM 20-IS
(Per SRC Rule 20)

I. Audited Financial Statements as of December 31, 2024

The Audited Financial Statements as of December 31, 2024 are attached hereto as Annex "A".

The Interim Financial Statements as of 30 September 2025 is attached hereto as Annex "B".

II. Information on Independent Accountants and Other Related Matters

The Audit Committee selects and recommends to the Board and stockholders the appointment of the external auditor and the fixing of the audit fees. The current external auditor is Valdes Abad & Company, CPAs. The appointment of external auditor complies with SEC regulations on rotation of external auditor or of signing partner.

There have been no changes in the company's external auditors during the two most recent fiscal years nor has there been any disagreement with the external auditors on matters of accounting and financial disclosure.

Following are the total fees paid to the external auditors, inclusive of payments by all subsidiaries, in the past two (2) years (inclusive of VAT):

	Audit and audit-related fees	Tax fees	Other fees
2024	135,240	-	-
2023	135,240	-	-

It is the policy of the Company that any draft audit report must first reviewed by the Audit Committee (the members of the Committee being composed of Mr. Omar T. Cruz (Chairman), Mr. Iluminado B. Montemayor and Engr. Arturo V. Magtibay) prior to said report being endorsed to the Board of Directors for approval. The final draft of the Company's audited financial statements were discussed and reviewed by said Committee on 18 March 2025. Said audited financial statements were approved by the Company's Board of Directors during its meeting also held on 18 March 2025.

III**. Management's Discussion and Analysis or Plan of Operation**

The company has reopened the pilgrimage complex and resumed the organization of themed events in line with the envisioned use of the complex.

The company will have sufficient cash for development and operation for the next twelve (12) months by way of sale of Offer Shares and drawings on credit line and does not foresee the need to raise additional funds from other sources.

The company will not be undertaking any product research and development activity within the next twelve (12) months. Neither does the company expect to purchase or sell any plant or significant equipment nor does it expect any significant change in the number of its employees.

This discussion begins with a presentation of critical accounting policies which will serve as a guide in reading the financial statements and the comparative analysis of data contained in those statements.

Significant Accounting Policies

Basis of preparation

The material accounting policies adopted in the preparation of these financial statements are discussed in this note. These policies have been consistently applied to the years presented, unless otherwise stated.

Statement of compliance

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

Presentation of financial statements

The financial statements are presented in accordance with PAS 1 (Revised), *Presentation of Financial Statements*. The Company presents all items of income and expense in a single statement of comprehensive loss, with profit or loss and other comprehensive income (OCI) presented in two sections. It is required to present a statement of financial position as at the beginning of the earliest comparative period when the Company applies an accounting policy retrospectively, makes a retrospective restatement of items in its financial statements, or reclassifies items in the financial statements and said retrospective application, retrospective restatement or reclassification has a material effect on such third statement of financial position. The related notes to the third statement of financial position are not required to be disclosed.

These financial statements are presented in Philippine Peso (P), which is also the Company's functional currency and all values are rounded to the nearest peso. Functional currency is the currency of the primary economic environment in which the entity operates or in which it primarily generates and expends cash while presentation currency is the currency in which the financial statements are presented.

Basis of measurement

The Company's financial statements have been prepared on historical cost basis.

Foreign Currency Translation

Functional and Presentation Currency

Items included in the financial statements of the company are measured using the currency of the primary economic environment in which the company operates (the functional currency). The financial statements are presented in Philippine peso, which is the company's functional and presentation currency. All values are rounded to the nearest peso except when otherwise indicated.

Use of judgments and estimates

The preparation of financial statements in compliance with PFRSs requires the use of certain critical accounting estimates. It also requires the Company's management to exercise its judgment in applying the Company's accounting policies. The areas where significant judgments and estimates have been made in preparing the financial statements and their effects are disclosed.

Changes in accounting policies and disclosures

The accounting policies applicable and adopted in the preparation of the financial statements are consistent with those of the previous financial year, except for the adoption of new/amended standards and interpretations effective starting January 1, 2024.

New and amended standards

The Company will adopt the following new pronouncements that will be applicable to them. Except as otherwise indicated, the Company does not expect the adoption of these new pronouncements to have a significant impact on the financial statements.

Effective beginning on or after January 1, 2022

- Annual improvements to PFRS Standards 2018-2020 Cycle

    - *Amendments to PFRS 1, First-time Adoption of Philippines Financial Reporting Standards, Subsidiary as a first-time adopter*

      The amendment permits a subsidiary that elects to apply paragraph D16(a) of PFRS 1 to measure cumulative translation differences using the amounts reported by the parent, based on the parent's date of transition to PFRS. This amendment is also applied to an associate or joint venture that elects to apply paragraph D16(a) of PFRS 1.

      The amendment is effective for annual reporting periods beginning on or after January 1, 2022 with earlier adoption permitted.

    - *Amendments to PFRS 9, Financial Instruments, Fees in the '10 percent' test for derecognition of financial liabilities*

      The amendment clarifies the fees that an entity includes when assessing whether the terms of a new or modified financial liability are substantially different from the terms of the original financial liability. These fees include only those paid or received between the borrower and the lender, including fees paid or received by either the borrower or lender on the other's behalf. An entity applies the amendment to financial liabilities that are modified or exchanged on or after the beginning of the annual reporting period in which the entity first applies the amendment.

      The amendment is effective for annual reporting periods beginning on or after January 1, 2022 with earlier adoption permitted. The Company will apply the amendments to financial liabilities that are modified or exchanged on or after the beginning of the annual reporting period in which the entity first applies the amendment.

    - *Amendments to PFRS 16, Lease incentives*

      The amendment to illustrative example 13 accompanying PFRS 16 removes from the example the illustration of the reimbursement of leasehold improvements by the lessor in order to resolve any potential confusion regarding the treatment of lease incentives that might arise because of how lease incentives are illustrated in that example.

    - *Amendments to PAS 41, Agriculture, Taxation in fair value measurements*

      The amendment removes the requirement in paragraph 22 of PAS 41 that entities exclude cash flows for taxation when measuring the fair value of assets within the scope of PAS 41.

      An entity applies the amendment prospectively to fair value measurements on or after the beginning of the first annual reporting period beginning on or after January 1, 2022 with earlier adoption permitted.

      The above amendments are not expected to have an impact to the Company.

- Amendments to PFRS 3, *Reference to the Conceptual Framework*

  The amendments are intended to replace a reference to the Framework for the Preparation and Presentation of Financial Statements, issued in 1989, with a reference to the Conceptual Framework for Financial Reporting issued in March 2018 without significantly changing its requirements.

The amendments added an exception to the recognition principle of PFRS 3, to avoid the issue of potential 'day 2' gains or losses arising for liabilities and contingent liabilities that would be within the scope of PAS 37, *Provisions, Contingent Liabilities and Contingent Assets* or Philippine-IFRIC 21, *Levies*, if incurred separately.

At the same time, the amendments add a new paragraph to PFRS 3 to clarify that contingent assets do not qualify for recognition at the acquisition date.

The amendments are effective for annual reporting periods beginning on or after January 1, 2022 and apply prospectively.

- Amendments to PAS 16, *Property, Plant and Equipment - Proceeds before intended use*

  The amendments prohibit entities deducting from the cost of an item of property, plant and equipment, any proceeds from selling items produced while bringing that asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Instead, an entity recognizes the proceeds from selling such items, and the costs of producing those items, in profit or loss. The amendment is effective for annual reporting periods beginning on or after January 1, 2022 and must be applied retrospectively to items of property, plant and equipment made available for use on or after the beginning of the earliest period presented when the entity first applies the amendment.

  The amendments are not expected to have a material impact on the Company.

- Amendments to PAS 37, *Onerous Contracts - Cost of fulfilling a contract*

  The amendments specify which costs an entity needs to include when assessing whether a contract is onerous or loss-making. The amendments apply a "directly related cost approach". The costs that relate directly to a contract to provide goods or services include both incremental costs and an allocation of costs directly related to contract activities. General and administrative costs do not relate directly to a contract and are excluded unless they are explicitly chargeable to the counterparty under the contract.

  The amendments are effective for annual reporting periods beginning on or after January 1, 2022. The Company will apply these amendments to contracts for which it has not yet fulfilled all its obligations at the beginning of the annual reporting period in which it first applies the amendments.

  The amendments are not expected to have a material impact on the Company.

Effective beginning on or after January 1, 2023

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

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

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

  An entity applies the amendments to transactions that occur on or after the beginning of the earliest comparative period presented for annual reporting periods on or after January 1, 2023.

- Amendments to PAS 8, *Definition of Accounting Estimates*

  The amendments introduce a new definition of accounting estimates and clarify the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors. Also, the amendments clarify that the effects on an accounting estimate of a change in an input or a change in a measurement technique are changes in accounting estimates if they do not result from the correction of prior period errors.

An entity applies the amendments to changes in accounting policies and changes in accounting estimates that occur on or after January 1, 2023 with earlier adoption permitted.

The amendments are not expected to have a material impact to the Company.

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

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

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

  The amendments to the Practice Statement provide non-mandatory guidance. Meanwhile, the amendments to PAS 1 are effective for annual periods beginning on or after January 1, 2023. Early application is permitted as long as this fact is disclosed.

  The amendments are not expected to have a material impact to the Company.

Effective beginning on or after January 1, 2024

- Amendments to PAS 1, *Classification of Liabilities as Current or Non-current*

  The amendments clarify paragraphs 69 to 76 of PAS 1, *Presentation of Financial Statements*, to specify the requirements for classifying liabilities as current or non-current. The amendments clarify:

  - What is meant by a right to defer settlement
  - That a right to defer must exist at the end of the reporting period
  - That classification is unaffected by the likelihood that an entity will exercise its deferral right
  - That only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification

  The amendments are effective for annual reporting periods beginning on or after January 1, 2023 and must be applied retrospectively. However, in November 2021, the International Accounting Standards Board (IASB) tentatively decided to defer the effective date to no earlier than January 1, 2024.

  The Company has yet to assess the impact of these amendments.

Effective beginning on or after January 1, 2025

- PFRS 17, *Insurance Contracts*
  PFRS 17 is a comprehensive new accounting standard for insurance contracts covering recognition and measurement, presentation and disclosure. Once effective, PFRS 17 will replace PFRS 4, *Insurance Contracts*. This new standard on insurance contracts applies to all types of insurance contracts (i.e., life, non-life, direct insurance and re-insurance), regardless of the type of entities that issue them, as well as to certain guarantees and financial instruments with discretionary participation features. A few scope exceptions will apply.

  The overall objective of PFRS 17 is to provide an accounting model for insurance contracts that is more useful and consistent for insurers. In contrast to the requirements in PFRS 4, which are largely based on grandfathering previous local accounting policies, PFRS 17 provides a comprehensive model for insurance contracts, covering all relevant accounting aspects. The core of PFRS 17 is the general model, supplemented by:

- A specific adaptation for contracts with direct participation features (the variable fee approach)
- A simplified approach (the premium allocation approach) mainly for short-duration contracts

In June 2020, PFRS 17 was amended. The amendments are aimed at helping companies implement the standard and making it easier for them to explain their financial performance. PFRS 17 incorporating the amendments is effective from annual reporting periods beginning on or after January 1, 2023.

Amendment to PFRS 17, *Insurance Contracts, Initial Application of PFRS 17* and PFRS 9 - *Comparative Information*

The PFRSC has approved on December 15, 2021 the adoption of amendment to IFRS 17, Insurance Contracts, Initial Application of IFRS 17 and IFRS 9 - Comparative Information issued by the IASB in December 2021 as amendment to PFRS 17, Insurance Contracts, Initial Application of PFRS 17 and PFRS 9 - Comparative Information.

The amendment adds a transition option for a classification overlay to address possible accounting mismatches between financial assets and insurance contract liabilities in the comparative information presented on initial application of PFRS 17.

An entity shall apply this amendment to annual reporting periods beginning on or after January 1, 2023.

On December 15, 2021, the Financial Reporting Standards Council (FRSC) amended the mandatory effective date of PFRS 17 from January 1, 2023 to January 1, 2025. This is consistent with Circular Letter No. 2020-62 issued by the Insurance Commission which deferred the implementation of PFRS 17 by two (2) years after its effective date as decided by the IASB. PFRS 17 is effective for reporting periods beginning on or after January 1, 2025, with comparative figures required. Early application is permitted.

The new standard is not applicable to the Company.

Deferred

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

  The amendments address the conflict between PFRS 10 and PAS 28 in dealing with the loss of control of a subsidiary that is sold or contributed to an associate or joint venture. The amendments clarify that a full gain or loss is recognized when a transfer to an associate or joint venture involves a business as defined in PFRS 3, *Business Combinations*. Any gain or loss resulting from the sale or contribution of assets that does not constitute a business, however, is recognized only to the extent of unrelated investors' interests in the associate or joint venture.

  On January 13, 2016, the Financial Reporting Standards Council postponed the original effective date of January 1, 2016 of the said amendments until the IASB has completed its broader review of the research project on equity accounting that may result in the simplification of accounting for such transactions and of other aspects of accounting for associates and joint ventures.

  The Company has yet to assess the impact of these amendments should there be any applicable transactions and adopted when it is effective.

The management, however, expects no significant impact from the adoption of the new standard and amendments on the Company's financial position and financial performance.

Current versus non-current classification

The Company presents assets and liabilities in the statement of financial position based on current and non-current classification.

An asset is current when it is:

i. Expected to be realized or intended to be sold or consumed in normal operating cycle;
ii. Held primarily for the purpose of trading;
iii. Expected to be realized within twelve months after the financial reporting period; or
iv. Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the financial reporting period.

All other assets are classified as non-current.

A liability is current when:

i. It is expected to be settled in normal operating cycle;
ii. It is held primarily for the purpose of trading;
iii. It is due to be settled within twelve months after the financial reporting period; or
iv. There is no unconditional right to defer the settlement of the liability for at least twelve months after the financial reporting period.

The Company classifies all other liabilities as non-current.

Cash

Cash includes petty cash, cash on hand and in banks. Cash in banks, which are stated at face amount, comprise deposits held at call with banks which earn interest at the prevailing bank deposit rates and are unrestricted as to withdrawal.

Financial instruments

Initial recognition and measurement

A financial asset or a financial liability is recognized in the statement of financial position when the Company becomes a party to the contractual provisions of the instrument.

Financial asset or a financial liability are initially measured at its fair value plus or minus, in the case of a financial asset or a financial liability not at fair value through profit or loss (FVPL), transaction costs that are directly attributable to the acquisition or issue of the financial asset or the financial liability. Except for trade receivables that do not contain a significant financing component or for which the Church has applied the practical expedient are measured at the transaction price determined under IFRS 15.

Financial Assets

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place are recognized on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Classification

Financial assets are classified as subsequently measured at amortized cost, fair value through other comprehensive income or fair value through profit or loss on the basis of both:

(a) the entity's business model for managing the financial assets and
(b) the contractual cash flow characteristics of the financial asset.

A financial asset shall be measured at *fair value through profit or loss* unless it is measured at amortized cost or at fair value through other comprehensive income However an entity may make an irrevocable election at initial recognition for particular investments in *equity instruments* that would otherwise be measured at fair value through profit or loss to present subsequent changes in fair value in other comprehensive income.

Despite of the above classifications, an entity may, at initial recognition, irrevocably designate a financial asset as measured at fair value through profit or loss if doing so eliminates or significantly reduces a measurement or recognition inconsistency (sometimes referred to as an 'accounting mismatch') that would otherwise arise from measuring assets or liabilities or recognizing the gains and losses on them on different bases.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified as follows:

- Financial assets at amortized cost (debt instruments)
- Financial assets at fair value through OCI with recycling of cumulative gains and losses (debt instruments)
- Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)
- Financial assets at fair value through profit or loss

Financial assets at amortized cost (debt instruments)

The Company measures financial assets at amortized cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective 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

Financial assets at amortized cost are subsequently measured using the effective interest (EIR) method and are subject to impairment. Gains and losses are recognized in profit or loss when the asset is derecognized, modified or impaired.

The Company measures a financial asset at amortized cost if both of the following conditions are met:

i. It is held within a business model whose objective is to hold assets to collect contractual cash flows; and
ii. Its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

Financial assets at amortized cost are subsequently measured using the effective interest method and are subject to impairment. Gains and losses are recognized in profit or loss when the asset is derecognized, modified or impaired.

The Company's financial assets at amortized cost as at December 31, 2024 and 2023 include cash, receivables (except for advances to employees) and advance to a related party.

Financial assets at fair value through OCI (debt instruments)

The Company measures debt instruments at fair value through OCI if both of the following conditions are met:

- The financial asset is held within a business model with the objective of both holding to collect contractual cash flows and selling; 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

For debt instruments at fair value through OCI, interest income, foreign exchange revaluation and impairment losses or reversals are recognized in the statement of profit or loss and computed in the same manner as for financial assets measured at amortized cost. The remaining fair value changes are recognized in OCI. Upon derecognition, the cumulative fair value change recognized in OCI is recycled to profit or loss.

The Company does not have financial assets at fair value through OCI (debt instruments) as at December 31, 2024 and 2023.

Financial assets designated at fair value through OCI (equity instruments)

Upon initial recognition, the Company can elect to classify irrevocably its equity investments as equity instruments designated at fair value through OCI when they meet the definition of equity under IAS 32 Financial Instruments: Presentation and are not held for trading. The classification is determined on an instrument-by-instrument basis.

Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognized as other income in the statement of profit or loss when the right of payment has been established, except when the Company benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at fair value through OCI are not subject to impairment assessment.

The Company does not have financial assets at fair value through OCI (equity instruments) as at December 31, 2024 and 2023.

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss include financial assets held for trading, financial assets designated upon initial recognition at fair value through profit or loss, or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments. Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at fair value through profit or loss, irrespective of the business model. Notwithstanding the criteria for debt instruments to be classified at amortized cost or at fair value through OCI, as described above, debt instruments may be designated at fair value through profit or loss on initial recognition if doing so eliminates, or significantly reduces, an accounting mismatch.

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognized in the statement of profit or loss.

The Company does not have financial assets at FVPL as at December 31, 2024 and 2023.

Impairment of financial assets

The Company recognizes an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECLs are 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, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognized in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For trade receivables and contract assets, the Company applies a simplified approach in calculating ECLs. Therefore, the Company does not track changes in credit risk, but instead recognizes a loss allowance based on lifetime ECLs at each reporting date. The Company has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

For debt instruments at fair value through OCI, the Company applies the low credit risk simplification. At every reporting date, the Church evaluates whether the debt instrument is considered to have low credit risk using all reasonable and supportable information that is available without undue cost or effort. In making that evaluation, the Company reassesses the internal credit rating of the debt instrument. In addition, the Company considers that there has been a significant increase in credit risk when contractual payments are more than 30 days past due.

The Company considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Company may also consider a financial asset to be in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Company. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognized (i.e., removed from the Company's statement of financial position) when:

- The rights to receive cash flows from the asset have expired
  Or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company 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 rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognize the transferred asset to the extent of its continuing involvement. In that case, the Company also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Financial liabilities

Financial liabilities are classified as (a) financial liabilities at FVPL (including financial liabilities held for trading and those that are designated at fair value), and (b) other financial liabilities measured at amortized cost.

A financial liability is classified as held for trading if it is acquired or incurred principally for the purpose of selling or repurchasing it in the near term or if it is part of a portfolio of identified financial instruments that are managed together and for which there is evidence of a recent actual pattern of short-term profit taking. Gains and losses arising from changes in the fair value of financial liabilities classified as held for trading are included in profit or loss.

Other financial liabilities pertain to issued financial instruments that are not classified or designated at FVPL and contain contractual obligations to deliver cash or other financial assets to the holder or to settle the obligation other than the exchange of a fixed amount of cash or another financial asset for a fixed number of own equity shares. After initial measurement, other financial liabilities are subsequently measured at amortized cost using the effective interest method.

The Company's financial liabilities include accrued expenses and other payables (except for government liabilities) and advances from related parties.

Derecognition of financial liability

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. 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 the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit or loss.

Classification of financial instruments between debt and equity

Financial instruments are classified as debt or equity in accordance with the substance of the contractual arrangement. Interest, dividends, gains and losses relating to a financial instrument or a component that is a financial liability are reported as income or expense in profit or loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if, and only if, there is a currently enforceable legal right to offset the recognized amounts and there is an 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 statement of financial position.

Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability, or in the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible to the Company.

The fair value of an asset or liability is measured using the assumption that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- 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; and,
- Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Company determines whether transfers have occurred between Levels in the hierarchy by reassessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Property and equipment

The initial cost of property and equipment comprises its purchase price, including any directly attributable costs of bringing the asset to its working condition and location for its intended use. Expenditures incurred after the property and equipment has been put into operation, such as repairs and maintenance, are recognized in profit or loss in the period the costs are incurred. In situations where it can be clearly demonstrated that the expenditures have resulted in an increase in the future economic benefits expected to be obtained from the use of an item of property and equipment beyond its originally assessed standard performance, the expenditures are capitalized as an additional cost of property and equipment.

At the end of each financial reporting period, items of property and equipment are carried at cost less accumulated depreciation and amortization, and any impairment in value.

Depreciation and amortization is computed on a straight-line basis over the following estimated useful lives of the assets:

Furniture and fixtures	2-10 years	Building (Clubhouse/cenacle)	50 years
Heavy equipment	10 years	Building improvements	50 years
Images	5-50 years	Welcome arch	15 years
Tools and equipment	5 years	Road	10 years
Leasehold improvements	shorter of lease term and useful life of 5 years	Road improvements	10 years
		Transportation equipment	10 years

An asset is depreciated or amortized when it is available for use until it is derecognized even if during that period the item is idle. Fully depreciated/amortized assets still in use are retained in the financial statements.

The estimated useful lives, and the depreciation and amortization methods are reviewed when an indication that the expected pattern of consumption of economic benefits associated with an item of property and equipment has significantly changed. When an expectation differs, the useful lives, and the depreciation and amortization methods are changed to reflect the new pattern of consumption. This change is accounted for as a change in accounting estimate.

An asset's carrying amount is written down immediately to its recoverable amount if it is greater than the estimated recoverable amount.

When an item of property and equipment is retired or otherwise disposed of, the cost and related accumulated depreciation and amortization, and any impairment in value are removed from the accounts and any resulting gain or loss arising from the disposal, computed as the difference between the sales proceeds and the carrying amount of the asset, or retirement of an asset is recognized in profit or loss.

Impairment of non-financial assets

An assessment is made at each financial reporting date if there is any indication of impairment of any asset, or if there is any indication that an impairment loss previously recognized for an asset may no longer exist or may have decreased. If any such indication exists, the asset's recoverable amount is estimated.

Among others, the factors that the Company considers important which could trigger an impairment review include the following:

- significant or prolonged decline in fair value of the asset;
- market interest rates or other market rates of return on investments have increased during the period, and those increases are likely to affect the discount rate used in calculating the asset's value in use and decrease the asset's recoverable amount materially;
- significant underperformance relative to expected historical or projected future operating results;
- significant changes in the manner of use of the acquired assets or the strategy for overall business; or
- significant negative industry or economic trends.

If any such indication exists or when an annual impairment testing for an asset is required, the Company makes a formal estimate of the asset's recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. The fair value less costs to sell is the amount obtainable from the sale of the asset in an arm's length transaction. 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.

Whenever the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount and an impairment loss is recognized in profit or loss in the period in which it arises. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount, only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized. Reversals of impairment are recognized in profit or loss. After such reversal, the depreciation or amortization expense is adjusted in future periods to allocate the asset's revised carrying amount on a systematic basis over its remaining life.

Input Value-Added Tax (VAT)

Input VAT is recognized at cost less allowance for impairment, if any.

Accrued expenses and other payables

Accruals are liabilities for goods or services that have been received or supplied but have not been paid, invoiced or formally agreed with the suppliers. It is necessary to estimate the amount or timing of accruals. However, the uncertainty is generally much less than for provisions.

Other payables are recognized in the period in which the related money, goods or services are received or when a legally enforced claim against the Company is established. They are recognized initially at fair value and subsequently measured at amortized cost using effective interest method.

Equity

Financial instruments issued by the Company are classified as equity only to the extent that they do not meet the definition of a financial liability.

The Company's ordinary shares are classified as equity instruments. Share capital is determined using the par value of shares that have been issued. Incremental costs incurred directly attributable to the issuance of new shares are recognized as a deduction from equity, net of tax.

Share premium represents the premium received on the issuance of share capital. Any transaction costs associated with the issuance of shares are deducted from share premium, net of any related income tax benefits.

Retained earnings (Deficit) includes all current and prior period results of operations of the Company as disclosed in the statements of comprehensive income(loss) and statements of changes in equity (capital deficiency).

Revenue recognition

Revenue from contracts with customers is recognized when control of the goods or services is transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services.

Revenue is recognized when the Company satisfies a performance obligation by transferring a promised good or service to the customer, which is when the customer obtains control of the good or service. A performance obligation may be satisfied at a point in time or over time. The amount of revenue recognized is the amount allocated to the satisfied performance obligation.

In addition, the following specific recognition criteria must also be met before interest income is recognized:

Interest income earned on bank deposit, which is presented net of tax withheld by bank, is recognized as the interest accrues on a time proportion basis taking into account the effective yield on the asset or EIR.

Other income is recognized when there is an incidental economic benefit, other than from the usual business operations, that will flow to the Company through an increase in asset or reduction in liability that can be reliably measured.

Expense recognition

The financial statements are prepared on accrual basis of accounting. Under this basis, expenses are recognized when incurred and are reported in the financial statements in the periods to which they relate.

Expenses are recognized in profit or loss when a decrease in future economic benefit related to a decrease in an asset or an increase in a liability has arisen that can be reliably measured.

They are recognized (a) on the basis of a direct association between the costs incurred and the earning of specific items of income; (b) on the basis of systematic and rational allocation procedures when economic benefits are expected to arise over several accounting periods and the association with income can only be broadly or indirectly determined; or (c) immediately when an expenditure produces no future economic benefits or when, and to the extent that, future economic benefits do not qualify, or cease to qualify, for recognition in the statement of financial position as an asset.

Leases

The Company assesses at contract inception whether a contract is, or contains, a lease, i.e., if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Under PFRS 16, a lease exists where the contract grants the right to control the use of an identified asset for a period of time in exchange for consideration. Control over the use of an identified asset for a period of time is conveyed when the customer has both of the following throughout the period of use:

i. The right to obtain substantially all of the economic benefits from use of the identified asset; and
ii. The right to direct the use of the identified asset.

In identifying the leases, lease and some non-lease components shall be accounted separately under applicable standards.

<u>Company as a lessee</u>

For lessees, PFRS 16 removes the classification of leases as either operating or financing and requires that all leases be recognized on the statements of financial position, with certain exemptions allowed:

i. Short-term leases (twelve months or less); and
ii. Leases where the underlying asset, in a new condition, is of low value.

The Company does not recognize right-of-use asset and lease liability considering that the term of its lease agreement is not more than 12 months.

Employee benefits

Short-term benefits

Short-term benefits are recognized as expense in the period when the economic benefits are given. Unpaid benefits at the end of the financial reporting period are recognized as accrued expense while benefits paid in advance are recognized as prepayment to the extent that it will lead to a reduction in future payments. Short-term benefits given by the Company to its employees include salaries and wages, social security contributions, short-term compensated absences, bonuses and other non- monetary benefits.

Provisions and contingencies

Provisions are recognized when (a) the Company has a present obligation (legal or constructive) as a result of a past event; (b) it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and (c) a reliable estimate can be made of the amount of the obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognized as interest expense. Where the Company expects some or all of a provision to be reimbursed, the reimbursement is recognized as a separate asset only when the reimbursement is virtually certain. The expense relating to any provision is charged against profit or loss, net of any reimbursement. Provisions are reviewed at each financial reporting date and adjusted to reflect the current best estimate.

Contingent liabilities are not recognized in the Company's financial statements but are disclosed unless the possibility of an outflow of resources embodying economic benefits is remote.

Contingent assets are not recognized in the Company's financial statements but are disclosed in the notes to financial statements when an inflow of economic benefits is probable.

Income taxes

Provision for income tax represents the sum of the current and deferred taxes.

Current tax

Current tax assets and current tax liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities, determined at the end of every quarter, subject to adjustments at the end of the period when a final adjustment return is filed and the corresponding annual income tax is computed and determined to be recovered or paid.

The tax currently payable is based on taxable income for the period. Taxable income differs from net income (loss) as reported in profit or loss because it excludes items of income or expense that are taxable or deductible in other periods and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated on the basis of the tax rates and tax laws enacted or substantively enacted at the financial reporting date.

Deferred tax

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

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

Deferred tax liabilities are recognized for all taxable temporary differences while deferred tax assets are recognized for all deductible temporary differences, carry forward of unused tax credits from excess minimum corporate income tax (MCIT) over regular corporate income tax (RCIT) and net operating loss carryover (NOLCO), to the extent that it is probable that sufficient taxable income will be available in future periods against which the deductible temporary differences and the carry forward of unused tax credits from excess MCIT over RCIT and unused tax losses from NOLCO can be utilized.

The carrying amount of deferred tax assets is reviewed at the end of each financial reporting period and reduced to the extent that it is no longer probable that sufficient taxable income will be available in future periods to allow the benefit of all or part of the deferred tax assets to be utilized.

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

Current and deferred taxes are recognized as an expense or income in profit or loss, except when they relate to items that are recognized outside profit or loss (whether in OCI or directly in equity account), in which case, the tax is also recognized outside profit or loss.

Related parties

Related party transactions are transfers of resources, services or obligations between the Company and its related parties, regardless of whether a price is charged.

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions. These include: (a) individuals owning, directly or indirectly through one or more intermediaries, control or are controlled by, or under common control with the Company; (b) associates; and (c) individuals owning, directly or indirectly, an interest in the voting power of the Company that gives them significant influence over the Company and close members of the family of any such individual.

Related parties may be individuals or corporate entities. The key management personnel of the Company are also considered to be related parties. In considering each possible related party relationship, attention is directed to the substance of the relationship, and not merely the legal form.

Events after the financial reporting date

Post year-end events up to the date the financial statements are authorized for issue by the BOD that provide additional information about the Company's position at the financial 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.

SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGMENTS

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

Judgments and estimates are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Revision to accounting estimate is recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

Judgments

In the process of applying the Company's accounting policies, management has made the following judgments, apart from those involving estimates, which have the most significant effect on the amounts recognized in the financial statements:

(a) Determining functional currency

Based on the economic substance of the underlying circumstances relevant to the Company, the functional currency has been determined to be the Philippine Peso.

The Company considers the following factors in determining its functional currency:

i. the currency that mainly influences its sale of services and the cost of providing the same;
ii. the currency in which the funds from financing activities are generated; and

iii. the currency in which the receipts from operating activities are usually retained.

(b) Classifying financial instruments

The Company classifies a financial instrument, or its component parts, on initial recognition as a financial asset, a financial liability or an equity instrument in accordance with the substance of the contractual agreement and guidelines set by PAS 32 on the definitions of a financial asset, a financial liability or an equity instrument. The substance of a financial instrument, rather than its legal form, generally governs its classification in the statement of financial position.

The classification of financial assets and financial liabilities is set out in Note 4.

(c) Significant increase of credit risk

ECL is measured as an allowance equal to 12-month ECL or lifetime ECL. An asset moves to the next stage when its credit risk has increased significantly since initial recognition. PFRS 9 does not define what constitutes a significant increase in credit risk. In assessing whether the credit risk of an asset has significantly increased, the Company takes into account qualitative and quantitative reasonable and supportable forward-looking information.

(d) Determining lease term

The Company has entered into lease agreements both as a lessor and as a lessee. As a lessor, the Company has retained all the significant risks and rewards of ownership of the leased property, and thus it accounted for the lease agreements as operating leases.

As a lessee, the Company determines whether there is a need to recognize right-of-use asset and lease liability - on-balance sheet lease under PFRS 16. Judgment is used in determining whether the lease terms will not go beyond twelve months and if it contains underlying assets of low value. In making such judgment, the Company evaluates the terms and conditions of the lease arrangement.

(e) Distinguishing between provisions and contingencies

Judgment is exercised by management to distinguish between provisions and contingencies. Accounting policies on recognition and disclosure of provisions are discussed in Note 2.15. The Company has determined that no contingencies will materially affect its financial statements, hence, no provisions were recognized in 2022 and 2021.

Estimates and assumptions

The following are the key assumptions concerning the future and other key sources of estimation uncertainty at the financial reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets within the next financial year:

(a) Estimating loss allowance for ECL

The Company measures ECL of a financial instrument in a way that reflects an unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes, the time value of money and information about past events, current conditions and forecasts of future economic conditions.

When measuring ECL, the Company uses reasonable and supportable forward-looking information, which is based on assumptions for the future movement of different economic drivers and how these drivers will affect each other. In addition to specific allowance against individually significant loans and receivables, the Company also makes a collective impairment allowance against exposures which, although not specifically identified as requiring a specific allowance, have a greater risk of default than when originally granted. This level of allowance is based on the status of the accounts receivable, past collection experience and other factors that may affect collectibility.

There is no allowance for impairment recognized on the Company's receivables as at December 31, 2024 and 2023 (see Notes 6 and 10).

(b) *Estimating useful lives of property and equipment*

The Company estimates the useful lives of property and equipment based on the period over which these assets are expected to be available for use. The estimated useful lives are reviewed at least annually and are updated if expectations differ from previous estimates due to physical wear and tear, and technological obsolescence on the use of these assets. In addition, the estimation of the useful lives of property and equipment is based on collective assessment of industry practice, internal technical evaluation and experience with similar assets. It is possible, however, that future results of operations could be materially affected by changes in estimates brought about by changes in the factors mentioned. The amounts and timing of recorded expenses for any period would be affected by changes in these factors and circumstances. A reduction in the estimated useful lives of property and equipment would decrease the total assets and increase recorded expenses.

The net carrying value of property and equipment amounted to P461,672,645 and P473,471,221 as at December 31, 2024 and 2023, respectively. Accumulated depreciation and amortization amounted to P73,468,326 and P61,136,101 as at December 31, 2024 and 2023, respectively (see Note 7). There is no change in the estimated useful lives of these assets in 2024 and 2023.

(c) *Recognizing deferred tax asset*

Management reviews the carrying amount of deferred tax asset at each financial reporting date and reduces the same to the extent that it is no longer probable that sufficient taxable income will be available in future periods to allow all or part of the deferred tax asset to be utilized.

Key Performance Indicators

The company monitors its performance and benchmarks itself to prior years' results in terms of the following indicators:

End-Q3 2025 vs End-Q3 2024

	YTD September 30, 2025	*YTD September 30, 2024*
Return on assets[1]	(0.02%)	(0.03%)
Return on equity[2]	(0.04%)	(0.12%)
Earnings per share[3]	(0.021%)	(0.045%)
	As of September 30, 2025	*As of December 31, 2024*
Current ratio[4]	0.02 : 1:00	0.02 : 1:00
Debt-to-Equity ratio[5]	1.38 : 1:00	1.39: 1:00
Tangible net worth[6]	P215,155,842	P216,468,213

[1]net income/average total assets
[2]net income/ stockholder's equity
[3]net income/number of shares outstanding
[4]current assets/current liabilities
[5]total liabilities/stockholder's equity
[6]net worth minus intangible assets

The negative return on assets and negative return on equity were due to the net loss for the period.

Debt-to-equity ratio decreased due to decrease in liabilities.

FY 2024 vs FY 2023

	2024	2023
Gross income	399,848	1,692,953
Net income (loss)	25,003,326)	(20,639,866)
NI-to-Assets ratio[1]	(0.048)	(0.039)
Current ratio[2]	0.02	0.01
Debt-to-Equity ratio[3]	1.39	2.69
Tangible net worth[4]	216,468,213	142,566,538

The company registered net loss for both comparative periods.

The company's current ratio decreased from .01 to .02, still below desirable levels. To provide liquidity, the company remains dependent on parent company advances. The company also has an existing credit line with Philippine Business Bank (PBB) on which it may choose to draw. Liquidity is expected to improve once the company fully realizes the consequences of the reopening of the complex.

Debt-to-equity ratio decreased as a result of a reduction in liabilities.

The company intends to eventually acquire by either merger or share swap the land on which the company is developing the religious-themed complex. This will improve net worth.

The company has no subsidiaries.

Financial Condition

MAPI generates sources of liquidity by selling shares and obtaining advances from affiliate.

<u>Causes of material changes in Financial Positions Accounts</u>

End-Q3 2025 vs End 2024

Cash decreased by 8% due to payment of documentary stamps and other expenses; while accounts receivable increased by 100% due to unliquidated advances to officers and staff.

End-2024 vs End-2023

Cash in bank increased 82% due to payments received for shares.

Accounts payable decreased 75% due to conversion of liabilities to creditors into shares

Operating Results

End-Q3 2025 vs End-Q3 2024

At the end of the third quarter of 2025, the Company incurred a year-to-date pre-operating net loss of ₱9,127,370, which is 40% lower than the net loss of ₱15,201,465 recorded for the same period in 2024. The Company has since reopened the pilgrimage complex.

Full year 2024 vs. Full year 2023

Net loss for the year was P25 million, an increase of more than P4.0 million from the previous year's figure of P20.1 million. The increase for net loss for fiscal year 2024 compared to 2023 was due to increase in expenses.

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[1] Net income/total assets
[2] Current assets/current liabilities
[3] Total liabilities/total equity
[4] Assets minus liabilities

Causes of material changes in Statements of Comprehensive Income Accounts

End-Q3 2025 vs End-Q3 2024

Notable expense variances are as follows: professional fees increased by 6% due to salary adjustments; taxes and licenses rose by 6%; employees' healthcare benefits increased by 82% due to higher annual premiums. Fuel, oil and lubricants went up by 7%, while repairs and maintenance increased by 17% due to the repair of a service vehicle. Representation expenses rose by 26%, and travel and transportation expenses doubled, both driven by increased travel by officers and staff. Heat, light and power increased by 43%, while postage, telephone and communication costs rose by 8%.

Other expenses also doubled, primarily due to donations made to the relatives of a deceased staff member.

Conversely, certain expense items decreased: commission declined by 98% due to fewer share sales; salaries, wages and allowances decreased by 10% following the passing of one staff member; office supplies dropped by 79%; and advertising fell by 85% due to cost-cutting measures.

FY 2024 vs FY 2023

Commission increased 52-fold due to increased sale of shares and payment of commissions for said sale.

Taxes and licenses increased 162% due to payment of documentary stamp tax on share issuance and of real property taxes on the shrine.

Janitorial and maintenance services increased 39% due to salary increases.

Office supplies and advertising increased due to resumption of activities upon the reopening of the shrine.

Professional fees increased 15% due to increase in compensation of an officer.

Directors' fees decreased since there were fewer board meetings.

Security services and heat, light & power decreased 100% and 78%, respectively, since all or the bulk of these were shouldered by an affiliate company.

Travel and transportation decreased 79% due to decrease in travel of officers and staff.

Representation decreased 97% due to cost cutting.

Additional notes regarding the company's operations and financial condition

The company does not have and does not anticipate having within the next twelve (12) months any cash flow or liquidity problems. Neither is the company in default or breach of any note, loan, lease, or other indebtedness or financing arrangement requiring it to make payments, nor does the company have a significant amount of trade payables unpaid within the stated trade terms.

To the best of the company's knowledge there are no events that will trigger direct or contingent financial obligations that is material to the company, including any default or acceleration of an obligation.

The company has no material off-balance sheet transactions, arrangements, obligations (including contingent obligations), and other relationships with unconsolidated entities or other persons created during the reporting period.

The company generates sources of liquidity by selling shares, obtaining advances from affiliate, obtaining bank loans, and pre-termination of cash placements.

The company has no material commitments for capital expenditures during the reporting period.

The company may be subject to seasonality or cyclicality in its revenues given the nature of its business. The company provides for such seasonality or cyclicality by managing its cash flow, thereby anticipating cash requirements during lean months.

Financial Risk Management

The Company's activities expose it to a variety of financial risks, namely (a) credit risk, (b) liquidity risk, and (c) interest rate risk.

Similar to all other businesses, the Company is exposed to risks that arise from its use of financial instruments. This note describes the Company's objectives, policies and processes for managing those risks and the methods used to measure them. Further, quantitative information in respect of these risks is presented throughout these financial statements.

There have been no significant changes to the Company's exposure to financial instrument risks, its objectives, policies and processes for managing those risks or the methods used to measure them from previous periods unless otherwise stated in this note.

General objectives, policies and processes

The BOD has overall responsibility for the Company's financial risk management, which includes establishment and approval of risk strategies, policies and limits. The main objective of the financial risk management is to minimize the adverse impact of financial risks on the Company's financial performance and financial position due to the unpredictability of financial markets.

The main risks arising from the Company's use of financial instruments are summarized as follows:

Credit risk

Credit risk is the risk where a counterparty defaults on its obligation to the Company, thus, resulting in a financial loss to the Company.

Liquidity Risk

Liquidity risk pertains to the company not being able to meet its financial obligations as they fall due.

The liquidity gap will be covered by drawings pursuant to a credit line agreement between Abacore Capital Holdings, Inc. and Philippine Business Bank. The credit line is for the exclusive use in the construction of facilities for Montemaria project. Under the said agreement, the Company may draw an amount not exceeding P100 million. The said amount shall be available from time to time and for such purposes as may be approved by the bank. The credit line is a revolving and continuing credit line. All drawings and availments under the credit line shall be evidenced by a promissory note which will contain such terms and conditions as the interest rate, payment period and default penalty on past due obligation. The agreement contains the standard provisions on default.

IV. Nature and Scope of Business

Montemaria Asia Pilgrims, Inc. (MAPI) was incorporated on 12 April 2013 as a non-profit stock corporation. At incorporation its capital stock consisted of 5,000 Proprietary shares and 20,000 Associate shares, all without par value. The company has since increased its authorized capital stock from 5,000 to 15,000 Proprietary shares and from 20,000 to 50,000 Associate shares. The increase was approved by the Securities and Exchange Commission on 29 January 2014 and 28 July 2015. The Offer Shares will be sold at the price of P100,000.00 per share for Proprietary shares and P20,000.00 per share for Associate shares. On 6 November 2014 the Securities and Exchange Commission rendered effective MAPI's Registration Statement covering above mentioned shares. On 8 April 2015 the SEC issued the Order of Registration and the Certificate of Permit to Offer Securities for Sale for the said shares.

MAPI, as a membership club, is envisioned as a religious-themed destination and venue for spiritual pilgrimage for its members/shareholders. Such pilgrimage is conceptualized as a package that has devotional, cultural, family, mental and psychic wellness dimensions. Facilities are designed to cater to these dimensions of the spiritual pilgrimage. The club, in other words, will be a venue for religious tourism in a broad sense. This includes not only retreats, devotional activities and spiritual conferences but also the usual family celebrations on the occasion of birthdays, weddings, baptisms and anniversaries, except that these celebrations take on the character of a family celebration of an extended Christian family, very typical of Filipino families. The architectural design of the whole development is meant to provide the proper ambience for this type of religious tourism: facilities blend neatly into the serene landscape, at any point of which one has a view of the calm waters surrounding the property, including the Verde Island Passage.

The Club's facilities shall be for the exclusive use of its members/shareholders and their spouses, dependents and guests. Proprietary members/shareholders are entitled to use the recreational and other facilities of the Club and enjoy all the other privileges of Club members/shareholders and the exclusive use and disposition of one (1) memorial vault. Associate members/shareholders are entitled to use the recreational and other facilities of the Club and enjoy such privileges of Club members/shareholders as may be granted by the Board, except the use and disposition of a memorial vault. Members/shareholders are expected to promptly settle their monthly dues and other charges and fulfill their obligations in accordance with the Rules and Regulations of the Club.

Competition

The company will be competing, on one hand, with restaurants and hotels, such as Hotel Ponte Fino and Days Hotel, in the Batangas area for dining facilities and venues for functions. The company's dining and functions facilities will be competitive in terms of price, as it will enjoy economies of scale by sharing facilities with Alpa Hotel, its affiliate; and service, since no other venue offers a spiritual package combined with a homey ambience enhanced by natural view of the sea.

The company will also be competing with entities located in the Batangas area that provide recreational facilities such as golf courses or diving resorts. The company will be able to hold its own against these entities since the company offers a different kind of recreation that is more of the family-oriented and spiritual kind at a price that is comparable or even lower than what these entities charge since the Registrant can obtain subsidies for spiritual conferences or retreats.

Customers

The customer base for the business of the Company consists in local and foreign guests, with special emphasis on travelers and tourists who live in the Southern part of Luzon. The Company is therefore not dependent on a single or a few customers.

The main customers of MAPI will be its members/shareholders, the number of which will depend on the Offer Shares sold. The number of members/shareholders may affect the pricing of the food and services and may cause dependence on the continued patronage of a few customers to sustain MAPI's operations. MAPI has no major existing sales contracts.

V. Business Experience of Directors, Nominees for Director, and Executive Officers during the past five (5) years

Hermilando I. Mandanas (81 years old, Filipino), is a Director of the company since April 12, 2013 and currently Chairman of MAPI, he is Vice-Governor of the Province of Batangas, having previously served as governor for the years 1995 up to 2004 and 2016 to 2025. He also served for three terms as 2nd District Representative of the Province of Batangas. He is a Certified Public Accountant and Investment Banker.

Ernesto I, Mandanas, Jr.(78 years old, Filipino), is a Director of the company since 2017 and currently President. He is a Roman Catholic priest of the Archdiocese of Lipa. He also serves as member of the Board of Advisers of Stonyhurst Southville International School and of the Board of Trustees of Bishop Alfredo Ma. Obviar Foundation. He has a doctorate in canon law.

Arturo V. Magtibay (76 years old, Filipino), is a Director of the company since April 12, 2013 and currently Vice President-Facilities. He was the Provincial Engineer of Batangas from 1996 to 2007. He was also Assistant Professor III and Chairman of the College of Engineering of the University of Batangas. He is a licensed Civil Engineer with a wide experience in construction projects. He obtained his degree of Bachelor of Science in Civil Engineering from the Mapua Institute of Technology. He is the Chairman/President of Omnicor Industrial Estate & Realty Center, Inc., HIM Management & Associates, Inc., Calatagan Aqua Farms, Inc. and Hedge Integrated Management Group, Inc.

Iluminado B. Montemayor (77 years old, Filipino), is a Director of the company since April 12, 2013 and currently Vice President-Internal Audit, is also a member of the Board of Directors of Abacore Capital Holdings, Inc., Philippine Regional Investment Development Corporation and Abacus Global Technovisions, Inc.. He finished BS Commerce at the De La Salle University.

Arnold R.A. Gutierrez (57 years old, Filipino), is a Director of the company since April 12, 2013 and currently Chief Operations Officer/Executive Vice-President, was General Manager of the Batangas Port Livelihood Center from 2004 to 2007. He also served as Executive Assistant to the Provincial Governor of Batangas from 2001 to 2004. He finished his Bachelor of Arts Degree in Political Science at the De La Salle University. He is a director of Omnicor Industrial Estate & Realty Center, Inc. and director/Senior Vice-President for Projects of Abacore Capital Holdings, Inc.

Ma. Isabel B. Bejasa (67 years old, Filipino), is a Director of the company since April 12, 2013 and currently Treasurer, is an incorporator/President of Blue Stock Development Holdings, Inc. (BSDHI), the parent company of AbaGT, and has been a director of BSDHI since 1982. Since 1995 she has also been part of the management team of the Alpa Hotel and Batangan Plaza, two well known hotels located in Batangas City which AbaGT acquired in August 2007. She is the former Treasurer of Omnicor Industrial Estate & Realty Center, Inc., HIM Management & Associates, Inc. and Calatagan Aqua Farms, Inc.

Ma. Filomena R. Legaspi-Rosales (70 years old, Filipino), is a Director of the company since October 6, 2022, Atty. Legaspi-Rosales has decades of experience serving in national and local government agencies, structuring complex real estate transactions, and rendering legal advice. Her legal expertise and relationships in the community have given her multiple opportunities to assist clients in overcoming the challenges of multiple deals. Atty. Legaspi-Rosales' legal practice focuses on real estate; general corporate representations; trusts and estates; regulatory and administrative law. She has worked with the Cagayan Economic Zone Authority, Subic Bay Metropolitan Authority, Bureau of Food and Drugs, Commission on Human Rights, and many others. She was also the Barangay Captain of Dasmarinas Village, Makati. She has been serving Santuario de San Antonio as a Lector/Commentator for over 25 years. She is the Founding Partner of Legaspi Rosales Law Office as well as the President of the Ateneo Law Alumni Association Inc. and Rafel Realty & Development Corp. Atty. Legaspi-Rosales finished her Bachelor of Laws at the Ateneo Law School.

Ricardo C. Leong (91 *years old, Filipino*), is a Director of the company since 2020. He is a director of Flexo Manufacturing Corporation and Sinophil Corporation and a member of the Advisory Board of Equitable PCI Bank. He obtained his Bachelor of Science Degree in Mathematics from Fordham University, New York.

*Mary Jane M. Rodriguez (*50 years old, Filipino) nominee for Director, is a Certified Public Accountant (CPA) duly registered with the Philippine Regulation Commission/Board of Accountancy, with experience in professional consultancy for finance and tax matters. Her experience in business spans a wife array of industries including Holding companies, Investments Houses, Real Estate Development, Manufacturing, Trading and Distribution, Shipping and Transport, Mining, Not-for-profit Organizations, and professional services. She is accredited as an auditor by the Professional Regulation Commission (PRC), the Securities Exchange Commission (SEC), and the Bureau of Internal Revenue (BIR). Mary Jane is a member of several professional societies, including the Philippine Institute of Public Accountants (PICPA), Certified Management Accountants (CMA), Certified Financial Consultants (CFC), and the Chartered Association of Business Administration (CABA). She continues her professional education by attending various seminars, focusing on Philippine Financial Reporting Standards, corporate governance, and updates on tax laws and regulations.

Antonio V.F. Gregorio III (53 years old, Filipino), is a Director of the company since 2018, has been Chairman and President of various listed companies such as Nihao Mineral Resources, Asia Best Group, lodestar Investment and Holding Corporation. He graduated, Second Honors, with a Juris Doctor Degree from the Ateneo de Manila University in 1998 and passed the bar examinations in 1999. He also has a Bachelor of Science Major in Management Engineering and a Bachelor of Arts Major in Economics-Honors, both from the Ateneo de Manila University, Honorable Mention and Cum Laude, respectively. He was valedictorian of his high school class in Ateneo. Atty. Gregorio is a partner of Gregorio Law Offices and sits as director and officer of various private and public companies, including AGP Industrial Corporation, Active Earnings, Inc., among other companies.

Jackson L. Laureano (63 years old, Filipino), is a Director of the company since 2019, serves as Chairman/President of the Fitrite Inc. and Holrite International Corporation from 2008 to present. Mr. Laureano serves also as member of the Board of Director of Ancal Development & Investment Corporation and Holsum Foods, Inc. from 2008 to present.

Jose O. Pastor Jr. (61 years old, Filipino), is a Director of the company elected on December 5, 2024. He was a teacher in Southridge School for Boys 1989-91, Teacher of English as a Foreign Language (TOEFL) 1992-1994, Provincial Information Officer 1995, Professor Pablo Borbon Memorial Institute of Technology 1996-1998, General Manager/Proprietor GV Broadcasting Inc. 1999-2011, Manager/Owner E xManuela Realty Inc. 2016 to present, General Services Department Head 2017-2018. He graduated BS Psychology in Colegio de San Juan de Letran.

Bernardo M. Villegas (86 years old, Filipino), is a Director of the company since December 15, 2017, nominee for independent director. He is Senior Vice President of the University of Asia and the Pacific, Educational Consultant of the Parents for Education Foundation Inc. ("PAREF"), and a columnist for the Manila Bulletin. He has been the Chairman of Filipino Fund Inc. since June 2012 and serves as Independent Director of Benguet Corp., Director of Alaska Milk Corp., Bank of the Philippine Islands, Transnational Diversified Inc., Insular Life Assurance Company, Ltd. He was a member of the 1986 Constitutional Commission and is a well-known economist. He obtained his PhD in Economics from Harvard University.

Omar T. Cruz (70 years old, Filipino), is a Director of the company since December 17, 2019, nominee for independent director, serves as Chairman, International Treasury Committee of International Association of Financial Executive Institute from 2015 - 2017. Mr. Cruz serves as Senior Advisor of Prudential Corporation Asia (HK) from 2014 - 2016. He served as EVP and Chief Investment Officer and then President and Chief Executive Officer of BPI Philam Life Assurance Corporation from 2007 to 2011 and 2011 to 2013, respectively. He served as a Director of PHINMA Corporation until November 6, 2013. He served as Director of Union Galvasteel Corporation, Philamlife Company and BPI PhilamLIfe Assurance Corporation.

Clarita T. Zarraga (85 years old, Filipino), is a Director of the company elected on September 01, 2023, nominee for independent director. She is currently the President of BOSS, Inc., a management services outsourcing company. She previously served as President of Abacore Capital Holdings, Inc. when it was still called Abacus Consolidated Resources and Holdings, Inc. (ACRHI), a position she held until her retirement in 2009. For some years after her retirement from ACRHI she served in the Board of some of ACRHI's related companies, a position she has since relinquished. A Certified Public Accountant and licensed real estate broker, she has extensive experience in management, accounting and real estate business.

Vicente Rafael L. Rosales (41 years old, Filipino), joined in the company since January 30, 2017 as Corporate Secretary, works as a Professor at Lyceum Law School where he teaches Partnership, Agency and Trusts. In 2011-2013, Atty. Rosales was a Delegate to the National Conference for the Revision of the Rules of Civil Procedure working with the Pre-Trial to Trial working Group under Supreme Court Justice Roberto A. Abad. He also worked as a consultant to the Sangguniang Kabataan of Dasmariñas Village, Makati City and was the Sole Philippine Representative to the First United Nations World Youth Assembly for Road Safety at the United Nations, Geneva Switzerland in April of 2007. He is a partner at Legaspi Rosales Law office and a Director and Corporate Secretary of Rafel Realty & Development Corporation. He finished his Juris Doctor at the Ateneo Law School.

V. Compliance with leading practices of Corporate Governance
Company's Board of Directors approved its Manual on Corporate Governance on 11June 2013 and filed with the SEC a certified copy of the Manual on 22 January 2009. Company's Compliance Officer is tasked to monitor compliance with Philippine SEC Memorandum Circular No. 2 dated April 5, 2002 and the relevant Philippine SEC Circulars on Corporate Governance.

An amended Manual on Corporate Governance was approved by the Board of Directors on 17 January 2014 and filed with the SEC on the same date. On 17 January 2014, the company adopted a Revised Corporate Governance Manual and submitted a copy thereof to the SEC. In the revised manual the company incorporated the pertinent changes in the SEC's Revised Code of Corporate Governance (SEC Memorandum Circular No. 6, Series of 2009). Registrant has likewise filed its further revised Manual of Corporate Governance in compliance with SEC Memorandum Circular No. 9, Series of 2014.

Pursuant to SEC MC 24, the Corporation submits the following reports to the SEC:

1. Certification of its Compliance Officer on its compliance with the Revised Code of Corporate Governance; and
2. Certification of its Corporate Secretary on the record of attendance in board meetings for the previous year.

The Corporation substantially complies with best practices in Corporate Governance and as part of its report submits a report card on self governance.

Board Committees

The company's independent directors were elected during the 05 December 2024 Annual Stockholders' Meeting. During the 05 December 2024 annual stockholders' meeting the Board will be appointing the members of the Nomination Committee, Audit Committee and Compensation, Risk and Renumeration Committee for the succeeding period pursuant to the company's Corporate Governance Manual.

Evaluation System

MAPI makes use of the template provided in the Corporate Governance Self-Rating Form adopted pursuant to SEC Memorandum Circular No.5, Series of 2003 to determine the level of compliance of the Board of Directors and top level management with the Manual on Corporate Governance.

Compliance with Corporate Governance Best Practices

MAPI provides opportunities to its directors, officers and employees to undergo training in the leading practices of corporate governance. The Board of Directors evaluates, and tries to improve upon, as appropriate, its corporate governance principles and policies in the following areas:

- compliance with laws, rules and regulations;
- conflicts of interest;
- insider trading;
- corporate opportunities;
- competition and fair dealing;
- health and safety;
- record keeping;
- confidentiality;
- protection and proper use of company assets; and
- payments to government personnel.

Deviations from Manual on Corporate Governance

To date there have been no substantive or major deviations from MAPI's Manual on Corporate Governance.

Plans to improve corporate governance

The Company is planning to conduct in-house training seminars and conferences to enable its directors, officers and employees to assimilate good corporate governance practices.

VI. Market Price and Dividends

Market Price

There is no established exchange or market for the company's shares.
Holders

As of September 30, 2025 the company has 403 shareholders. The top 20 shareholders are as follows:

Name of Shareholder	Proprietary shares	Percent of class	Associate shares	Percent of class
Omnicor Industrial Estate &Realty Center, Inc.	4,659	44.42%	7,319	34.98%
Hedge Integrated Management Group, Inc. (HIMGI)	2,178	20.76	9,990	47.74%
Roman Catholic Archbishop of Lipa	1,000	9.53%		
Total Consolidated Asset Mgt, Inc.	948	9.04%		
HIM Management & Associates, Inc.	404	3.85%	2,343	11.20%
Calatagan Aqua Farms, Inc.	187	1.78%	1,159	5.53%
Fil-Homes Realty Dev't. Corp.	250	2.38%		
STI Education Services	161	1.53%		
Maynilad Cultural Foundation, Inc.	150	1.43%		
Cynthia G. Poligono	30	0.29%	-	-
Ramon Arnaiz	30	0.29%		
360 Degrees Marketing & Services Industry, Inc.	30	0.29%		
DionisioTopacio	10	0.10%		
Mary Ann A. Bascon	6	0.06%	-	-
Dionisio V. Torreja	5	0.05%	-	-
Maricris Torreja	5	0.05%	-	-
Dante D. Hega	5	0.05%	-	-
Danilo de Castro Cruz	5	0.05%		
Wilcon Builder's Depot, Inc.	4	0.04%		
Romulo M. Geron	3	0.03%		
Vivian Delica	3	0.03%		
Dean R. Cambe	3	0.03%		
Rolly Dy Tan	3	0.03%		
Romina Glestine Dy Tan	3	0.03%		
Royce Glester Dy Tan	3	0.03%		
Formalum Industries, Inc	2	0.02%		
Narcisa Ebite Gamier	2	0.02%		
Efren Mandigma	2	0.02%		
Rosalina Mandigma	2	0.02%		
Jonas Juan U. Gutierrez	2	0.02%		
Marlyn B. Pagsinohin	2	0.02%		
Florante B. Gutierrez	2	0.02%		
Harold Janda	2	0.02%		
Reynante Delica	2	0.02%		
Miguelito de Guia	2	0.02%		
Noel L. Camo	2	0.02%		
Noel B. de Leon	2	0.02%		

Ariel R. Catibog	2	0.02%		
Loida M. Catibog	2	0.02%		
Lucia A. Mandigma	2	0.02%		
Zoraida B. Gainza	2	0.02%		
Ramon T. Balotoc	2	0.02%		
Nila P. Sarmiento	2	0.02%		
Margarita Emelyn B. Villamor	2	0.02%		
Marife C. Manongsong	2	0.02%		
Anna Louisa L. Cauntay	2	0.02%		
Jeanina Faye C. de los Reyes	2	0.02%		
Lyn P. Garde	2	0.02%		
Ruel Mendoza Dinglasan	2	0.02%		
Rolando C. Castillo	2	0.02%		
Dante P. Solis	2	0.02%		
Joenald M. Rayos			2	0.01%
Carolina Villamor			2	0.01%
Raquel J. de los Reyes			2	0.01%
Joel D. Javier			2	0.01%
Hermilando I. Mandanas	1	0.01%	1	<0.005%
Ma. Filomena Legaspi-Rosales	1	0.01%	1	<0.005%
Arturo V. Magtibay	1	0.01%	1	<0.005%
Iluminado B. Montemayor	1	0.01%	1	<0.005%
Ricardo C. Leong	1	0.01%	1	<0.005%
Arnold R.A. Gutierrez	2	0.01%	1	<0.005%
Ma. Isabel B. Bejasa	1	0.01%	1	<0.005%
Rodrigo C. Reyes	1	0.01%	1	<0.005%
Antonio V.F. Gregorio III	1	0.01%	1	<0.005%
Raul B. de Mesa	1	0.01%	1	<0.005%
Jackson Laureano	1	0.01%	1	<0.005%
Bernardo M. Villegas	1	0.01%		
Clarita T. Zarraga	1	0.01%		
Omar T. Cruz	1	0.01%		
Ernesto I. Mandanas	1	0.01%		
Vicente Rafael L. Rosales	1	0.01%		
TOTAL	10,154	96.81%	20,832	99.665%

Unissued shares consist of the following:

4,511	Proprietary shares
29,077	Associate shares

Unissued shares will be sold to the public. Hence, the number of holders of company's shares is expected to increase.

<u>Recent Sales of Unregistered or Exempt Securities, including Recent Issuance of Securities Constituting an Exempt Transaction</u>

On 29 January 2014,the SEC approved the company's increase of capital stock from 5,000 to 7,500 proprietary shares and from 20,000 to 30,000 associate shares. All the proprietary and associate shares from the increase of capital stock were issued at an issue value of P10,000 and P1,000 per share, respectively.

On 21 March 2014, the company's Board of Directors and stockholders approved the additional issuance of 428 Proprietary shares and 856 Associate shares to existing stockholders. These issuances are exempt transactions.

On 28 July 2015, the SEC approved the company's additional increase of capital stock from 7,500 to 15,000 proprietary shares and from 30,000 to 50,000 associate shares. All the proprietary and associate shares from the additional increase of capital stock were issued at an issue value of P10,000 and P1,000 per share, respectively.

Dividends

The company is a non-profit stock corporation. There will be no distribution of dividends.

THE COMPANY UNDERTAKES TO FURNISH ANY STOCKHOLDER, UPON WRITTEN REQUEST, COPY OF **THE COMPANY'S ANNUAL REPO**RT (SEC FORM 17-A) FREE OF CHARGE. WRITTEN REQUESTS MUST BE ADDRESSED TO THE FOLLOWING:

MONTEMARIA ASIA PILGRIMS, INC.
Alpa Hotel, Tolentino Road, Kumintang Ibaba, Batangas City 4200

Attention: VICENTE RAFAEL L. ROSALES
Corporate Secretary

The following document has been received:

Receiving: RICHMOND CARLOS AGTARAP
Receipt Date and Time: April 15, 2025 02:08:30 PM

Company Information

SEC Registration No.: CS201307234
Company Name: MONTEMARIA ASIA PILGRIMS, INC.
Industry Classification: O93099
Company Type: Stock Corporation

Document Information

Document ID: OST10415202583173756
Document Type: ANNUAL_REPORT
Document Code: SEC_Form_17-A
Period Covered: December 31, 2024
Submission Type: Original Filing
Remarks: WITH FS

Acceptance of this document is subject to review of forms and contents

COVER SHEET
for
AUDITED FINANCIAL STATEMENTS

SEC Registration Number

C	S	2	0	1	3	0	7	2	3	4

Company Name

MONTEMARIA ASIA PILGRIMS, INC.

Principal Office (No./Street/Barangay/City/Town)Province)

ALPA HOTEL, TOLENTINO ROAD

KUMINTANG IBABA, BATANGAS CITY

Form Type	Department requiring the report	Secondary License Type, If Applicable
AAFS	CRMD	SRC, Secs. 8 & 12

COMPANY INFORMATION

Company's Email Address	Company's Telephone Number/s	Mobile Number
mapi.041213@gmail.com	(02)8725-7875	N/A

No. of Stockholders	Annual Meeting Month/Day	Fiscal Year Month/Day
371	Nov/2nd Wed	31-Dec

CONTACT PERSON INFORMATION

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

Name of Contact Person	Email Address	Telephone Number/s	Mobile Number
Atty. Vicente L. Rosales	vicentelrosales@gmail.com	(02)8724-3759	09175372080

Contact Person's Address

135 J.P. Rizal St.,Milagrosa, Quezon City

***Note** : 1. In case of death, resgination 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 do do so shall cause the delay in updating the corporation's records with the Commission and/or non-receipt of Notice of Deficiencies. Further, non-receipt of Notice of Deficiencies shall not excuse the corporation from liability for its deficiencies.

STATEMENT OF MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL STATEMENTS

The management of **MONTEMARIA ASIA PILGRIMS, INC.** is responsible for the preparation and fair presentation of the financial statements including the schedules attached therein, for the years ended December 31, 2024 and 2023, 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 for overseeing the Company's financial reporting process.

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

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

HERMILANDO I. MANDANAS
Chairman of the Board

F. Ernesto I. Mandanas, Jr.
ERNESTO I. MANDANAS JR.
President

MA. ISABEL B. BEJASA
Treasurer

Signed this 18th day of March 2025

BATANGAS OFFICE
The Alpa Hotel
Kumintang Ibaba
Batangas City 4200
Philippines
+63.43.723.7701
+63.43.702.3545

FIELD OFFICE
Cenacle @ Montemaria
Pagkilatan
Batangas City 4200
Philippines
+63.43.706.4841
+63.43.706.4842

MANILA OFFICE
No. 28 N. Domingo St.
New Manila
Quezon City 1112
Philippines
+63.2.724.4355
+63.2.724.3290

SUBSCRIBED AND SWORN to before me this ______ day of APR 1 5 2025, 2025.
Affiants exhibited to me their identification documents, as follows:

NAMES	IDENTIFICATION DOCUMENT	PARTICULARS
Hermilando I. Mandanas	Passport No. P6433331A	Valid until 03.14.2028
Ernesto I. Mandanas Jr.	Phil. Passport No. P8967483A	Valid until 09.30.2028
Ma. Isabel B. Bejasa	UMID No.006-0073-5295-9	Lifetime

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Page No. 82
Book No. XLVII
Series of 2025

ATTY. BRYAN G. PEKAS
Notary Public for Quezon City
Valid until December 31, 2025
Roll of Attorney No. 66393
IBP No. 491739/Jan. 2, 2025, Q.C.
Admin Matter No. NP-317 / TIN 289-467-753
PTR No. 10095447/01-02-2025, Marikina City
MCLE Compliance No. VII-0025903, 01-30-2023
603 EDSA Diamond Finance Bldg. Brgy. SMDP Cubao, Q.C.

Gmail

Montemaria Asia Pilgrims, Inc <mapi.041213@gmail.com>

Your BIR AFS eSubmission uploads were received

eafs@bir.gov.ph <eafs@bir.gov.ph> Mon, Apr 14, 2025 at 10:52 AM
To: MAPI.041213@gmail.com
Cc: MAPI.041213@gmail.com

Hi MONTEMARIA ASIA PILGRIMS, INC.,

Valid files

- EAFS008512584ITRTY122024.pdf
- EAFS008512584AFSTY122024.pdf

Invalid file

- <None>

Transaction Code: **AFS-0-9JJDD9C508AK89ELAQQSVSPYX06998J7FE**
Submission Date/Time: **Apr 14, 2025 10:52 AM**
Company TIN: **008-512-584**

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- The submitted forms, documents and attachments are complete, truthful and correct based on the personal knowledge and the same are from authentic records;
- The submission is without prejudice to the right of the BIR to require additional document, if any, for completion and verification purposes;
- The hard copies of the documents submitted through this facility shall be submitted when required by the BIR in the event of audit/investigation and/or for any other legal purpose.

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CJV Building 108 Aguirre Street, Legaspi Village, Makati City, Philippines

Branches:
Cebu and Davao

Phone: (632) 8892-5931 to 35
(632) 8519-2105
Fax: (632) 8819-1468
E-mail: rmcgroup@vacpa.ph
BOA/PRC Reg. No. 0314
SEC Accreditation No. 0314-SEC

INDEPENDENT AUDITOR'S REPORT

The Board of Directors
MONTEMARIA ASIA PILGRIMS, INC.
Alpa Hotel Tolentino Road,
Kumintang Ibaba, Batangas City

Opinion

We have audited the financial statements of **MONTEMARIA ASIA PILGRIMS, INC.**, 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 then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying 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 then ended in accordance with Philippine Financial Reporting Standards (PFRSs).

Basis for Opinion

We conducted our audits in accordance with Philippine Standards on Auditing (PSAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error; to 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 entity'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 entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause an entity to cease to continue as a going concern.

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

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

Report on Bureau of Internal Revenue

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information in Note 17 to the financial statements is presented for purposes of filing with the Bureau of Internal Revenue and is not a required part of the basic financial statements. Such information is the responsibility of management. The information has been subjected to the auditing procedures applied in our audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

VALDES ABAD & COMPANY, CPAs
BOA/PRC Reg. No. 0314
Issued on July 15, 2024, Valid until July 14, 2027
SEC Accreditation No. 0314-SEC, Group A
Issued on November 29, 2022, Valid from 2022-2026
BIR Accreditation No. 08-002126-000-2024
Issued on April 05, 2024, Valid until April 04, 2027

For the firm:

RENATO M. CABRAL
Partner
CPA Registration No. 039861
Issued on September 07, 2023
Valid until September 07, 2026
TIN 103-175-544
PTR No. 10479076
Issued on January 10, 2025, Makati City
BOA/PRC Reg. No. 0314/P-005
Issued on July 15, 2024,
Valid until July 14, 2027
BIR Accreditation no. 08-002126-004-2024
Issued on April 05, 2024,
Valid until April 04, 2027

Makati City, Philippines
March 18, 2025

MONTEMARIA ASIA PILGRIMS, INC.

STATEMENTS OF FINANCIAL POSITION
(In Philippine Peso)

		December 31,	
ASSETS	*Notes*	**2024**	2023
CURRENT ASSETS			
Cash	*5*	**6,074,159**	3,330,334
Receivables	*6*	**-**	500
Advances to affiliates	*10*	**1,042,011**	1,042,011
Other current assets	*4*	**64,215**	64,215
Total current assets		**7,180,385**	4,437,060
NON-CURRENT ASSETS			
Property and equipment, net	*7*	**461,672,645**	473,471,221
Other non-current assets		**48,789,011**	47,915,531
Total non-current assets		**510,461,656**	521,386,752
TOTAL ASSETS		**517,642,041**	525,823,812
LIABILITIES AND EQUITY			
LIABILITIES			
Accounts payable and accrued expenses	*9*	**25,166,961**	101,803,385
Advances from related party	*10*	**275,406,867**	280,853,889
Rental deposits		**600,000**	600,000
Total liabilities		**301,173,828**	383,257,274
EQUITY			
Share capital	*11*	**125,182,000**	115,325,000
Share Premium		**306,868,750**	217,820,750
Deficit		**(215,582,537)**	(190,579,212)
Total equity		**216,468,213**	142,566,538
TOTAL LIABILITIES AND EQUITY		**517,642,041**	525,823,812

See Notes to Financial Statements

MONTEMARIA ASIA PILGRIMS, INC.

STATEMENTS OF COMPREHENSIVE INCOME
(In Philippine Peso)

For the years ended December 31,	*Notes*	2024	2023
REVENUES		-	-
OTHER INCOME	*12*	**399,848**	1,692,953
EXPENSES	*13*	**25,403,174**	22,332,819
LOSS BEFORE INCOME TAX		**(25,003,326)**	(20,639,866)
INCOME TAX EXPENSE			
Current	*15*	-	-
NET LOSS AFTER TAX		**(25,003,326)**	(20,639,866)
OTHER COMPREHENSIVE INCOME		-	-
NET LOSS FOR THE YEAR		**(25,003,326)**	(20,639,866)

See Notes to Financial Statements

MONTEMARIA ASIA PILGRIMS, INC.

STATEMENTS OF CHANGES IN EQUITY
(In Philippine Peso)

	Share Capital *(Note 11)*	Share Premium *(Note 11)*	Retained Earnings (Deficit)	Total
BALANCE AS OF JANUARY 1, 2023	86,755,000	48,400,650	(169,939,345)	(34,783,695)
Additional issuance of share capital	28,570,000	169,420,100	-	197,990,100
Net loss for the year	-	-	(20,639,866)	(20,639,866)
BALANCE AS OF DECEMBER 31, 2023	115,325,000	217,820,750	(190,579,211)	142,566,539
Additional issuance of share capital	9,857,000	89,048,000	-	98,905,000
Net loss for the year	-	-	(25,003,326)	(25,003,326)
BALANCE AS OF DECEMBER 31, 2024	**125,182,000**	**306,868,750**	**(215,582,537)**	**216,468,213**

See Notes to Financial Statements

MONTEMARIA ASIA PILGRIMS, INC.

STATEMENTS OF CASH FLOWS

(In Philippine Peso)

For the years ended December 31,	*Notes*	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES			
Income/(Loss) before tax		**(25,003,326)**	(20,639,866)
Adjustments for:			
Depreciation		**12,593,683**	13,575,994
Operating income before working capital changes		**(12,409,643)**	**(7,063,872)**
(Increase) decrease in:			
Accounts & other receivables	*6*	**500**	48,498
Other current assets	*4*	-	(64,215)
Increase (decrease) in:			
Accrued expenses and others	*9*	**(76,636,424)**	22,661,550
Rental deposits		-	600,000
Net cash from (used in) operating activities		**(89,045,567)**	16,181,961
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisition of property and equipment	*7*	**(2,102,399)**	(3,160,848)
Disposal of property and equipment		**1,307,292**	-
Other non-current assets		**(873,480)**	(309,210)
Net cash from (used in) investing activities		**(1,668,587)**	(3,470,059)
CASH FLOWS FROM FINANCING ACTIVITIES			
Advances from affiliates	*10*	**(5,447,022)**	(215,592,630)
Paid up Capital		**9,857,000**	28,570,000
Share premium	*11*	**89,048,000**	169,420,100
Net cash from financing activities		**93,457,978**	(17,602,530)
NET INCREASE/DECREASE IN CASH		**2,743,825**	(4,890,628)
CASH, BEGINNING		**3,330,334**	8,220,962
CASH, ENDING		**6,074,159**	3,330,334

See Notes to Financial Statements

MONTEMARIA ASIA PILGRIMS, INC.

NOTES TO FINANCIAL STATEMENTS
December 31, 2024 and 2023

NOTE 1 - GENERAL INFORMATION

1.1 Corporate information

Montemaria Asia Pilgrims, Inc. (the "Company" or MAPI) is a non-profit, stock corporation registered with the Philippine Securities and Exchange Commission (SEC) on April 12, 2013 per SEC Registration No. CS201307234. Its primary purpose is to promote the spiritual, social, cultural, recreational and health activities of its members/stockholders, who shall be issued membership shares/certificates, particularly through the setting up, development, construction, acquisition, maintenance, operation and servicing of shrines, churches, meditation areas, retreat houses, conference centers, dormitories, amphitheaters, sports facilities, swimming pools, gardens, health spas, convention centers, multi-purpose halls and other similar facilities and to provide pilgrimage facilities and services to its members.

Its registered address is located at Alpa Hotel, Tolentino Road, Kumintang Ibaba, Batangas City.

The Company has no commercial operations as of December 31, 2024.

1.2 Going concern assumption

The accompanying financial statements have been prepared on a going concern basis, which contemplates the realization of assets and satisfaction of liabilities in the normal course of business. The Company has incurred significant losses from its operations which have accumulated to **₱215,598,018** and ₱190,579,211 and resulted in capital deficiency of **₱216,452,732** and ₱142,566,539 as at **December 31, 2024** and 2023.

The Board of Directors on March 17, 2021 approved the conversion of the debt owed to Omnicor Industrial Estate & Realty Center, Inc. into equity in the company. On December 17, 2021 the stockholders approved the conversion of the debt into equity in the aggregate amount of ₱506,282,562.

A subscription agreement for ₱199,990,000 was executed between Montemaria Asia Pilgrims, Inc. and Omnicor Industrial Estate and Realty Center, Inc. on January 31, 2023 to convert a portion of the debt into equity in Montemaria. The corresponding documentary stamp taxes were paid on time on February 2023.

The Company believes that it is appropriate to prepare the financial statements on a going concern basis. Should the Company be unable to continue as a going concern, adjustments would have to be made to the financial statements to adjust the value of the Company's assets to their recoverable amounts, and to provide for any further liabilities which might arise and reclassify non-current assets to current assets.

1.3 Approval of the financial statements

The financial statements of the Company were approved and authorized for issue by the BOD on March 18, 2025 and that Hermilando Mandanas, the Company's Chairman of the Board, was authorized to sign and cause the issuance of the financial statements on its behalf.

NOTE 2 – MATERIAL ACCOUNTING POLICY INFORMATION

2.1 Basis of preparation

The material accounting policies adopted in the preparation of these financial statements are discussed in this note. These policies have been consistently applied to the years presented, unless otherwise stated.

Statement of compliance

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

Presentation of financial statements

The financial statements are presented in accordance with PAS 1 (Revised), *Presentation of Financial Statements*. The Company presents all items of income and expense in a single statement of comprehensive income (loss), with profit or loss and other comprehensive income (OCI) presented in two sections. It is required to present a statement of financial position as at the beginning of the earliest comparative period when the Company applies an accounting policy retrospectively, makes a retrospective restatement of items in its financial statements, or reclassifies items in the financial statements and said retrospective application, retrospective restatement or reclassification has a material effect on such third statement of financial position. The related notes to the third statement of financial position are not required to be disclosed.

These financial statements are presented in Philippine Peso (₱), which is also the Company's functional currency and all values are rounded to the nearest peso. Functional currency is the currency of the primary economic environment in which the entity operates or in which it primarily generates and expends cash while presentation currency is the currency in which the financial statements are presented.

Basis of measurement

The Company's financial statements have been prepared on historical cost basis.

<u>Foreign Currency Translation</u>

<u>Functional and Presentation Currency</u>

Items included in the financial statements of the company are measured using the currency of the primary economic environment in which the company operates (the functional currency). The financial statements are presented in Philippine peso, which is the company's functional and presentation currency. All values are rounded to the nearest peso except when otherwise indicated.

Use of judgments and estimates

The preparation of financial statements in compliance with PFRSs requires the use of certain critical accounting estimates. It also requires the Company's management to exercise its judgment in applying the Company's accounting policies. The areas where significant judgments and estimates have been made in preparing the financial statements and their effects are disclosed in Note 3.

2.2 Changes in accounting policies and disclosures

The accounting policies applicable and adopted in the preparation of the financial statements are consistent with those of the previous financial year, except for the adoption of new/amended standards and interpretations effective starting January 1, 2024.

New and amended standards

The Company will adopt the following new pronouncements that will be applicable to them. Except as otherwise indicated, the Company does not expect the adoption of these new pronouncements to have a significant impact on the financial statements.

Effective beginning on or after January 1, 2022

- **Annual improvements to PFRS Standards 2018-2020 Cycle**

  - *Amendments to PFRS 1, First-time Adoption of Philippines Financial Reporting Standards, Subsidiary as a first-time adopter*

    The amendment permits a subsidiary that elects to apply paragraph D16(a) of PFRS 1 to measure cumulative translation differences using the amounts reported by the parent, based on the parent's date of transition to PFRS. This amendment is also applied to an associate or joint venture that elects to apply paragraph D16(a) of PFRS 1.

    The amendment is effective for annual reporting periods beginning on or after January 1, 2022 with earlier adoption permitted.

  - *Amendments to PFRS 9, Financial Instruments, Fees in the '10 percent' test for derecognition of financial liabilities*

    The amendment clarifies the fees that an entity includes when assessing whether the terms of a new or modified financial liability are substantially different from the terms of the original financial liability. These fees include only those paid or received between the borrower and the lender, including fees paid or received by either the borrower or lender on the other's behalf. An entity applies the amendment to financial liabilities that are modified or exchanged on or after the beginning of the annual reporting period in which the entity first applies the amendment.

    The amendment is effective for annual reporting periods beginning on or after January 1, 2022 with earlier adoption permitted. The Company will apply the amendments to financial liabilities that are modified or exchanged on or after the beginning of the annual reporting period in which the entity first applies the amendment.

- *Amendments to PFRS 16, Lease incentives*

  The amendment to illustrative example 13 accompanying PFRS 16 removes from the example the illustration of the reimbursement of leasehold improvements by the lessor in order to resolve any potential confusion regarding the treatment of lease incentives that might arise because of how lease incentives are illustrated in that example.

- *Amendments to PAS 41, Agriculture, Taxation in fair value measurements*

  The amendment removes the requirement in paragraph 22 of PAS 41 that entities exclude cash flows for taxation when measuring the fair value of assets within the scope of PAS 41.

  An entity applies the amendment prospectively to fair value measurements on or after the beginning of the first annual reporting period beginning on or after January 1, 2022 with earlier adoption permitted.

  The above amendments are not expected to have an impact to the Company.

- **Amendments to PFRS 3, *Reference to the Conceptual Framework***

  The amendments are intended to replace a reference to the Framework for the Preparation and Presentation of Financial Statements, issued in 1989, with a reference to the Conceptual Framework for Financial Reporting issued in March 2018 without significantly changing its requirements.

  The amendments added an exception to the recognition principle of PFRS 3, to avoid the issue of potential 'day 2' gains or losses arising for liabilities and contingent liabilities that would be within the scope of PAS 37, *Provisions, Contingent Liabilities and Contingent Assets* or Philippine-IFRIC 21, *Levies*, if incurred separately.

  At the same time, the amendments add a new paragraph to PFRS 3 to clarify that contingent assets do not qualify for recognition at the acquisition date.

  The amendments are effective for annual reporting periods beginning on or after January 1, 2022 and apply prospectively.

- **Amendments to PAS 16, *Property, Plant and Equipment - Proceeds before intended use***

  The amendments prohibit entities deducting from the cost of an item of property, plant and equipment, any proceeds from selling items produced while bringing that asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Instead, an entity recognizes the proceeds from selling such items, and the costs of producing those items, in profit or loss. The amendment is effective for annual reporting periods beginning on or after January 1, 2022 and must be applied retrospectively to items of property, plant and equipment made available for use on or after the beginning of the earliest period presented when the entity first applies the amendment.

  The amendments are not expected to have a material impact on the Company.

- **Amendments to PAS 37, *Onerous Contracts - Cost of fulfilling a contract***

  The amendments specify which costs an entity needs to include when assessing whether a contract is onerous or loss-making. The amendments apply a "directly related cost approach".

The costs that relate directly to a contract to provide goods or services include both incremental costs and an allocation of costs directly related to contract activities. General and administrative costs do not relate directly to a contract and are excluded unless they are explicitly chargeable to the counterparty under the contract.

The amendments are effective for annual reporting periods beginning on or after January 1, 2022. The Company will apply these amendments to contracts for which it has not yet fulfilled all its obligations at the beginning of the annual reporting period in which it first applies the amendments.

The amendments are not expected to have a material impact on the Company.

Effective beginning on or after January 1, 2023

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

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

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

  An entity applies the amendments to transactions that occur on or after the beginning of the earliest comparative period presented for annual reporting periods on or after January 1, 2023.

- **Amendments to PAS 8, *Definition of Accounting Estimates***

  The amendments introduce a new definition of accounting estimates and clarify the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors. Also, the amendments clarify that the effects on an accounting estimate of a change in an input or a change in a measurement technique are changes in accounting estimates if they do not result from the correction of prior period errors.

  An entity applies the amendments to changes in accounting policies and changes in accounting estimates that occur on or after January 1, 2023 with earlier adoption permitted.

  The amendments are not expected to have a material impact to the Company.

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

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

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

The amendments to the Practice Statement provide non-mandatory guidance. Meanwhile, the amendments to PAS 1 are effective for annual periods beginning on or after January 1, 2023. Early application is permitted as long as this fact is disclosed.

The amendments are not expected to have a material impact to the Company.

Effective beginning on or after January 1, 2024

- **Amendments to PAS 1, *Classification of Liabilities as Current or Non-current***

  The amendments clarify paragraphs 69 to 76 of PAS 1, *Presentation of Financial Statements*, to specify the requirements for classifying liabilities as current or non-current. The amendments clarify:

  - What is meant by a right to defer settlement
  - That a right to defer must exist at the end of the reporting period
  - That classification is unaffected by the likelihood that an entity will exercise its deferral right
  - That only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification

  The amendments are effective for annual reporting periods beginning on or after January 1, 2023 and must be applied retrospectively. However, in November 2021, the International Accounting Standards Board (IASB) tentatively decided to defer the effective date to no earlier than January 1, 2024.

  The Company has yet to assess the impact of these amendments.

Effective beginning on or after January 1, 2025

- **PFRS 17, *Insurance Contracts***

  PFRS 17 is a comprehensive new accounting standard for insurance contracts covering recognition and measurement, presentation and disclosure. Once effective, PFRS 17 will replace PFRS 4, *Insurance Contracts*. This new standard on insurance contracts applies to all types of insurance contracts (i.e., life, non-life, direct insurance and re-insurance), regardless of the type of entities that issue them, as well as to certain guarantees and financial instruments with discretionary participation features. A few scope exceptions will apply.

  The overall objective of PFRS 17 is to provide an accounting model for insurance contracts that is more useful and consistent for insurers. In contrast to the requirements in PFRS 4, which are largely based on grandfathering previous local accounting policies, PFRS 17 provides a comprehensive model for insurance contracts, covering all relevant accounting aspects. The core of PFRS 17 is the general model, supplemented by:

  - A specific adaptation for contracts with direct participation features (the variable fee approach)
  - A simplified approach (the premium allocation approach) mainly for short-duration contracts

  In June 2020, PFRS 17 was amended. The amendments are aimed at helping companies implement the standard and making it easier for them to explain their financial performance. PFRS 17 incorporating the amendments is effective from annual reporting periods beginning on or after January 1, 2023.

Amendment to PFRS 17, *Insurance Contracts, Initial Application of PFRS 17* and PFRS 9 - *Comparative Information*

The PFRSC has approved on December 15, 2021 the adoption of amendment to IFRS 17, Insurance Contracts, Initial Application of IFRS 17 and IFRS 9 - Comparative Information issued by the IASB in December 2021 as amendment to PFRS 17, Insurance Contracts, Initial Application of PFRS 17 and PFRS 9 - Comparative Information.

The amendment adds a transition option for a classification overlay to address possible accounting mismatches between financial assets and insurance contract liabilities in the comparative information presented on initial application of PFRS 17.

An entity shall apply this amendment to annual reporting periods beginning on or after January 1, 2023.

On December 15, 2021, the Financial Reporting Standards Council (FRSC) amended the mandatory effective date of PFRS 17 from January 1, 2023 to January 1, 2025. This is consistent with Circular Letter No. 2020-62 issued by the Insurance Commission which deferred the implementation of PFRS 17 by two (2) years after its effective date as decided by the IASB. PFRS 17 is effective for reporting periods beginning on or after January 1, 2025, with comparative figures required. Early application is permitted.

The new standard is not applicable to the Company.

Deferred

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

  The amendments address the conflict between PFRS 10 and PAS 28 in dealing with the loss of control of a subsidiary that is sold or contributed to an associate or joint venture. The amendments clarify that a full gain or loss is recognized when a transfer to an associate or joint venture involves a business as defined in PFRS 3, *Business Combinations*. Any gain or loss resulting from the sale or contribution of assets that does not constitute a business, however, is recognized only to the extent of unrelated investors' interests in the associate or joint venture.

  On January 13, 2016, the Financial Reporting Standards Council deferred the original effective date of January 1, 2016 of the said amendments until the IASB completes its broader review of the research project on equity accounting that may result in the simplification of accounting for such transactions and of other aspects of accounting for associates and joint ventures.

  The Company has yet to assess the impact of these amendments should there be any applicable transactions and adopted when it is effective.

  The management, however, expects no significant impact from the adoption of the new standard and amendments on the Company's financial position and financial performance.

2.3 Current versus non-current classification

The Company presents assets and liabilities in the statement of financial position based on current and non-current classification.

An asset is current when it is:

i. Expected to be realized or intended to be sold or consumed in normal operating cycle;
ii. Held primarily for the purpose of trading;
iii. Expected to be realized within twelve months after the financial reporting period; or
iv. Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the financial reporting period.

All other assets are classified as non-current.

A liability is current when:

i. It is expected to be settled in normal operating cycle;
ii. It is held primarily for the purpose of trading;
iii. It is due to be settled within twelve months after the financial reporting period; or
iv. There is no unconditional right to defer the settlement of the liability for at least twelve months after the financial reporting period.

The Company classifies all other liabilities as non-current.

2.4 Cash

Cash includes petty cash, cash on hand and in banks. Cash in banks, which are stated at face amount, comprise deposits held at call with banks which earn interest at the prevailing bank deposit rates and are unrestricted as to withdrawal.

2.5 Financial instruments

Initial recognition and measurement

A financial asset or a financial liability is recognized in the statement of financial position when the Company becomes a party to the contractual provisions of the instrument.

Financial asset or a financial liability are initially measured at its fair value plus or minus, in the case of a financial asset or a financial liability not at fair value through profit or loss (FVPL), transaction costs that are directly attributable to the acquisition or issue of the financial asset or the financial liability. Except for trade receivables that do not contain a significant financing component or for which the Church has applied the practical expedient are measured at the transaction price determined under IFRS 15.

Financial Assets

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place are recognized on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Classification

Financial assets are classified as subsequently measured at amortized cost, fair value through other comprehensive income or fair value through profit or loss on the basis of both:

(a) the entity's business model for managing the financial assets and
(b) the contractual cash flow characteristics of the financial asset.

A financial asset shall be measured at *fair value through profit or loss* unless it is measured at amortized cost or at fair value through other comprehensive income However an entity may make an irrevocable election at initial recognition for particular investments in *equity instruments* that would otherwise be measured at fair value through profit or loss to present subsequent changes in fair value in other comprehensive income.

Despite of the above classifications, an entity may, at initial recognition, irrevocably designate a financial asset as measured at fair value through profit or loss if doing so eliminates or significantly reduces a measurement or recognition inconsistency (sometimes referred to as an 'accounting mismatch') that would otherwise arise from measuring assets or liabilities or recognizing the gains and losses on them on different bases.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified as follows:

- Financial assets at amortized cost (debt instruments)
- Financial assets at fair value through OCI with recycling of cumulative gains and losses (debt instruments)
- Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)
- Financial assets at fair value through profit or loss

Financial assets at amortized cost (debt instruments)

The Company measures financial assets at amortized cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective 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.

Financial assets at amortized cost are subsequently measured using the effective interest (EIR) method and are subject to impairment. Gains and losses are recognized in profit or loss when the asset is derecognized, modified or impaired.

The Company measures a financial asset at amortized cost if both of the following conditions are met:

- It is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- Its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

Financial assets at amortized cost are subsequently measured using the effective interest method and are subject to impairment. Gains and losses are recognized in profit or loss when the asset is derecognized, modified or impaired.

The Company's financial assets at amortized cost as at December 31, 2024 and 2023 include cash, receivables (except for advances to employees) and advance to a related party.

Financial assets at fair value through OCI (debt instruments)

The Company measures debt instruments at fair value through OCI if both of the following conditions are met:

- The financial asset is held within a business model with the objective of both holding to collect contractual cash flows and selling; 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

For debt instruments at fair value through OCI, interest income, foreign exchange revaluation and impairment losses or reversals are recognized in the statement of profit or loss and computed in the same manner as for financial assets measured at amortized cost. The remaining fair value changes are recognized in OCI. Upon derecognition, the cumulative fair value change recognized in OCI is recycled to profit or loss.

The Company does not have financial assets at fair value through OCI (debt instruments) as at December 31, 2024 and 2023.

Financial assets designated at fair value through OCI (equity instruments)

Upon initial recognition, the Company can elect to classify irrevocably its equity investments as equity instruments designated at fair value through OCI when they meet the definition of equity under IAS 32 Financial Instruments: Presentation and are not held for trading. The classification is determined on an instrument-by-instrument basis.

Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognized as other income in the statement of profit or loss when the right of payment has been established, except when the Company benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at fair value through OCI are not subject to impairment assessment.

The Company does not have financial assets at fair value through OCI (equity instruments) as at December 31, 2024 and 2023.

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss include financial assets held for trading, financial assets designated upon initial recognition at fair value through profit or loss, or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments. Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at fair value through profit or loss, irrespective of the business model. Notwithstanding the criteria for debt instruments to be classified at amortized cost or at fair value through OCI, as described above, debt instruments may be designated at fair value through profit or loss on initial recognition if doing so eliminates, or significantly reduces, an accounting mismatch.

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognized in the statement of profit or loss.

The Company does not have financial assets at FVPL as at December 31, 2024 and 2023.

Impairment of financial assets

The Company recognizes an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECLs are 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, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognized in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For trade receivables and contract assets, the Company applies a simplified approach in calculating ECLs. Therefore, the Company does not track changes in credit risk, but instead recognizes a loss allowance based on lifetime ECLs at each reporting date. The Company has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

For debt instruments at fair value through OCI, the Company applies the low credit risk simplification. At every reporting date, the Church evaluates whether the debt instrument is considered to have low credit risk using all reasonable and supportable information that is available without undue cost or effort. In making that evaluation, the Company reassesses the internal credit rating of the debt instrument. In addition, the Company considers that there has been a significant increase in credit risk when contractual payments are more than 30 days past due.

The Company considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Company may also consider a financial asset to be in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Company. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognized (i.e., removed from the Company's statement of financial position) when:

- The rights to receive cash flows from the asset have expired
  Or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company 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 rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognize the transferred asset to the extent of its continuing involvement. In that case, the Company also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Financial liabilities

Financial liabilities are classified as (a) financial liabilities at FVPL (including financial liabilities held for trading and those that are designated at fair value), and (b) other financial liabilities measured at amortized cost.

A financial liability is classified as held for trading if it is acquired or incurred principally for the purpose of selling or repurchasing it in the near term or if it is part of a portfolio of identified financial instruments that are managed together and for which there is evidence of a recent actual pattern of short-term profit taking. Gains and losses arising from changes in the fair value of financial liabilities classified as held for trading are included in profit or loss.

Other financial liabilities pertain to issued financial instruments that are not classified or designated at FVPL and contain contractual obligations to deliver cash or other financial assets to the holder or to settle the obligation other than the exchange of a fixed amount of cash or another financial asset for a fixed number of own equity shares. After initial measurement, other financial liabilities are subsequently measured at amortized cost using the effective interest method.

The Company's financial liabilities include accrued expenses and other payables (except for government liabilities) and advances from related parties.

Derecognition of financial liability

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. 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 the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit or loss.

Classification of financial instruments between debt and equity

Financial instruments are classified as debt or equity in accordance with the substance of the contractual arrangement. Interest, dividends, gains and losses relating to a financial instrument or a component that is a financial liability are reported as income or expense in profit or loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if, and only if, there is a currently enforceable legal right to offset the recognized amounts and there is an 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 statement of financial position.

Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability, or in the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible to the Company.

The fair value of an asset or liability is measured using the assumption that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- 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; and,
- Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Company determines whether transfers have occurred between Levels in the hierarchy by reassessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

2.6 Property and equipment

The initial cost of property and equipment comprises its purchase price, including any directly attributable costs of bringing the asset to its working condition and location for its intended use. Expenditures incurred after the property and equipment has been put into operation, such as repairs and maintenance, are recognized in profit or loss in the period the costs are incurred. In situations where it can be clearly demonstrated that the expenditures have resulted in an increase in the future economic benefits expected to be obtained from the use of an item of property and equipment beyond its originally assessed standard performance, the expenditures are capitalized as an additional cost of property and equipment.

At the end of each financial reporting period, items of property and equipment are carried at cost less accumulated depreciation and amortization, and any impairment in value.

Depreciation and amortization is computed on a straight-line basis over the following estimated useful lives of the assets:

Furniture and fixtures	2-10 years	Building (Clubhouse/cenacle)	50 years
Heavy equipment	10 years	Building improvements	50 years
Images	5-50 years	Welcome arch	15 years
Tools and equipment	5 years	Road	10 years
Leasehold improvements	shorter of lease term and useful life of 5 years	Road improvements	10 years
		Transportation equipment	10 years

An asset is depreciated or amortized when it is available for use until it is derecognized even if during that period the item is idle. Fully depreciated/amortized assets still in use are retained in the financial statements.

The estimated useful lives, and the depreciation and amortization methods are reviewed when an indication that the expected pattern of consumption of economic benefits associated with an item of property and equipment has significantly changed. When an expectation differs, the useful lives, and the depreciation and amortization methods are changed to reflect the new pattern of consumption. This change is accounted for as a change in accounting estimate.

An asset's carrying amount is written down immediately to its recoverable amount if it is greater than the estimated recoverable amount.

When an item of property and equipment is retired or otherwise disposed of, the cost and related accumulated depreciation and amortization, and any impairment in value are removed from the accounts and any resulting gain or loss arising from the disposal, computed as the difference between the sales proceeds and the carrying amount of the asset, or retirement of an asset is recognized in profit or loss.

2.7 Impairment of non-financial assets

An assessment is made at each financial reporting date if there is any indication of impairment of any asset, or if there is any indication that an impairment loss previously recognized for an asset may no longer exist or may have decreased. If any such indication exists, the asset's recoverable amount is estimated.

Among others, the factors that the Company considers important which could trigger an impairment review include the following:

- significant or prolonged decline in fair value of the asset;
- market interest rates or other market rates of return on investments have increased during the period, and those increases are likely to affect the discount rate used in calculating the asset's value in use and decrease the asset's recoverable amount materially;
- significant underperformance relative to expected historical or projected future operating results;
- significant changes in the manner of use of the acquired assets or the strategy for overall business; or
- significant negative industry or economic trends.

If any such indication exists or when an annual impairment testing for an asset is required, the Company makes a formal estimate of the asset's recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. The fair value less costs to sell is the amount obtainable from the sale of the asset in an arm's length transaction. 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.

Whenever the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount and an impairment loss is recognized in profit or loss in the period in which it arises. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount, only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized. Reversals of impairment are recognized in profit or loss. After such reversal, the depreciation or amortization expense is adjusted in future periods to allocate the asset's revised carrying amount on a systematic basis over its remaining life.

2.8 Input Value-Added Tax (VAT)

Input VAT is recognized at cost less allowance for impairment, if any.

2.9 Accrued expenses and other payables

Accruals are liabilities for goods or services that have been received or supplied but have not been paid, invoiced or formally agreed with the suppliers. It is necessary to estimate the amount or timing of accruals. However, the uncertainty is generally much less than for provisions.

Other payables are recognized in the period in which the related money, goods or services are received or when a legally enforced claim against the Company is established. They are recognized initially at fair value and subsequently measured at amortized cost using effective interest method.

2.10 Equity

Financial instruments issued by the Company are classified as equity only to the extent that they do not meet the definition of a financial liability.

The Company's ordinary shares are classified as equity instruments. Share capital is determined using the par value of shares that have been issued. Incremental costs incurred directly attributable to the issuance of new shares are recognized as a deduction from equity, net of tax.

Share premium represents the premium received on the issuance of share capital. Any transaction costs associated with the issuance of shares are deducted from share premium, net of any related income tax benefits.

Retained earnings (Deficit) includes all current and prior period results of operations of the Company as disclosed in the statements of comprehensive income (loss) and statements of changes in equity (capital deficiency).

2.11 Revenue recognition

Revenue from contracts with customers is recognized when control of the goods or services is transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services.

Revenue is recognized when the Company satisfies a performance obligation by transferring a promised good or service to the customer, which is when the customer obtains control of the good or service. A performance obligation may be satisfied at a point in time or over time. The amount of revenue recognized is the amount allocated to the satisfied performance obligation.

In addition, the following specific recognition criteria must also be met before interest income is recognized:

Interest income earned on bank deposit, which is presented net of tax withheld by bank, is recognized as the interest accrues on a time proportion basis taking into account the effective yield on the asset or EIR.

Other income is recognized when there is an incidental economic benefit, other than from the usual business operations, that will flow to the Company through an increase in asset or reduction in liability that can be reliably measured.

2.12 Expense recognition

The financial statements are prepared on accrual basis of accounting. Under this basis, expenses are recognized when incurred and are reported in the financial statements in the periods to which they relate.

Expenses are recognized in profit or loss when a decrease in future economic benefit related to a decrease in an asset or an increase in a liability has arisen that can be reliably measured.

They are recognized (a) on the basis of a direct association between the costs incurred and the earning of specific items of income; (b) on the basis of systematic and rational allocation procedures when economic benefits are expected to arise over several accounting periods and the association with income can only be broadly or indirectly determined; or (c) immediately when an expenditure produces no future economic benefits or when, and to the extent that, future economic benefits do not qualify, or cease to qualify, for recognition in the statement of financial position as an asset.

2.13 Leases

The Company assesses at contract inception whether a contract is, or contains, a lease, i.e., if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Under PFRS 16, a lease exists where the contract grants the right to control the use of an identified asset for a period of time in exchange for consideration. Control over the use of an identified asset for a period of time is conveyed when the customer has both of the following throughout the period of use:

i. The right to obtain substantially all of the economic benefits from use of the identified asset; and
ii. The right to direct the use of the identified asset.

In identifying the leases, lease and some non-lease components shall be accounted separately under applicable standards.

<u>Company as a lessee</u>

For lessees, PFRS 16 removes the classification of leases as either operating or financing and requires that all leases be recognized on the statements of financial position, with certain exemptions allowed:

i. Short-term leases (twelve months or less); and
ii. Leases where the underlying asset, in a new condition, is of low value.

The Company does not recognize right-of-use asset and lease liability considering that the term of its lease agreement is not more than 12 months.

2.14 Employee benefits

Short-term benefits

Short-term benefits are recognized as expense in the period when the economic benefits are given. Unpaid benefits at the end of the financial reporting period are recognized as accrued expense while benefits paid in advance are recognized as prepayment to the extent that it will lead to a reduction in future payments. Short-term benefits given by the Company to its employees include salaries and wages, social security contributions, short-term compensated absences, bonuses and other non- monetary benefits.

2.15 Provisions and contingencies

Provisions are recognized when (a) the Company has a present obligation (legal or constructive) as a result of a past event; (b) it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and (c) a reliable estimate can be made of the amount of the obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognized as interest expense. Where the Company expects some or all of a provision to be reimbursed, the reimbursement is recognized as a separate asset only when the reimbursement is virtually certain. The expense relating to any provision is charged against profit or loss, net of any reimbursement. Provisions are reviewed at each financial reporting date and adjusted to reflect the current best estimate.

Contingent liabilities are not recognized in the Company's financial statements but are disclosed unless the possibility of an outflow of resources embodying economic benefits is remote.

Contingent assets are not recognized in the Company's financial statements but are disclosed in the notes to financial statements when an inflow of economic benefits is probable.

2.16 Income taxes

Provision for income tax represents the sum of the current and deferred taxes.

Current tax

Current tax assets and current tax liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities, determined at the end of every quarter, subject to adjustments at the end of the period when a final adjustment return is filed and the corresponding annual income tax is computed and determined to be recovered or paid.

The tax currently payable is based on taxable income for the period. Taxable income differs from net income (loss) as reported in profit or loss because it excludes items of income or expense that are taxable or deductible in other periods and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated on the basis of the tax rates and tax laws enacted or substantively enacted at the financial reporting date.

Deferred tax

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

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

Deferred tax liabilities are recognized for all taxable temporary differences while deferred tax assets are recognized for all deductible temporary differences, carryforward of unused tax credits from excess minimum corporate income tax (MCIT) over regular corporate income tax (RCIT) and net operating loss carryover (NOLCO), to the extent that it is probable that sufficient taxable income will be available in future periods against which the deductible temporary differences and the carryforward of unused tax credits from excess MCIT over RCIT and unused tax losses from NOLCO can be utilized.

The carrying amount of deferred tax assets is reviewed at the end of each financial reporting period and reduced to the extent that it is no longer probable that sufficient taxable income will be available in future periods to allow the benefit of all or part of the deferred tax assets to be utilized.

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

Current and deferred taxes are recognized as an expense or income in profit or loss, except when they relate to items that are recognized outside profit or loss (whether in OCI or directly in equity account), in which case, the tax is also recognized outside profit or loss.

2.17 Related parties

Related party transactions are transfers of resources, services or obligations between the Company and its related parties, regardless of whether a price is charged.

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions. These include: (a) individuals owning, directly or indirectly through one or more intermediaries, control or are controlled by, or under common control with the Company; (b) associates; and (c) individuals owning, directly or indirectly, an interest in the voting power of the Company that gives them significant influence over the Company and close members of the family of any such individual.

Related parties may be individuals or corporate entities. The key management personnel of the Company are also considered to be related parties. In considering each possible related party relationship, attention is directed to the substance of the relationship, and not merely the legal form.

2.18 Events after the financial reporting date

Post year-end events up to the date the financial statements are authorized for issue by the BOD that provide additional information about the Company's position at the financial 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.

NOTE 3 - SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGMENTS

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

Judgments and estimates are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Revision to accounting estimate is recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

Judgments

In the process of applying the Company's accounting policies, management has made the following judgments, apart from those involving estimates, which have the most significant effect on the amounts recognized in the financial statements:

(a) Determining functional currency

Based on the economic substance of the underlying circumstances relevant to the Company, the functional currency has been determined to be the Philippine Peso.
The Company considers the following factors in determining its functional currency:

i. the currency that mainly influences its sale of services and the cost of providing the same;
ii. the currency in which the funds from financing activities are generated; and
iii. the currency in which the receipts from operating activities are usually retained.

(b) Classifying financial instruments

The Company classifies a financial instrument, or its component parts, on initial recognition as a financial asset, a financial liability or an equity instrument in accordance with the substance of the contractual agreement and guidelines set by PAS 32 on the definitions of a financial asset, a financial liability or an equity instrument. The substance of a financial instrument, rather than its legal form, generally governs its classification in the statement of financial position.

The classification of financial assets and financial liabilities is set out in Note 4.

(c) Significant increase of credit risk

ECL is measured as an allowance equal to 12-month ECL or lifetime ECL. An asset moves to the next stage when its credit risk has increased significantly since initial recognition. PFRS 9 does not define what constitutes a significant increase in credit risk. In assessing whether the credit risk of an asset has significantly increased, the Company takes into account qualitative and quantitative reasonable and supportable forward-looking information.

(d) Determining lease term

The Company has entered into lease agreements both as a lessor and as a lessee. As a lessor, the Company has retained all the significant risks and rewards of ownership of the leased property, and thus it accounted for the lease agreements as operating leases.

As a lessee, the Company determines whether there is a need to recognize right-of-use asset and lease liability - on-balance sheet lease under PFRS 16. Judgment is used in determining whether the lease terms will not go beyond twelve months and if it contains underlying assets of low value. In making such judgment, the Company evaluates the terms and conditions of the lease arrangement.

(e) Distinguishing between provisions and contingencies

Judgment is exercised by management to distinguish between provisions and contingencies. Accounting policies on recognition and disclosure of provisions are discussed in Note 2.15. The Company has determined that no contingencies will materially affect its financial statements, hence, no provisions were recognized in 2024 and 2023.

Estimates and assumptions

The following are the key assumptions concerning the future and other key sources of estimation uncertainty at the financial reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets within the next financial year:

(a) Estimating loss allowance for ECL

The Company measures ECL of a financial instrument in a way that reflects an unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes, the time value of money and information about past events, current conditions and forecasts of future economic conditions.

When measuring ECL, the Company uses reasonable and supportable forward-looking information, which is based on assumptions for the future movement of different economic drivers and how these drivers will affect each other. In addition to specific allowance against individually significant loans and receivables, the Company also makes a collective impairment allowance against exposures which, although not specifically identified as requiring a specific allowance, have a greater risk of default than when originally granted. This level of allowance is based on the status of the accounts receivable, past collection experience and other factors that may affect collectability.

There is no allowance for impairment recognized on the Company's receivables as at December 31, 2024 and 2023 (see Notes 6 and 10).

(b) Estimating useful lives of property and equipment

The Company estimates the useful lives of property and equipment based on the period over which these assets are expected to be available for use. The estimated useful lives are reviewed at least annually and are updated if expectations differ from previous estimates due to physical wear and tear, and technological obsolescence on the use of these assets. In addition, the estimate of the useful lives of property and equipment is based on collective assessment of industry practice, internal technical evaluation and experience with similar assets. It is possible, however, that future results of operations could be materially affected by changes in estimates brought about by changes in the factors mentioned. The amounts and timing of recorded expenses for any period would be affected by changes in these factors and circumstances. A reduction in the estimated useful lives of property and equipment would decrease the total assets and increase recorded expenses.

The net carrying value of property and equipment amounted to **₱461,672,645** and ₱473,471,221 as at December 31, 2024 and 2023, respectively. Accumulated depreciation and amortization amounted to **₱73,468,326** and ₱61,136,101 as at December 31, 2024 and 2023, respectively (see Note 7). There is no change in the estimated useful lives of these assets in 2024 and 2023.

(c) Recognizing deferred tax assets

Management reviews the carrying amount of deferred tax assets at each financial reporting date and reduces the same to the extent that it is no longer probable that sufficient taxable income will be available in future periods to allow the benefit of all or part of the deferred tax asset to be utilized.

Management believes that there is no assurance that sufficient future taxable income will be generated to allow the benefit of all or part of the deferred tax asset to be utilized, thus, the deferred tax assets on NOLCO and MCIT amounting to **₱25,972,679** and ₱19,717,114 as at December 31, 2024 and 2023, respectively, was not recognized (see Note 15).

NOTE 4 - FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The following table shows the carrying values of the Company's financial assets and financial liabilities as at December 31:

	2024	2023
Financial assets		
Cash (Note 5)	**₱ 6,074,159**	₱ 3,330,334
Receivables (Note 6)*	**-**	500
Other current assets	**64,215**	64,215
Advances to related party (Note 10)	**1,042,011**	1,042,011
	₱ 7,180,385	₱ 4,437,060

	2024	20223
Financial liabilities		
Accrued expenses and other payables (Note 9)**	**₱ 25,110,738**	₱ 101,782,788
Rental deposits	**600,000**	600,000
Advances from related parties (Note 10)	**275,406,867**	280,853,889
	₱ 301,117,605	₱ 383,236,677

** except advances to employees*
*** except government liabilities*

The above carrying amounts of financial assets and financial liabilities, which are carried at amortized cost, are assumed to approximate their fair values due to their relatively short-term maturities and their being subject to an insignificant risk of changes in value.

None of the Company's financial assets has been pledged as collateral for liabilities or contingent liabilities.

The item of income with respect to financial instrument recognized in profit or loss is as follows:

		2024		2023
Interest income (Note 5)	₱	**1,593**	₱	731

As stated in Note 2.5, the disclosure of fair value is not required when the carrying amount is a reasonable approximation of fair value.

Financial risk management

The Company's activities expose it to a variety of financial risks, namely (a) credit risk, (b) liquidity risk, and (c) interest rate risk.

Similar to all other businesses, the Company is exposed to risks that arise from its use of financial instruments. This note describes the Company's objectives, policies and processes for managing those risks and the methods used to measure them. Further, quantitative information in respect of these risks is presented throughout these financial statements.

There have been no significant changes to the Company's exposure to financial instrument risks, its objectives, policies and processes for managing those risks or the methods used to measure them from previous periods unless otherwise stated in this note.

General objectives, policies and processes

The BOD has overall responsibility for the Company's financial risk management, which includes establishment and approval of risk strategies, policies and limits. The main objective of the financial risk management is to minimize the adverse impact of financial risks on the Company's financial performance and financial position due to the unpredictability of financial markets.

The main risks arising from the Company's use of financial instruments are summarized as follows:

Credit risk

Credit risk is the risk where a counterparty defaults on its obligation to the Company, thus, resulting in a financial loss to the Company.

The Company's maximum exposure to credit risk is equal to the carrying amount of the financial assets as shown on the face of the statement of financial position or in the detailed analysis provided for in the notes to the financial statements. Such financial instruments pertain to the following:

		2024		2023
Cash in banks (Note 5)	₱	**6,034,159**	₱	3,290,334
Receivables (Note 6)*		**-**		500
Other current assets		**64,215**		64,215
Advances to related party (Note 10)		**1,042,011**		1,042,011
	₱	**7,140,385**	₱	4,397,060

**except advances to employees*

These financial assets are neither past due nor impaired and viewed by management as "high grade" considering their collectability and the credit history of the counterparties.

The evaluation of the credit quality of the Company's financial assets considers the payment history of the counterparties.

a) High grade - counterparties that have good paying history and are not expected to default in settling their obligations. Credit exposure from these financial assets is considered to be minimal.
b) Standard grade - counterparties for which sufficient credit history has not been established.

Liquidity risk

Liquidity risk pertains to the Company not being able to meet its financial obligations as they fall due.

The liquidity gap will be covered by drawings pursuant to a credit line agreement between Abacore Capital Holdings, Inc. and Philippine Business Bank. The credit line is for the exclusive use in the construction of facilities for Montemaria project. Under the said agreement, the Company may draw an amount not exceeding ₱100 million. The said amount shall be available from time to time and for such purposes as may be approved by the bank. The credit line is a revolving and continuing credit line. All drawings and availments under the credit line shall be evidenced by a promissory note which will contain such terms and conditions as the interest rate, payment period and default penalty on past due obligation. The agreement contains the standard provisions on default.

The Company's financial liabilities as at December 31 are presented below.

	2024			
	< 6 months	**6-12 months**	**> 1 year**	**Total**
Accrued expenses and other payables (Note 9)**	**₱ 1,511,109**	**₱ 23,599,629**	**₱ -**	**₱25,110,738**
Rental deposits			**600,000**	**600,000**
Advances from related parties (Note 10)	**-**	**-**	**275,406,867**	**275,406,867**
	₱ 1,511,109	**₱ 23,599,629**	**₱276,006,867**	**₱301,117,605**

	2023			
	< 6 months	6-12 months	> 1 year	Total
Accrued expenses and other payables (Note 9)**	₱ 1,319,046	₱100,463,742	₱ -	₱101,782,788
Rental deposits			600,000	600,000
Advances from related parties (Note 10)	-	-	280,853,889	280,853,889
	₱ 1,319,046	₱100,463,742	₱281,453,889	₱383,236,677

***except government liabilities*

Interest rate risk

Interest rate risk is usually classified between cash flow and fair value interest rate risk. Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Fair value interest rate risk is the risk that the fair value of a financial instrument will fluctuate due to changes in market interest rates.

The primary source of the Company's interest rate risk relates to cash in banks. The interest rate on cash in banks is disclosed in Note 5. The Company maintains its cash deposits in established universal and commercial banks to manage credit risk.

Interest income on cash in banks amounted only to **₱ 1,593** and ₱ 731 in **2024** and 2023, respectively, thus, the Company does not have significant exposure to interest rate risk.

Capital management

The primary objective of the Company's capital management is to ensure its ability to continue as going concern and that it maintains a strong credit rating and healthy capital ratios to support its business and maximize shareholder value. The President has overall responsibility for monitoring of capital in proportion to risk. Profiles for capital ratios are set in light of changes in the Company's external environment and the risks underlying the Company's business operations and industry.

The Company monitors capital on the basis of the debt-to-equity ratio, which is calculated as total debt divided by total equity. Debt-to-equity ratio as at December 31, 2024 and 2023 is 1.39:1.00 and 2.69:1.00, respectively.

The Company is not subject to externally-imposed requirement.

NOTE 5 - CASH

The account at December 31 consists of:

	2024	2023
Cash in banks	**₱ 6,034,159**	₱ 3,290,334
Petty cash	**40,000**	40,000
	₱ 6,074,159	₱ 3,330,334

Cash in banks pertain to current accounts maintained by the Company which earn an interest of 0.5%. Interest income earned by the Company in **2024** and 2023 amounted to **₱1,593** and ₱731, respectively.

NOTE 6 - RECEIVABLES

The account at December 31 consists of:

	2024	2023
Other receivables	**₱ -**	₱ 500

Other receivables are cash advances subject to liquidation.

NOTE 7 - PROPERTY AND EQUIPMENT

The details and movements of this account are as follows:

	2024			
	January 1	Additions (Note 13)	Disposal	December 31
COST				
Furniture and fixtures	₱ 2,499,598	₱ 55,450	₱ -	₱ 2,555,048
Heavy equipment	12,942,689	-	-	12,942,689
Tools and equipment	219,304	-	-	219,304
Leasehold improvements	127,544	-	-	127,544
Building	481,047,975	-	-	481,047,975
Building improvements	4,172,199	-	-	4,172,199
Building improvements - MOAA	2,206,020	582,663	-	2,788,683
Images	15,107,143	-	-	15,107,143
Road	9,531,279	-	-	9,531,279
Road improvements	2,034,773	-	-	2,034,773
Welcome arch	2,309,012	-	-	2,309,012
Transportation equipment	2,409,786	1,464,286	(1,568,750)	2,305,322
	₱ 534,607,322	**₱ 2,102,399**	**₱ (1,568,750)**	**₱ 535,140,971**

ACCUMULATED DEPRECIATION	**January 1**	**Provisions**	**Disposal**	**December 31**
Furniture and fixtures	₱ 2,475,586	₱ 8,004	₱ -	₱ 2,483,590
Heavy equipment	10,073,633	1,227,989	-	11,301,622
Tools and equipment	219,304	-	-	219,304
Leasehold improvements	127,544	-	-	127,544
Building	30,802,982	9,620,960	-	40,423,942
Building improvements	676,396	83,699	-	760,095
Building improvements - MOAA	37,477	49,412	-	86,889
Images	2,982,143	300,000	-	3,282,143
Road	8,975,286	555,991	-	9,531,277
Road improvements	1,714,822	193,724	-	1,908,546
Welcome arch	1,452,452	153,934	-	1,606,386
Transportation equipment	1,598,476	399,970	(261,458)	1,736,988
	61,136,101	**12,593,683**	**(261,458)**	**73,468,326**
Net carrying amount	**₱ 473,471,221**	**₱ (10,491,284)**	**(1,307,292)**	**₱ 461,672,645**

	2023		
	January 1	Additions (Note 13)	December 31
COST			
Furniture and fixtures	₱ 2,499,598	₱ -	₱ 2,499,598
Heavy equipment	12,728,832	213,857	12,942,689
Tools and equipment	219,304	-	219,304
Leasehold improvements	127,544	-	127,544
Building	481,047,975	-	481,047,975
Building improvements	3,983,205	188,994	4,172,199
Building improvements - MOAA	1,016,773	1,189,247	2,206,020
Images	15,107,143	-	15,107,143
Road	9,531,279	-	9,531,279
Road improvements	2,034,773	-	2,034,773
Welcome arch	2,309,012	-	2,309,012
Transportation equipment	841,036	1,568,750	2,409,786
	₱ 531,446,474	₱ 3,160,848	₱ 534,607,322

ACCUMULATED DEPRECIATION	January 1	Provisions	Adjust	December 31
Furniture and fixtures	₱ 2,465,629	₱ 9,957	₱ -	₱ 2,475,586
Heavy equipment	8,798,277	1,275,356		10,073,633
Tools and equipment	219,304			219,304
Leasehold improvements	127,544			127,544
Building	21,182,022	9,620,960		30,802,982
Building improvements	594,633	81,604	159	676,396
Building improvements - MOAA	6,039	31,597	(159)	37,477
Images	2,682,143	300,000		2,982,143
Road	8,022,159	953,127		8,975,286
Road improvements	1,511,345	203,477		1,714,822
Welcome arch	1,298,518	153,934		1,452,452
Transportation equipment	652,494	945,982		1,598,476
	47,560,107	13,575,994	-	61,136,101
Net carrying amount	₱ 483,886,367	₱ (10,415,146)	₱ -	₱ 473,471,221

On December 26, 2013, the Company entered into a Deed of Absolute Sale with Omnicor for the purchase of properties such as Welcome Arch, Building/Field Office, Road, and Face and Hands of the Blessed Virgin Mary for a total consideration of ₱59,171,280.

By virtue of Deeds of Usufruct executed on June 24, 2014 and November 19, 2014, the Company was granted usufructuary rights over the specific portions of the parcels of land owned by Montemayor Aggregates and Mining Corporation, HIM Management and Associates, Inc. and Omnicor on which the Company has constructed improvements. The period of the usufruct is for three years, which may be extended by mutual agreement with the landowners, the Company being granted the exclusive right to terminate the usufruct, as well as the option to acquire the pertinent portion of the land at fair market value in exchange for shares. The said landowners have likewise executed an undertaking to respect the use of said properties by the members/shareholders of the Company in the event of any dispute between them and the Company.

Management has expressed inclination to further extend the said usufructs for a longer period. Management will be proposing the said extension to the BOD as soon as it is able to convene after the community quarantine.

NOTE 8 - INPUT VAT

The input VAT amounting to **₱48,789,011** and ₱47,915,531 as at December 31, 2024 and 2023, respectively, will be applied against output VAT in the future periods when the Company starts its commercial operations.

NOTE 9 - ACCRUED EXPENSES AND OTHER PAYABLES

The account at December 31 consists of:

	2024	2023
Accrued expenses	**₱ 1,511,109**	₱ 1,319,046
Accounts payable	**826,629**	2,568,742
Service charge payable	**-**	-
Government liabilities	**56,223**	20,597
Other payables	**22,773,000**	97,895,000
	₱ 25,166,961	₱ 101,803,385

Accrued expenses include accrual of rent, security and agency fees, repairs and maintenance, utilities, professional fees and supplies.

Accounts payable pertains to the Company's liabilities to suppliers.

Government liabilities consist of expanded withholding taxes, and SSS, HDMF and Philhealth premiums for remittance.

Other payables consist mainly of partial payments on offered shares based on memorandum of agreements with the buyers.

NOTE 10 - RELATED PARTY TRANSACTIONS

Related party transactions consist of non-interest bearing advances to/from related parties for working capital requirements and other related expenses which will be liquidated either through cash or equity shares of the borrower. Advances to related party are due and collectible upon demand. For advances from related parties, the Company has unconditional right to defer payment for at least a year. There are no guarantees received or given during the year.

The summary of the Company's transactions with related parties in the normal course of business are as follows:

Related party	**Nature of relationship**	**Outstanding balance**		**Transactions**		**Terms and conditions**
		2024	2023	**2024**	2023	
Advances to related party						
Verde Island Passage (VIP) Marine Sanctuary, Inc.	Under common directorship	**₱1,042,011**	₱1,042,011	**₱-**	₱-	No term, non-interest bearing, unsecured
Allowance for impairment		**-**	-	**-**		-
		₱1,042,011	₱1,042,011	**₱-**	₱-	

Advances from related parties

Omnicor	Under common directorship	₱273,673,910	279,120,932	(5,447,022)	(215,592,630)	Non-interest bearing, unsecured
Abacus Global Technovisions, Inc.	Under common directorship	1,732,957	1,732,957	-	-	Non-interest bearing, unsecured
		₱275,406,867	₱280,853,889	(5,447,022)	₱(215,592,630)	

NOTE 11 - SHARE CAPITAL AND SHARE PREMIUM

The accounts at December 31, 2024 and 2023 consist of:

Share capital

	Number of shares	Amount
Authorized		
Proprietary - at P10,000 per share	15,000	₱ 150,000,000
Associate - at P1,000 per share	50,000	50,000,000
	65,000	₱ 200,000,000

	2024		2023	
	Number of shares	Amount	Number of shares	Amount
Contributed capital				
Proprietary - at ₱10,000 per				
At January 1	9,443	₱ 94,430,000	6,586	₱65,860,000
Additional issuance of shares	985	9,850,000	2,857	28,570,000
Balance at December 31	10,428	104,280,000	9,443	94,430,000
Associate - at ₱1,000 per share				
At January 1	20,895	20,895,000	20,895	20,895,000
Additional issuance of shares	7	7,000	-	-
Balance December 31	20,902	20,902,000	20,895	20,895,000
	31,330	₱125,182,000	30,338	₱115,325,000

Share premium

	2024	2023
At January 1	₱ 217,820,750	₱ 48,400,650
Additions*	89,048,000	169,420,100
At December 31	₱ 306,868,750	₱ 217,820,750

In a special stockholders' meeting held on May 14, 2015, the BOD secured the consent and approval of the stockholders of the amendment of Article Seventh of the Articles of Incorporation increasing the authorized capital stock from 7,500 to 15,000 proprietary shares with issue value of ₱10,000 per proprietary share and 30,000 to 50,000 associate shares with issue value of ₱1,000 per associate share.

The amount of increase of authorized capital stock is ₱95,000,000, thereby increasing the authorized capital stock from ₱75,000,000 to ₱150,000,000 for proprietary shares and from ₱30,000,000 to ₱50,000,000 for associate shares.

Of the said increase, the amount of ₱23,750,000 was subscribed and fully paid in cash by Omnicor and was approved by the SEC on July 28, 2015.

During 2020, the Company issued 280 proprietary shares for ₱28,000,000, resulting in recognition of share premium of ₱24,920,000 (net of ₱280,000 share issuance cost). Of the ₱28,000,000 subscriptions, ₱25,000,000 has been received in cash and ₱3,000,000 has been offset against Other payables (see Note 9). In 2021, the Company issued 1 proprietary share for ₱35,000, resulting in recognition of share premium of ₱33,650 (net of ₱350 share issuance cost).

A subscription agreement for ₱199,990,000 was executed between Montemaria Asia Pilgrims, Inc. and Omnicor Industrial Estate and Realty Center, Inc. on January 31, 2023 to convert a portion of the debt into equity in Montemaria resulting in recognition of share premium of ₱169,420,100 (net of ₱1,999,900 documentary stamp taxes).

NOTE 12 - OTHER INCOME

Other income pertains to income earned by the Company from photo shoots and rental of venue/audio equipment made at the Montemaria site.

NOTE 13 - EXPENSES

This account consists of:

	2024	2023
Depreciation and amortization (Note 7)	**₱ 12,593,683**	₱ 13,575,994
Commission	**4,776,750**	91,850
Salaries, wages and allowances	**1,705,718**	1,737,019
Taxes and licenses	**1,513,634**	577,215
Janitorial & maintenance services	**1,200,048**	861,602
Insurance	**847,580**	845,600
Professional fees	**834,273**	725,136
Directors' fees	**237,134**	325,439
Rent (Note 14)	**214,286**	214,286
13th month pay and bonuses	**151,680**	237,833
Office supplies	**147,413**	41,986
Fuel, oil and lubricants	**131,143**	152,676
Repairs and maintenance	**129,535**	136,908
SSS, Philhealth and HDMF contributions	**129,524**	138,116
Loss on sale of equipment	**107,292**	-
Heat, light and power	**102,925**	464,282
Advertising	**98,000**	9,000
Postage, telephone and communication	**97,797**	95,296
Health care benefits	**97,224**	-
Outside services	**15,000**	50,000
Transportation and travel	**6,275**	29,328
Representation	**5,570**	175,316
Security services	**-**	1,573,708
Separation pay benefits	**-**	110,769
Other expenses	**260,690**	163,460
	₱ 25,403,174	₱ 22,332,819

NOTE 14 - LEASE

The Company is a lessee under a non-cancellable lease agreement covering its office space in Kumintang Ibaba, Batangas with a monthly rent of ₱20,000, inclusive of VAT. The lease commenced upon signing of the contract and shall remain in full force and effect for a term of one year with a renewal option unless sooner terminated or in the event of the sale of the property to a third party, renewable upon mutual agreement of the parties. There is no sub-lease, escalation rate, purchase options and restrictions imposed by the lease agreement.

Rent expense amounted to ₱214,286 in 2024 and 2023 (see Note 13).

NOTE 15 - INCOME TAXES

Domestic corporations are subject to regular corporate income tax (RCIT) of 30% pursuant to RA No. 9337. The regulations also provide for minimum corporate income tax (MCIT) of 2% on modified gross income and allow a net operating loss carryover (NOLCO). The MCIT and NOLCO may be applied against the Company's income tax liability and taxable income, respectively, for the three immediately succeeding taxable years. MCIT is recognized when it is higher than the RCIT.

On March 26, 2021, President Rodrigo Duterte signed into law Republic Act (RA) No. 11534, also known as "Corporate Recovery and Tax Incentives for Enterprises Act" or "CREATE" Act which reduced the corporate income tax rates and rationalized the current tax incentives system by making it time bound, targeted and performance based. CREATE Act introduces reforms in the areas of corporate income tax, VAT and tax incentives, aside from providing COVID-19 reliefs to taxpayers.

Effective July 1, 2020, domestic corporations with total assets not exceeding ₱100 million and taxable income of ₱5 million and below shall be subject to 20% income tax rate while the other domestic corporations and resident foreign corporations will be subject to 25% income tax rate. The MCIT rate is reduced from 2% to 1% from July 1, 2020 to June 30, 2023.

Provision for income tax represents the MCIT for the year amounting to ₱7,965.

A reconciliation of income tax benefit computed at the statutory income tax rate to effective income tax expense (benefit) as shown in profit or loss is as follows:

	2024	2023
Loss before income tax	**(₱25,003,326)**	(₱20,639,866)
Income tax benefit calculated at the statutory income tax rate of 25%	**(₱6,250,832)**	(₱5,159,966)
Adjust for tax effect of:		
Unrecognized deferred tax asset on NOLCO	**6,247,600**	5,116,320
Non-deductible expense	**3,630**	43,829
Share issuance cost directly charged to equity	**-**	-
Interest income subject to final tax	**(398)**	(183)
Effective income tax expense (benefit)	**₱ -**	₱ -

Effective July 2008, RA No. 9504 was approved giving corporate taxpayers an option to claim itemized deductions or optional standard deduction equivalent to 40% of gross income. Once the option is made, it shall be irrevocable for the taxable year for which the option was made. The Company opted to continue claiming itemized deductions for the years ended December 31, 2024 and 2023.

The details of the Company's NOLCO are presented below:

Year incurred	Amount	Expired	Unapplied	Expiry year
2024	**₱ 24,990,401**	₱ -	**₱ 24,990,401**	**2027**
2023	20,465,280	-	20,465,280	2026
2022	21,464,667		21,464,667	2025
2019	16,040,844	16,040,844		2022
2018	18,872,162	18,872,162	-	2021
	₱ 101,833,354	**₱ 34,913,006**	**₱ 66,920,348**	

Pursuant to the provisions of Section 244 of the National Internal Revenue Code, as amended, Revenue Regulations (RR) No. 25-2020 dated September 30, 2020 was promulgated to implement Section 4 (bbbb) of RA No. 11494, otherwise known as Bayanihan to Recover as One Act, that allows taxpayers which incurred net operating loss for taxable years 2021 and 2022 to carry over the same as a deduction from its gross income for the next five consecutive taxable years immediately following the year of such loss, which can be carried over as a deduction even after the expiration of RA No. 11494 provided the same are claimed within the next five consecutive taxable years immediately following the year of such loss unless otherwise disqualified from claiming the deduction.

Presented below are the details of the NOLCO incurred by the Company in 2021 and 2020:

Year incurred	Amount	Expiry date
2021	₱17,892,075	2026
2020	₱18,881,695	2025
	₱36,773,770	

Details of MCIT are as follows:

Year incurred	Amount	Expired	Unapplied	Expiry year
2024	₱ 7,965	₱ -	₱ 7,965	2027
2023	33,844	-	33,844	2026
2020	7,341	-	7,341	2025
2019	75,221	75,221	-	2022
2018	35,799	35,799	-	2021
	₱ 160,170	**₱ 111,020**	**₱ 49,150**	

No deferred tax assets were recognized by the Company on its NOLCO and MCIT because the management believes that future taxable profit would not be available against which these temporary differences can be utilized. Unrecognized deferred tax assets amounted to **₱25,972,679** and ₱19,717,114 as at **December 31, 2024** and 2023, respectively.

Movements of income tax payable are as follows:

	2024	2023
Balance at January 1	₱ -	₱ -
Provision (Benefit)	-	-
Income tax paid	-	-
Balance at December 31	₱ -	₱ -

NOTE 16 - OTHER MATTERS

a. COVID-19 outbreak

The COVID-19 pandemic has severely impacted the economy as businesses are forced to cease or minimize operations. Measures taken by the government to contain the spread of the virus include quarantines, social distancing and closure of non-essential services, among others. These measures do not have a significant impact on the Company since it only incurs minimal expenses.

Considering the evolving nature of this outbreak, its duration and impact remain unclear at this time which makes it not possible to reliably estimate its effect on the financial position and results of operations of the Company for the rest of 2025 and even periods thereafter. The Company will continue to monitor the situation and the outbreak's near-term and longer effects.

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

Presented below is the supplementary information which is required by the BIR under its existing RR to be disclosed as part of the notes to financial statements in addition to the disclosures mandated under PFRSs.

A. REVENUE REGULATIONS NO. 15-2010

In compliance with the requirements of RR No. 15-2010 issued on November 25, 2010, hereunder are the information on taxes, duties and license fees paid or accrued during the taxable year ended December 31, 2024:

1. **The Company does not have gross receipts subject to VAT for the year, hence there is no output tax declared and paid during the year.**

2. **The amount of input VAT claimed**

The amount of input VAT claimed is broken down as follows:

a. Balance at beginning of year	₱47,915,531
b. Current year's purchases	
- Domestic purchases of goods other than capital goods	179,919
- Domestic purchase of services	695,275
c. Input VAT claimed during the year	(1,714)
d. Balance at end of year	₱48,789,011

3. **The schedule of taxes and licenses paid during the year**

a. Local

Business permits	₱ 4,580
Community Tax Certificate	500
Real property tax	505,521
Others	9,073
	₱ 519,674

b. <u>National</u>

BIR annual registration fee	₱	500
Documentary stamp		990,450
Others		3,010
	₱	993,960

4. The amounts of withholding taxes paid/accrued during the year

Expanded withholding tax	₱	593,561
Tax on compensation and benefits		71,424
	₱	664,985

5. Deficiency tax assessments and tax cases

As of December 31, 2024, the Company has neither pending tax court cases nor tax assessment notices from the BIR issuances which must form part of the notes to the financial statements.

B. REVENUE REGULATIONS NO. 19-2011

RR No. 19-2011 issued on December 9, 2011 requires the disclosure of the schedules of taxable revenues, cost of sales/services, non-operating and taxable other income, itemized deductions, taxes and licenses and other significant tax information in the notes to financial statements.

Following are the required schedules for the taxable year ended December 31, 2024 in compliance with the said revenue issuances:

1. Revenue

The Company does not have revenue during the taxable year.

2. Cost of services

The Company has not incurred any cost of services during the taxable year.

3. Other taxable income not subjected to final tax

The Company does not have other income not subjected to final tax during the taxable year.

4. Ordinary allowable itemized deductions

Depreciation	₱ 12,593,684
Salaries, wages and allowances	1,857,398
Taxes and licenses*	1,513,634
SSS, Philhealth, HDMF and other contributions	129,523
Transportation and travel	6,275
Others:	
Security services	-
Professional fees	834,273
Heat, light and power	102,925
Fuel, oil and lubricants	131,143
Directors' fees	237,134
Outside services	15,000
Donation and contributions	50,000
Repairs and maintenance	129,535
Loss on disposal of equipment	107,292
Miscellaneous	7,680,840
	₱ 25,388,656

5. Taxes and licenses

The details of taxes and licenses are disclosed in section A of this note.

Valdes Abad &
Company
(Formerly: Valdes Abad & Associates)
certified public accountants

CJV Building 108 Aguirre Street, Legaspi Village, Makati City, Philippines

Branches:
Cebu and Davao

Phone: (632) 8892-5931 to 35
(632) 8519-2105
Fax: (632) 8819-1468
E-mail: rmcgroup@vacpa.ph
BOA/PRC Reg. No. 0314
SEC Accreditation No. 0314-SEC

The Board of Directors
MONTEMARIA ASIA PILGRIMS, INC.
Alpa Hotel Tolentino Road,
Kumintang Ibaba, Batangas City

Gentlemen:

In connection with our examination of the statements of financial position of **MONTEMARIA ASIA PILGRIMS, INC.** as of December 31, 2024 and 2023, and the related statements of comprehensive income, statements of changes in equity and statements of cash flows for the years then ended, we are stating that no partner of our firm is related by consanguinity or affinity to any of the principal officers or Board of Directors of the Company.

Very truly yours,

VALDES, ABAD & COMPANY, CPAS
201-130-974

By:

RENATO M. CABRAL
Partner
CPA Registration No. 039861
Issued on September 07, 2023
Valid until September 07, 2026
TIN 103-175-544
PTR No. 10479076
Issued on January 10, 2025, Makati City
BOA/PRC Reg. No. 0314/P-005
Issued on July 15, 2024,
Valid until July 14, 2027
BIR Accreditation no. 08-002126-004-2024
Issued on April 05, 2024,
Valid until April 04, 2027

Makati City, Philippines
March 18, 2025

Valdes Abad & Company
(Formerly: Valdes Abad & Associates)
certified public accountants

CJV Building 108 Aguirre Street, Legaspi Village, Makati City, Philippines

Branches:
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SEC Accreditation No. 0314-SEC

gmni member
an association of legally independent accounting firms
partnering for success

The Board of Directors
MONTEMARIA ASIA PILGRIMS, INC.
Alpa Hotel Tolentino Road,
Kumintang Ibaba, Batangas City

We have examined the financial statements of **MONTEMARIA ASIA PILGRIMS, INC.** for the year then ended December 31, 2024 and 2023 on which we have rendered the attached report dated March 18, 2025.

In compliance with SRC Rule 68, we are stating that the said company has a total number of nine (9) stockholders owning one hundred (100) or more shares each.

Very truly yours,

VALDES ABAD & COMPANY, CPAS
201-130-974

By:

RENATO M. CABRAL
Partner
CPA Registration No. 039861
Issued on September 07, 2023
Valid until September 7, 2026
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Makati City, Philippines
March 18, 2025

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partnering for success

REPORT OF INDEPENDENT AUDITOR ON SUPPLEMENTARY SCHEDULES

The Board of Directors
MONTEMARIA ASIA PILGRIMS, INC.
Alpa Hotel Tolentino Road,
Kumintang Ibaba, Batangas City

We have audited the accompanying financial statements of **MONTEMARIA ASIA PILGRIMS, INC.**, which comprise the statements of financial position as of December 31, 2024 and 2023, and the related statements of comprehensive income, statements of changes in equity, and statements of cash flows for the years then ended, and notes, comprising material accounting policy information and other explanatory information.

Our audits were made for the purpose of forming an opinion on the financial statements taken as a whole. The schedules listed in the Index to the Financial Statements and Supplementary Schedules are the responsibility of the Company's management. These schedules are presented for the purpose of complying with the Securities Regulation Code Rule 68 (series of 2019) and are not part of the financial statements. These supplementary schedules have been subjected to the auditing procedures applied in the audit of the 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 financial statements taken as a whole.

VALDES ABAD AND COMPANY, CPAs
BOA/PRC Reg. No. 0314
Issued on July 15, 2024, Valid until July 14, 2027
SEC Accreditation No. 0314-SEC, Group A
Issued on November 29, 2022, Valid from 2022-2026
BIR Accreditation No. 08-002126-000-2024
Issued on April 05, 2024, Valid until April 04, 2027

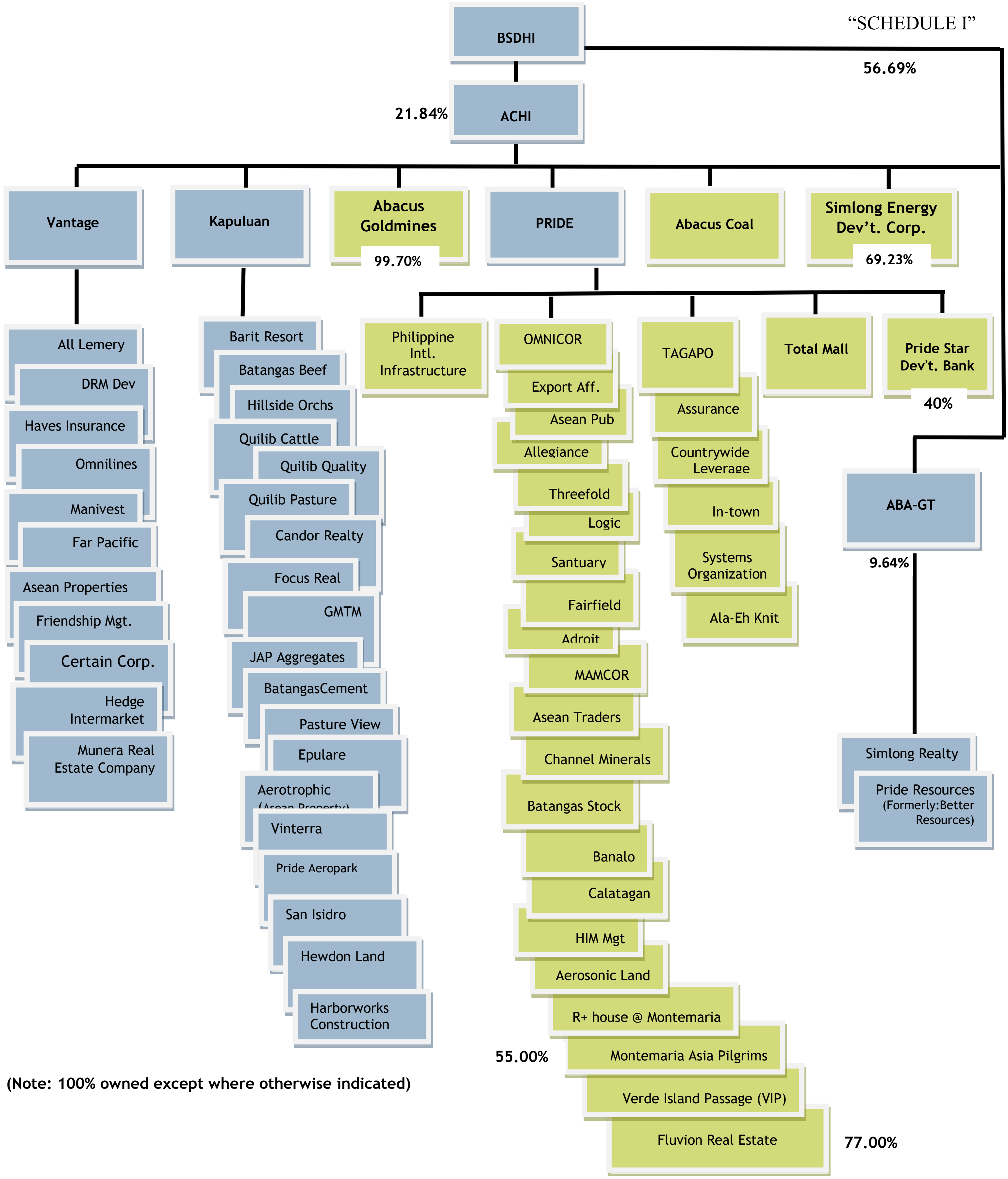
For the firm:

RENATO M. CABRAL
Partner
CPA Registration No. 039861
Issued on September 07, 2023
Valid until September 07, 2026
TIN 103-175-544
PTR No. 10479076
Issued on January 10, 2025, Makati City
BOA/PRC Reg. No. 0314/P-005
Issued on July 15, 2024,
Valid until July 14, 2027
BIR Accreditation no. 08-002126-004-2024
Issued on April 05, 2024,
Valid until April 04, 2027

Makati City, Philippines
March 18, 2025

INDEX TO FINANCIAL STATEMENTS

"SCHEDULE I"



(Note: 100% owned except where otherwise indicated)

MONTEMARIA ASIA PILGRIMS, INC.

SCHEDULE A - FINANCIAL ASSETS
December 31, 2024

Name of Issuing Entity/ Description of Each Issue	Number of Shares or Principal Amount of Bonds and Notes	Amount shown in the Statement of Financial Position	Value Based on Market Quotations at December 31, 2024	Income Received and Accrued
Cash	N/A	₱ 6,074,159	₱ 6,074,159	Interest Income ₱ 1,593
Receivables	N/A	-	-	N/A
Advances to relalated party	N/A	1,042,011	1,042,011	N/A
Total		₱ 7,116,170	₱ 7,116,170	₱ 1,593

MONTEMARIA ASIA PILGRIMS, INC.

SCHEDULE B - AMOUNTS RECEIVABLE FROM DIRECTORS, OFFICERS, EMPLOYEES
December 31, 2024

Name and designation of debtor	Beginning balance	Additions	DEDUCTIONS		Current	Non- current	Ending balance
			Amounts collected	Amounts written off			
Bryan Christopher Derla	₱ 500	₱ -	₱ 500	₱ -	₱ -	₱ -	₱ -
Total	**₱ 500**	**₱ -**	**₱ 500**	**₱ -**	**₱ -**	**₱ -**	**₱ -**

MONTEMARIA ASIA PILGRIMS, INC.

SCHEDULE C - AMOUNTS RECEIVABLE FROM RELATED PARTIES
December 31, 2024

Name of Affiliates	Beginning balance	Additions	DEDUCTIONS		Current	Non- current	Ending balance
			Amounts collected	Amounts written off			
Verde Island Passage (VIP)	₱ 1,042,011	₱ -	₱ -	₱ -	₱ 1,042,011	₱ -	₱ 1,042,011
Total	**₱ 1,042,011**	**₱ -**	**₱ -**	**₱ -**	**₱ 1,042,011**	**₱ -**	**₱ 1,042,011**

MONTEMARIA ASIA PILGRIMS, INC.

SCHEDULE D - INTANGIBLE ASSETS - OTHER ASSETS
December 31, 2024

Classification	Beginning Balance	Additions at cost	Charged to cost and	Other changes - Additions	Ending Balance
A. INTANGIBLE ASSETS	₱ -	₱ -	₱ -	₱ -	₱ -
B. OTHER ASSETS					
Input vat	47,915,531	873,480	-	-	48,789,011
Total	**₱ 47,915,531**	**₱ 873,480**	**₱ -**	**₱ -**	**₱ 48,789,011**

MONTEMARIA ASIA PILGRIMS, INC.

SCHEDULE F - INDEBTEDNESS TO RELATED PARTIES
December 31, 2024

Name of Affiliates	Beginning balance	Additions	DEDUCTIONS Amounts collected	Amounts written off	Current	Non- current	Ending balance
Omnicor Industrial Estate & Realty Center, Inc.	₱ 279,120,932	₱ -	₱ 5,447,022	₱ -	₱ -	₱ 273,673,910	₱ 273,673,910
Abacus Global Technovisions, Inc.	1,732,957	-	-	-	-	1,732,957	1,732,957
Total	**₱ 280,853,889**	**₱ -**	**5,447,022**	**₱ -**	**₱ -**	**₱ 1,732,957**	**₱ 275,406,867**

MONTEMARIA ASIA PILGRIMS, INC.

SCHEDULE H - CAPITAL STOCK
December 31, 2024

Title of Issue	Number of Shares Authorized	Number of Shares Issued and Outstanding	for Options, Warrants, Conversions and Other Rights	Number of Shares Held By		
				Affiliates	Directors, Officers and Employees	Others
Proprietary shares	15,000	10,428	-	7,428	15	2,985
Associate shares	50,000	20,902	-	20,811	11	80
Total	65,000	31,330	-	28,239	26	3,065

MONTEMARIA ASIA PILGRIMS, INC.

SCHEDULE I - FINANCIAL SOUNDNESS INDICATORS
December 31, 2024

		2024		2023	
Current ratio:	Current assets / Current liabilities	7,180,385 / 301,173,828	**0.02**	4,437,060 / 383,257,274	0.01
Solvency ratio:	Cash + Accounts receivable / Current liabilities	6,074,159 / 301,173,828	**0.02**	3,330,834 / 383,257,274	0.01
Debt to equity ratio:	Total liabilities / Total equity	301,173,828 / 216,468,213	**1.39**	383,257,274 / 142,566,538	2.69
Assets to equity:	Total assets / Total equity	517,642,041 / 216,468,213	**2.39**	525,823,812 / 142,566,538	3.69
Profitability ratio:					
Return on assets:	Net loss / Total assets	(25,003,326) / 517,642,041	**(0.05)**	(20,639,866) / 525,823,812	(0.04)
Return on Equity:	Net loss / Total Equity	(25,003,326) / 216,468,213	**(0.12)**	(20,639,866) / 142,566,538	(0.14)

MONTEMARIA ASIA PILGRIMS, INC.

SCHEDULE J - RECONCILIATION OF RETAINED EARNINGS
(In Philippine Peso)
December 31, 2024

Unappropriated Retained Earnings, beginning	(190,579,212)
Adjustments: Prior year's fair value adjustments of Investment Property resulting to gain	-
Unappropriated Retained Earnings (deficit), as adjusted, beginning	(190,579,212)
Net income/(loss) based on the face of AFS	(25,003,326)
Less: Non-actual/unrealized income (net of tax)	
Equity in net income of associate/joint venture	-
Unrealized foreign exchange gain - net (except those attributable to cash and cash equivalents)	-
Unrealized actuarial gain	-
Fair value adjustment (Market to Market gains)	-
Fair value adjustment of Investment Property resulting to gain	-
Adjustment due to deviation from PFRS/GAAP -gain	-
Other unrealized gains or adjustments to the retained earnings as a result of certain transactions accounted for under PFRS	-
Sub-total	
Add: Non-actual losses	
Depreciation on revaluation increment (after tax)	-
Adjustment due to deviation from PFRS/GAAP - loss	-
Loss on fair value adjustment of investment property (after tax)	-
Loss on fair value adjustment (Market to Market loss)	-
Net income (loss) actual	(25,003,326)
Add(Less):	
Dividend declarations during the period	-
Appropriations of retained earnings during the period	-
Reversals of appropriations	-
Effects of prior period adjustments	-
Treasury shares	-
Unappropriated Retained Earnings (deficit), as adjusted, ending	**(215,582,538)**

SECURITIES AND EXCHANGE COMMISSION
Secretariat Building, PICC Complex, Roxas Boulevard, Pasay City, 1307 Metro Manila Philippines
Tel: (632) 818-0921 Fax: (632) 818-5293 Email: mis@sec.gov.ph

The following document has been received:

Receiving: DONNA ENCARNADO
Receipt Date and Time: October 27, 2025 08:00:00 AM

Company Information

SEC Registration No.: CS201307234
Company Name: MONTEMARIA ASIA PILGRIMS, INC.
Industry Classification: O93099
Company Type: Stock Corporation

Document Information

Document ID: OST11027202583799061
Document Type: Quarterly Report
Document Code: SEC_Form_17-Q
Period Covered: September 30, 2025
Submission Type: Original Filing
Remarks: None

Acceptance of this document is subject to review of forms and contents

COVER SHEET

CS201307234
S E C Registration Number

MONTEMARIA ASIA, PILGRIMS, INC.

(Company's Full Name)

ALPA HOTEL, TOLENTINO ROAD
KUMINTANG IBABA, BATANGAS CITY
(Business Address : No. Street City / Town / Province)

Atty. Vicente Rafael L. Rosales
Contact Person

8724-3759/8725-0049
Company Telephone Number/s

1 2 | 3 1
Month *Day*
Fiscal Year

SEC FORM 17- Q
FORM TYPE

1 1 | 2nd Wed
Month *Day*
Annual Meeting

SRC, Secs. 8 & 12
Secondary License Type, If Applicable

CGFD
Dept. Requiring this Doc.

Amended Articles Number/Section

Total No. of Stockholders

Total Amount of Borrowings

Domestic	Foreign
N/A	N/A

To be accomplished by SEC Personnel concerned

File Number

LCU

Document I.D.

Cashier

S T A M P S

Remarks = pls. use black ink for scanning purposes

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-Q

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

1. For the quarterly period ended: September 30, 2025

2. SEC Identification No.: CS201307234

3. BIR Tax Identification No.: 008-512-584

4. Exact name of issuer as specified in its charter:

   Montemaria Asia Pilgrims, Inc.

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

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

7. Address of principal office: Alpa Hotel, Tolentino Road KumintangIbaba, Batangas City

   Postal Code: 4200

8. Issuer's telephone number, including area code:

   (043)7237701; (02)87243759; Fax No. (02)87243290

9. Former name, former address, former fiscal year: Not applicable

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

Title of Each Class	Number of Shares Outstanding
Associate Shares	30,000
Proprietary Shares	7,500

Amount of Debt Outstanding as of September 30, 2025: ₽274,302,904

11. Are any or all of these securities listed on a Stock Exchange? Yes [ ] No [x]

12. Indicate by check mark whether the issuer:

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

17 thereunder or Sections 11 of the RSA and RSA Rule 11(a)-1 thereunder, and Sections 26 and 141 of the Corporation Code of the Philippines, during the preceding twelve (12) months (or for such shorter period the registrant was required to file such reports)

Yes [x]   No [   ]

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

Yes [x]   No [   ]

PART I - FINANCIAL INFORMATION

Item 1.Financial Statements

Attached hereto and forming an integral part of this report are the following:

Balance Sheets as of September 30, 2025 (unaudited) and December 31, 2024 (audited)

Statements of Income as of September 30, 2025 and September 30, 2024 (both unaudited)

Statements of Changes in Stockholders' Equity as of September 30, 2025 and September 30, 2024 (both unaudited)

Statements of Cash Flows as of September 30, 2025 and September 30, 2024 (both unaudited)

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

At the end of the third quarter of 2025, the Company incurred a year-to-date pre-operating net loss of ₱9,127,370, which is 40% lower than the net loss of ₱15,201,465 recorded for the same period in 2024. The Company has since reopened the pilgrimage complex.

Notable expense variances are as follows: professional fees increased by 6% due to salary adjustments; taxes and licenses rose by 6%; employees' healthcare benefits increased by 82% due to higher annual premiums. Fuel, oil and lubricants went up by 7%, while repairs and maintenance increased by 17% due to the repair of a service vehicle. Representation expenses rose by 26%, and travel and transportation expenses doubled, both driven by increased travel by officers and staff. Heat, light and power increased by 43%, while postage, telephone and communication costs rose by 8%.

Other expenses also doubled, primarily due to donations made to the relatives of a deceased staff member.

Conversely, certain expense items decreased: commission declined by 98% due to fewer share sales; salaries, wages and allowances decreased by 10% following the passing of one staff member; office supplies dropped by 79%; and advertising fell by 85% due to cost-cutting measures.

Significant changes in the statement of financial position (September 2025 compared with December 31, 2024) are as follows: Cash decreased by 8% due to payment of documentary stamps and other expenses; while accounts receivable increased by 100% due to unliquidated advances to officers and staff.

Key Performance Indicators of the company

The Company monitors its performance and conducts benchmarking against prior years' results using the following indicators:

	YTD September 30, 2025	YTD September 30, 2024
Return on assets[1]	(0.02%)	(0.03%)
Return on equity[2]	(0.04%)	(0.12%)
Earnings per share[3]	(0.021%)	(0.045%)
	As of September 30, 2025	*As of December 31, 2024*
Current ratio[4]	0.02 : 1:00	0.02 : 1:00
Debt-to-Equity ratio[5]	1.38 : 1:00	1.39 : 1:00
Tangible net worth[6]	P215,155,842	P216,468,213

[1]net income/average total assets
[2]net income/stockholder's equity
[3]net income/number of shares outstanding
[4]current assets/current liabilities
[5]total liabilities/stockholder's equity
[6]net worth minus intangible assets

The negative return on assets and negative return on equity are attributable to the net loss incurred during the period.

The debt-to-equity ratio decreased as a result of a reduction in liabilities.

Other financial information

The Company does not have, and does not anticipate having within the next twelve (12) months, any cash flow or liquidity problems. The company is not in default, nor in breach, of any note, loan, lease, or other indebtedness or financing arrangement requiring it to make payments. Likewise, the Company does not have a significant amount of trade payables outstanding beyond the stated trade terms.

To the best of the Company's knowledge, there are no events that would trigger direct or contingent financial obligations that are material to the Company, including any default or acceleration of an obligation.

The Company has no material off-balance sheet transactions, arrangements, obligations (including contingent obligations), or other relationships with unconsolidated entities or other persons created during the reporting period.

The Company generates liquidity primarily through the sale of shares, advances from affiliates, bank loans, and the pre-termination of cash placements.

The Company has no material commitments for capital expenditures during the reporting period.

Given the nature of its business, the Company may be subject to seasonality or cyclicality in its revenues. Such seasonality or cyclicality is managed through effective cash flow planning, enabling the Company to anticipate and meet cash requirements during lean periods.

On March 17, 2021, the Board of Directors approved the conversion of the Company's debt to Omnicor Industrial Estate & Realty Center, Inc. into equity. On December 17, 2021, the stockholders likewise approved the conversion of the debt into equity in the aggregate amount of ₱506,282,562.

On January 31,2023, Montemaria Asia Pilgrims, Inc. and Omnicor Industrial Estate and Realty Center, Inc. executed a subscription agreement in the amount of ₱199,990,000 to convert a portion of the debt into equity in Montemaria. The corresponding documentary stamp taxes were timely paid in February 2023.

PART II - OTHER INFORMATION

1. The Company's 7,500 proprietary shares and 30,000 associate shares are duly registered under the Securities Regulation Code. The company intends to apply for the registration of an additional 7,500 proprietary shares and 20,000 associate shares.

2. Disclosures not made under SEC Form 17-C: None.

SIGNATURES

Pursuant to the requirements of the Securities Regulation Code, the issuer has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

MONTEMARIA ASIA PILGRIMS, INC

By:

ERNESTO I. MANDANAS JR.
President

VICENTE RAFAEL L. ROSALES
Corporate Secretary

ROWENA A. PIAD
Chief Accountant

Date: October 24, 2025

MONTEMARIA ASIA PILGRIMS, INC.

STATEMENT OF FINANCIAL POSITION

	September 30 2025 (Unaudited)	December 31 2024 (Audited)
A S S E T S		
CURRENT ASSETS		
Cash	**5,564,939**	6,074,159
Receivables	**27,500**	-
Advances to affiliates	**1,042,011**	1,042,011
Prepaid taxes	**120,290**	64,215
Total current assets	**6,754,739**	7,180,385
NON-CURRENT ASSETS		
Property and equipment , net	**455,910,755**	461,672,645
Other non-current assets	**48,789,195**	48,789,011
Total non-current assets	**504,699,950**	510,461,656
TOTAL ASSETS	**511,454,689**	517,642,041
LIABILITIES AND EQUITY		
LIABILITIES		
Accounts payable and accrued expenses	**20,867,044**	25,166,962
Advances from related party	**274,302,904**	275,406,867
Rental deposits	**1,128,900**	600,000
Total liabilities	**296,298,848**	301,173,828
EQUITY		
Share Capital	**125,813,000**	125,182,000
Share premium	**314,052,750**	306,868,750
Deficit	**(224,709,908)**	(215,582,537)
Total Equity	**215,155,842**	216,468,213
TOTAL LIABILITIES AND EQUITY	**511,454,689**	517,642,041

MONTEMARIA ASIA PILGRIMS INC.

STATEMENTS OF COMPREHENSIVE LOSS

	UNAUDITED			
	Jan.-Sept. 30 2025	Jan.-Sept. 30 2024	**July-Sept. 30 2025**	July-Sept. 30 2024
REVENUES				
Rental income	**1,121,495**	-	-	-
Interest income-Bank deposit	**2,595**	1,087	**1,058**	437
Other income	**787,093**	287,153	**47,060**	108,479
	1,911,183	288,239	**48,118**	108,916
EXPENSES				
Depreciation	**5,938,970**	5,667,016	-	-
Salaries, wages and allowances	**1,209,625**	1,348,927	**402,928**	456,691
Insurance	**847,350**	846,430	**759,000**	759,000
Janitorial and maintenance services	**787,666**	781,737	**310,772**	375,760
Taxes and licenses	**594,737**	558,465	**17,427**	2,305
Professional fees	**469,526**	440,926	**140,263**	127,663
Employees Healthcare benefits	**177,114**	97,224	**177,114**	97,224
Directors' fees	**148,830**	159,942	**71,637**	82,749
Fuel, oil & lubricants	**94,357**	87,784	**28,799**	26,283
SSS/Philhealth/HDMF Contributions	**88,046**	104,077	**30,151**	35,602
Commission	**84,750**	4,547,000		11,000
Repairs & maintenance	**72,580**	61,812	**52,708**	44,510
Heat, light & power	**76,387**	53,516	**46,194**	19,962
Postage, tel. & comm	**66,151**	61,332	**23,225**	20,444
Office supplies & others	**16,186**	76,628	**1,648**	49,032
Travel & transportation	**8,740**	3,325	**6,040**	3,162
Representation	**6,598**	5,255	**1,390**	3,850
Advertising	**14,525**	98,000	**14,525**	89,000
Loss on disposal of equipment	-	368,750		
Outside Services		15,000		15,000
Other expenses	**336,415**	106,560	**11,319**	18,062
	11,038,554	15,489,705	**2,095,141**	2,237,299
Loss before income tax	**(9,127,370)**	(15,201,465)	**(2,047,023)**	(2,128,383)
Income tax expense				
Current	-	-	-	-
Net Income (Loss)	**(9,127,370)**	(15,201,465)	**(2,047,023)**	(2,128,383)
Income (Loss) per Share	**(0.021)**	(0.045)	**(0.005)**	(0.006)

MONTEMARIA ASIA PILGRIMS, INC.

STATEMENT OF CHANGES IN STOCKHOLDERS' EQUITY

	UNAUDITED	
	September 30 2025	September 30 2024
Capital Stock		
Authorized - 200,000,000		
Share capital	**125,182,000**	115,325,000
Additional issuance of share capital	**549,000**	377,000
Share premium	**314,052,750**	221,548,750
	439,783,750	337,250,750
Deficits		
Beginning balance	**(215,582,537)**	(190,579,211)
Net Income (Loss)	**(9,127,370)**	(15,201,465)
	(224,709,908)	(205,780,676)
Ending balance	**215,073,842**	131,470,074

MONTEMARIA ASIA PILGRIMS, INC.

STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDING SEPTEMBER 30, 2025 AND SEPTEMBER 30, 2024

	UNAUDITED			
	Jan.-Sept. 30 2025	Jan.-Sept. 30 2024	**July.-Sept. 30 2025**	July-Sept. 30 2024
CASH FLOWS FROM OPERATING ACTIVITIES				
Income/(Loss) before tax	**(9,127,370)**	(15,201,465)	**(2,047,023)**	(2,128,383)
Adjustment for:				
Depreciation	**5,938,970**	5,667,016	**-**	-
Operating income before working capital changes	**(3,188,400)**	(9,534,449)	**(2,047,023)**	(2,128,383)
(Increase)decrease in:				
Accounts & other receivables	**(27,500)**	500	**105,000**	500
Prepaid	**(56,075)**		**-**	-
Increase (decrease) in:				
Acrued expenses and others	**(4,129,595)**	(340,818)	**(1,881,423)**	327,970
Rental deposits	**528,900**			
Net cash from (used in) operating activities	**(6,872,670)**	(9,874,767)	**(3,823,446)**	(1,799,913)
CASH FLOWS FROM INVESTING ACTIVITIES				
Acquisition of property and equipment	**(177,080)**	(434,461)	**(53,165)**	-
Oher non-current assets	**(170,506)**	(848,559)	**(161,058)**	(82,510)
Net cash from (used in) investing activities	**(347,586)**	(1,283,019)	**(214,223)**	(82,510)
CASH FLOWS FROM FINANCING ACTIVITIES				
Advances from affiliates	**(1,103,963)**	7,574,045	**600,000**	1,577,224
Paid up capital	**631,000**	87,000	**82,000**	-
Share premium	**7,184,000**	4,018,000	**1,263,000**	-
Net cash from (used in) financing activities	**6,711,037**	11,679,045	**1,945,000**	1,577,224
NET INCREASE (DECREASE) IN CASH	**(509,220)**	521,258	**(2,092,668)**	(305,199)
CASH, BEGINNING	**6,074,159**	3,330,334	**7,657,607**	4,156,791
CASH, ENDING	**5,564,939**	3,851,592	**5,564,939**	3,851,592

MONTEMARIA ASIA PILGRIMS, INC.

NOTES TO FINANCIAL STATEMENTS
September 30, 2025

NOTE 1 -GENERAL INFORMATION

Montemaria Asia Pilgrims, Inc.is a non-profit, stock corporation registered with the Philippine Securities and Exchange Commission (SEC) on April 12, 2013 per SEC Registration No. CS201307234. Its primary purpose is to promote the spiritual, social, cultural, recreational and health activities of its members/stockholders, who shall be issued membership shares/certificates, particularly through the setting up, development, construction, acquisition, maintenance, operation and servicing of shrines, churches, meditation areas, retreat houses, conference centers, dormitories, amphitheaters, sports facilities, swimming pools, gardens,health spas, convention centers, multi-purpose halls and other similar facilities and to provide pilgrimage facilities and services to its members.

Its registered address is located at Alpa Hotel, Tolentino Road, Kumintang Ibaba, Batangas City.

NOTE 2-MATERIAL ACCOUNTING POLICY INFORMATION

2.1 Basis of preparation

The material accounting policies adopted in the preparation of these financial statements are discussed in this note. These policies have been consistently applied to the years presented, unless otherwise stated.

Statement of compliance

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

Presentation of financial statements

The financial statements are presented in accordance with PAS 1 (Revised), *Presentation of Financial Statements*. The Company presents all items of income and expense in a single statement of comprehensive loss, with profit or loss and other comprehensive income (OCI) presented in two sections. It is required to present a statement of financial position as at the beginning of the earliest comparative period when the Company applies an accounting policy retrospectively, makes a retrospective restatement of items in its financial statements, or reclassifies items in the financial statements and said retrospective application, retrospective restatement or reclassification has a material effect on such third statement of financial position. The related notes to the third statement of financial position are not required to be disclosed.

These financial statements are presented in Philippine Peso (P), which is also the Company’s functional currency and all values are rounded to the nearest peso. Functional currency is the currency of the primary economic environment in which the entity operates or in which it primarily generates and expends cash while presentation currency is the currency in which the financial statements are presented.

Basis of measurement

The Company’s financial statements have been prepared on historical cost basis.

Foreign Currency Translation

Functional and Presentation Currency

Items included in the financial statements of the company are measured using the currency of the primary economic environment in which the company operates (the functional currency). The financial statements are presented in Philippine peso, which is the company's functional and presentation currency. All values are rounded to the nearest peso except when otherwise indicated.

Use of judgments and estimates

The preparation of financial statements in compliance with PFRSs requires the use of certain critical accounting estimates. It also requires the Company's management to exercise its judgment in applying the Company's accounting policies. The areas where significant judgments and estimates have been made in preparing the financial statements and their effects are disclosed in Note 3.

2.2 Changes in accounting policies and disclosures

The accounting policies applicable and adopted in the preparation of the financial statements are consistent with those of the previous financial year, except for the adoption of new/amended standards and interpretations effective starting January 1, 2024.

New and amended standards

The Company will adopt the following new pronouncements that will be applicable to them. Except as otherwise indicated, the Company does not expect the adoption of these new pronouncements to have a significant impact on the financial statements.

Effective beginning on or after January 1, 2022

- **Annual improvements to PFRS Standards 2018-2020 Cycle**
  - *Amendments to PFRS 1, First-time Adoption of Philippines Financial Reporting Standards, Subsidiary as a first-time adopter*

    The amendment permits a subsidiary that elects to apply paragraph D16(a) of PFRS 1 to measure cumulative translation differences using the amounts reported by the parent, based on the parent's date of transition to PFRS. This amendment is also applied to an associate or joint venture that elects to apply paragraph D16(a) of PFRS 1.

    The amendment is effective for annual reporting periods beginning on or after January 1, 2022 with earlier adoption permitted.

  - *Amendments to PFRS 9, Financial Instruments, Fees in the '10 percent' test for derecognition of financial liabilities*

    The amendment clarifies the fees that an entity includes when assessing whether the terms of a new or modified financial liability are substantially different from the terms of the original financial liability. These fees include only those paid or received between the borrower and the lender, including fees paid or received by either the borrower or lender on the other's behalf. An entity applies the amendment to financial liabilities that are modified or exchanged on or after the beginning of the annual reporting period in which the entity first applies the amendment.

    The amendment is effective for annual reporting periods beginning on or after January 1, 2022 with earlier adoption permitted. The Company will apply the amendments to financial liabilities that are modified or exchanged on or after the beginning of the annual reporting period in which the entity first applies the amendment.

- *Amendments to PFRS 16, Lease incentives*

  The amendment to illustrative example 13 accompanying PFRS 16 removes from the example the illustration of the reimbursement of leasehold improvements by the lessor in order to resolve any potential confusion regarding the treatment of lease incentives that might arise because of how lease incentives are illustrated in that example.

- *Amendments to PAS 41, Agriculture, Taxation in fair value measurements*

  The amendment removes the requirement in paragraph 22 of PAS 41 that entities exclude cash flows for taxation when measuring the fair value of assets within the scope of PAS 41.

  An entity applies the amendment prospectively to fair value measurements on or after the beginning of the first annual reporting period beginning on or after January 1, 2022 with earlier adoption permitted.

  The above amendments are not expected to have an impact to the Company.

- **Amendments to PFRS 3, *Reference to the Conceptual Framework***

  The amendments are intended to replace a reference to the Framework for the Preparation and Presentation of Financial Statements, issued in 1989, with a reference to the Conceptual Framework for Financial Reporting issued in March 2018 without significantly changing its requirements.

  The amendments added an exception to the recognition principle of PFRS 3, to avoid the issue of potential 'day 2' gains or losses arising for liabilities and contingent liabilities that would be within the scope of PAS 37, *Provisions, Contingent Liabilities and Contingent Assets* or Philippine-IFRIC 21, *Levies,* if incurred separately.

  At the same time, the amendments add a new paragraph to PFRS 3 to clarify that contingent assets do not qualify for recognition at the acquisition date.

  The amendments are effective for annual reporting periods beginning on or after January 1, 2022 and apply prospectively.

- **Amendments to PAS 16, *Property, Plant and Equipment - Proceeds before intended use***

  The amendments prohibit entities deducting from the cost of an item of property, plant and equipment, any proceeds from selling items produced while bringing that asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Instead, an entity recognizes the proceeds from selling such items, and the costs of producing those items, in profit or loss. The amendment is effective for annual reporting periods beginning on or after January 1, 2022 and must be applied retrospectively to items of property, plant and equipment made available for use on or after the beginning of the earliest period presented when the entity first applies the amendment.

  The amendments are not expected to have a material impact on the Company.

- **Amendments to PAS 37, *Onerous Contracts - Cost of fulfilling a contract***

  The amendments specify which costs an entity needs to include when assessing whether a contract is onerous or loss-making. The amendments apply a "directly related cost approach". The costs that relate directly to a contract to provide goods or services include both incremental costs and an allocation of costs directly related to contract activities. General and administrative costs do not relate directly to a contract and are excluded unless they are explicitly chargeable to the counterparty under the contract.

The amendments are effective for annual reporting periods beginning on or after January 1, 2022. The Company will apply these amendments to contracts for which it has not yet fulfilled all its obligations at the beginning of the annual reporting period in which it first applies the amendments.

The amendments are not expected to have a material impact on the Company.

Effective beginning on or after January 1, 2023

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

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

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

  An entity applies the amendments to transactions that occur on or after the beginning of the earliest comparative period presented for annual reporting periods on or after January 1, 2023.

- **Amendments to PAS 8, *Definition of Accounting Estimates***

  The amendments introduce a new definition of accounting estimates and clarify the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors. Also, the amendments clarify that the effects on an accounting estimate of a change in an input or a change in a measurement technique are changes in accounting estimates if they do not result from the correction of prior period errors.

  An entity applies the amendments to changes in accounting policies and changes in accounting estimates that occur on or after January 1, 2023 with earlier adoption permitted.

  The amendments are not expected to have a material impact to the Company.

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

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

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

  The amendments to the Practice Statement provide non-mandatory guidance. Meanwhile, the amendments to PAS 1 are effective for annual periods beginning on or after January 1, 2023. Early application is permitted as long as this fact is disclosed.

  The amendments are not expected to have a material impact to the Company.

Effective beginning on or after January 1, 2024

- **Amendments to PAS 1, *Classification of Liabilities as Current or Non-current***

The amendments clarify paragraphs 69 to 76 of PAS 1, *Presentation of Financial Statements*, to specify the requirements for classifying liabilities as current or non-current. The amendments clarify:

- What is meant by a right to defer settlement
- That a right to defer must exist at the end of the reporting period
- That classification is unaffected by the likelihood that an entity will exercise its deferral right
- That only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification

The amendments are effective for annual reporting periods beginning on or after January 1, 2023 and must be applied retrospectively. However, in November 2021, the International Accounting Standards Board (IASB) tentatively decided to defer the effective date to no earlier than January 1, 2024.

The Company has yet to assess the impact of these amendments.

Effective beginning on or after January 1, 2025

- **PFRS 17, *Insurance Contracts***

PFRS 17 is a comprehensive new accounting standard for insurance contracts covering recognition and measurement, presentation and disclosure. Once effective, PFRS 17 will replace PFRS 4, *Insurance Contracts*. This new standard on insurance contracts applies to all types of insurance contracts (i.e., life, non-life, direct insurance and re-insurance), regardless of the type of entities that issue them, as well as to certain guarantees and financial instruments with discretionary participation features. A few scope exceptions will apply.

The overall objective of PFRS 17 is to provide an accounting model for insurance contracts that is more useful and consistent for insurers. In contrast to the requirements in PFRS 4, which are largely based on grandfathering previous local accounting policies, PFRS 17 provides a comprehensive model for insurance contracts, covering all relevant accounting aspects. The core of PFRS 17 is the general model, supplemented by:

- A specific adaptation for contracts with direct participation features (the variable fee approach)
- A simplified approach (the premium allocation approach) mainly for short-duration contracts

In June 2020, PFRS 17 was amended. The amendments are aimed at helping companies implement the standard and making it easier for them to explain their financial performance. PFRS 17 incorporating the amendments is effective from annual reporting periods beginning on or after January 1, 2023.

Amendment to PFRS 17, *Insurance Contracts, Initial Application of PFRS 17* and PFRS 9 - *Comparative Information*

The PFRSC has approved on December 15, 2021 the adoption of amendment to IFRS 17, Insurance Contracts, Initial Application of IFRS 17 and IFRS 9 - Comparative Information issued by the IASB in December 2021 as amendment to PFRS 17, Insurance Contracts, Initial Application of PFRS 17 and PFRS 9 - Comparative Information.
The amendment adds a transition option for a classification overlay to address possible accounting mismatches between financial assets and insurance contract liabilities in the comparative information presented on initial application of PFRS 17.

An entity shall apply this amendment to annual reporting periods beginning on or after January 1, 2023.

On December 15, 2021, the Financial Reporting Standards Council (FRSC) amended the mandatory effective date of PFRS 17 from January 1, 2023 to January 1, 2025. This is consistent with Circular

Letter No. 2020-62 issued by the Insurance Commission which deferred the implementation of PFRS 17 by two (2) years after its effective date as decided by the IASB. PFRS 17 is effective for reporting periods beginning on or after January 1, 2025, with comparative figures required. Early application is permitted.

The new standard is not applicable to the Company.

Deferred

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

  The amendments address the conflict between PFRS 10 and PAS 28 in dealing with the loss of control of a subsidiary that is sold or contributed to an associate or joint venture. The amendments clarify that a full gain or loss is recognized when a transfer to an associate or joint venture involves a business as defined in PFRS 3, *Business Combinations*. Any gain or loss resulting from the sale or contribution of assets that does not constitute a business, however, is recognized only to the extent of unrelated investors' interests in the associate or joint venture.

  On January 13, 2016, the Financial Reporting Standards Council deferred the original effective date of January 1, 2016 of the said amendments until the IASB completes its broader review of the research project on equity accounting that may result in the simplification of accounting for such transactions and of other aspects of accounting for associates and joint ventures.

  The Company has yet to assess the impact of these amendments should there be any applicable transactions and adopted when it is effective.

  The management, however, expects no significant impact from the adoption of the new standard and amendments on the Company's financial position and financial performance.

2.3 Current versus non-current classification

The Company presents assets and liabilities in the statement of financial position based on current and non-current classification.

An asset is current when it is:

i. Expected to be realized or intended to be sold or consumed in normal operating cycle;
ii. Held primarily for the purpose of trading;
iii. Expected to be realized within twelve months after the financial reporting period; or
iv. Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the financial reporting period.

All other assets are classified as non-current.

A liability is current when:
i. It is expected to be settled in normal operating cycle;
ii. It is held primarily for the purpose of trading;
iii. It is due to be settled within twelve months after the financial reporting period; or
iv. There is no unconditional right to defer the settlement of the liability for at least twelve months after the financial reporting period.

The Company classifies all other liabilities as non-current.

2.4 Cash

Cash includes petty cash, cash on hand and in banks. Cash in banks, which are stated at face amount, comprise deposits held at call with banks which earn interest at the prevailing bank deposit rates and are unrestricted as to withdrawal.

2.5 Financial instruments

Initial recognition and measurement

A financial asset or a financial liability is recognized in the statement of financial position when the Company becomes a party to the contractual provisions of the instrument.

Financial asset or a financial liability are initially measured at its fair value plus or minus, in the case of a financial asset or a financial liability not at fair value through profit or loss (FVPL), transaction costs that are directly attributable to the acquisition or issue of the financial asset or the financial liability. Except for trade receivables that do not contain a significant financing component or for which the Church has applied the practical expedient are measured at the transaction price determined under IFRS 15.

Financial Assets

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place are recognized on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Classification

Financial assets are classified as subsequently measured at amortized cost, fair value through other comprehensive income or fair value through profit or loss on the basis of both:

(a) the entity’s business model for managing the financial assets and
(b) the contractual cash flow characteristics of the financial asset.

A financial asset shall be measured at *fair value through profit or loss* unless it is measured at amortized cost or at fair value through other comprehensive income However an entity may make an irrevocable election at initial recognition for particular investments in *equity instruments* that would otherwise be measured at fair value through profit or loss to present subsequent changes in fair value in other comprehensive income.

Despite of the above classifications, an entity may, at initial recognition, irrevocably designate a financial asset as measured at fair value through profit or loss if doing so eliminates or significantly reduces a measurement or recognition inconsistency (sometimes referred to as an ‘accounting mismatch’) that would otherwise arise from measuring assets or liabilities or recognizing the gains and losses on them on different bases.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified as follows:

- Financial assets at amortized cost (debt instruments)
- Financial assets at fair value through OCI with recycling of cumulative gains and losses (debt instruments)
- Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)
- Financial assets at fair value through profit or loss

Financial assets at amortized cost (debt instruments)

The Company measures financial assets at amortized cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective 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

Financial assets at amortized cost are subsequently measured using the effective interest (EIR) method and are subject to impairment. Gains and losses are recognized in profit or loss when the asset is derecognized, modified or impaired.

The Company measures a financial asset at amortized cost if both of the following conditions are met:

- It is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- Its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

Financial assets at amortized cost are subsequently measured using the effective interest method and are subject to impairment. Gains and losses are recognized in profit or loss when the asset is derecognized, modified or impaired.

The Company's financial assets at amortized cost as at June 30, 2025 and December 31, 2024 include cash, receivables (except for advances to employees) and advance to a related party.

Financial assets at fair value through OCI (debt instruments)

The Company measures debt instruments at fair value through OCI if both of the following conditions are met:

- The financial asset is held within a business model with the objective of both holding to collect contractual cash flows and selling; 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

For debt instruments at fair value through OCI, interest income, foreign exchange revaluation and impairment losses or reversals are recognized in profit or loss and computed in the same manner as for financial assets measured at amortized cost. The remaining fair value changes are recognized in OCI. Upon derecognition, the cumulative fair value change recognized in OCI is recycled to profit or loss.

The Company does not have financial assets at fair value through OCI (debt instruments) as at September 30, 2025 and December 31, 2024.

Financial assets designated at fair value through OCI (equity instruments)
Upon initial recognition, the Company can elect to classify irrevocably its equity investments as equity instruments designated at fair value through OCI when they meet the definition of equity under IAS 32 Financial Instruments: Presentation and are not held for trading. The classification is determined on an instrument-by-instrument basis.

Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognized as other income in the statement of profit or loss when the right of payment has been established, except when the Company benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at fair value through OCI are not subject to impairment assessment.

The Company does not have financial assets at fair value through OCI (equity instruments) as at September 30, 2025 and December 31, 2024.

Financial assets at air value through profit or loss

Financial assets at fair value through profit or loss include financial assets held for trading, financial assets designated upon initial recognition at fair value through profit or loss, or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments. Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at fair value through profit or loss, irrespective of the business model. Notwithstanding the criteria for debt instruments to be classified at amortized cost or at fair value through OCI, as described above, debt instruments may be designated at fair value through profit or loss on initial recognition if doing so eliminates, or significantly reduces, an accounting mismatch.

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognized in the statement of profit or loss.

The Company does not have financial assets at FVPL as at September 30, 2025 and December 31, 2024 .

Impairment of financial assets

The Company recognizes an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECLs are 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, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognized in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For trade receivables and contract assets, the Company applies a simplified approach in calculating ECLs. Therefore, the Company does not track changes in credit risk, but instead recognizes a loss allowance based on lifetime ECLs at each reporting date. The Company has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

For debt instruments at fair value through OCI, the Company applies the low credit risk simplification. At every reporting date, the Church evaluates whether the debt instrument is considered to have low credit risk using all reasonable and supportable information that is available without undue cost or effort. In making that evaluation, the Company reassesses the internal credit rating of the debt instrument. In addition, the Company considers that there has been a significant increase in credit risk when contractual payments are more than 30 days past due.

The Company considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Company may also consider a financial asset to be in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Company. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognized (i.e., removed from the Company's statement of financial position) when:

- The rights to receive cash flows from the asset have expired
  Or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company 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 rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognize the transferred asset to the extent of its continuing involvement. In that case, the Company also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Financial liabilities

Financial liabilities are classified as (a) financial liabilities at FVPL (including financial liabilities held for trading and those that are designated at fair value), and (b) other financial liabilities measured at amortized cost.

A financial liability is classified as held for trading if it is acquired or incurred principally for the purpose of selling or repurchasing it in the near term or if it is part of a portfolio of identified financial instruments that are managed together and for which there is evidence of a recent actual pattern of short-term profit taking. Gains and losses arising from changes in the fair value of financial liabilities classified as held for trading are included in profit or loss.

Other financial liabilities pertain to issued financial instruments that are not classified or designated at FVPL and contain contractual obligations to deliver cash or other financial assets to the holder or to settle the obligation other than the exchange of a fixed amount of cash or another financial asset for a fixed number of own equity shares. After initial measurement, other financial liabilities are subsequently measured at amortized cost using the effective interest method.

The Company's financial liabilities include accrued expenses and other payables (except for government liabilities) and advances from related parties.

Derecognition of financial liability

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. 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 the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit or loss.

Classification of financial instruments between debt and equity

Financial instruments are classified as debt or equity in accordance with the substance of the contractual arrangement. Interest, dividends, gains and losses relating to a financial instrument or a component that is a financial liability are reported as income or expense in profit or loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if, and only if, there is a currently enforceable legal right to offset the recognized amounts and there is an 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 statement of financial position.

Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability, or in the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible to the Company.

The fair value of an asset or liability is measured using the assumption that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- 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; and,
- Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Company determines whether transfers have occurred between Levels in the hierarchy by reassessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

2.6Property and equipment

The initial cost of property and equipment comprises its purchase price, including any directly attributable costs of bringing the asset to its working condition and location for its intended use. Expenditures incurred after the property and equipment has been put into operation, such as repairs and maintenance, are recognized in profit or loss in the period the costs are incurred. In situations where it can be clearly demonstrated that the expenditures have resulted in an increase in the future economic benefits expected to be obtained from the use of an item of property and equipment beyond its originally assessed standard performance, the expenditures are capitalized as an additional cost of property and equipment.

At the end of each financial reporting period, items of property and equipment are carried at cost less accumulated depreciation and amortization, and any impairment in value.

Depreciation and amortization is computed on a straight-line basis over the following estimated useful lives of the assets:

Furniture and fixtures	2-10 years	Building (Clubhouse/cenacle)	50 years

Heavy equipment	10 years	Building improvements	50 years
Images	5-50 years	Welcome arch	15 years
Tools and equipment	5 years	Road	10 years
Leasehold improvements	shorter of lease term and useful life of 5 years	Road improvements	10 years
		Transportation equipment	10 years

An asset is depreciated or amortized when it is available for use until it is derecognized even if during that period the item is idle. Fully depreciated/amortized assets still in use are retained in the financial statements.

The estimated useful lives, and the depreciation and amortization methods are reviewed when an indication that the expected pattern of consumption of economic benefits associated with an item of property and equipment has significantly changed. When an expectation differs, the useful lives, and the depreciation and amortization methods are changed to reflect the new pattern of consumption. This change is accounted for as a change in accounting estimate.

An asset's carrying amount is written down immediately to its recoverable amount if it is greater than the estimated recoverable amount.

When an item of property and equipment is retired or otherwise disposed of, the cost and related accumulated depreciation and amortization, and any impairment in value are removed from the accounts and any resulting gain or loss arising from the disposal, computed as the difference between the sales proceeds and the carrying amount of the asset, or retirement of an asset is recognized in profit or loss.

2.7Impairment of non-financial assets

An assessment is made at each financial reporting date if there is any indication of impairment of any asset, or if there is any indication that an impairment loss previously recognized for an asset may no longer exist or may have decreased. If any such indication exists, the asset's recoverable amount is estimated.

Among others, the factors that the Company considers important which could trigger an impairment review include the following:

- significant or prolonged decline in fair value of the asset;
- market interest rates or other market rates of return on investments have increased during the period, and those increases are likely to affect the discount rate used in calculating the asset's value in use and decrease the asset's recoverable amount materially;
- significant underperformance relative to expected historical or projected future operating results;
- significant changes in the manner of use of the acquired assets or the strategy for overall business; or
- significant negative industry or economic trends.

If any such indication exists or when an annual impairment testing for an asset is required, the Company makes a formal estimate of the asset's recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. The fair value less costs to sell is the amount obtainable from the sale of the asset in an arm's length transaction. 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.

Whenever the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount and an impairment loss is recognized in profit or loss in the period in which it arises. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount, only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized. Reversals of impairment are recognized in profit or loss. After such reversal, the depreciation or amortization expense is adjusted in future periods to allocate the asset's revised carrying amount on a systematic basis over its remaining life.

2.8 Input Value-Added Tax (VAT)

Input VAT is recognized at cost less allowance for impairment, if any.

2.9Accrued expenses and other payables

Accruals are liabilities for goods or services that have been received or supplied but have not been paid, invoiced or formally agreed with the suppliers. It is necessary to estimate the amount or timing of accruals. However, the uncertainty is generally much less than for provisions.

Other payables are recognized in the period in which the related money, goods or services are received or when a legally enforced claim against the Company is established. They are recognized initially at fair value and subsequently measured at amortized cost using effective interest method.

2.10Equity

Financial instruments issued by the Company are classified as equity only to the extent that they do not meet the definition of a financial liability.

The Company's ordinary shares are classified as equity instruments. Share capital is determined using the par value of shares that have been issued.Incremental costs incurred directly attributable to the issuance of new shares are recognized as a deduction from equity, net of tax.

Share premium represents the premium received on the issuance of share capital. Any transaction costs associated with the issuance of shares are deducted from share premium, net of any related income tax benefits.

Retained earnings (Deficit) includes all current and prior period results of operations of the Company as disclosed in the statements of comprehensive income(loss) and statements of changes in equity (capital deficiency).

2.11Revenue recognition

Revenue from contracts with customers is recognized when control of the goods or services is transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services.

Revenue is recognized when the Company satisfies a performance obligation by transferring a promised good or service to the customer, which is when the customer obtains control of the good or service. A performance obligation may be satisfied at a point in time or over time. The amount of revenue recognized is the amount allocated to the satisfied performance obligation.

In addition, the following specific recognition criteria must also be met before interest income is recognized:

Interest income earned on bank deposit, which is presented net of tax withheld by bank, is recognized as the interest accrues on a time proportion basis taking into account the effective yield on the asset or EIR.

Other income is recognized when there is an incidental economic benefit, other than from the usual business operations, that will flow to the Company through an increase in asset or reduction in liability that can be reliably measured.

2.12 Expense recognition

The financial statements are prepared on accrual basis of accounting. Under this basis, expenses are recognized when incurred and are reported in the financial statements in the periods to which they relate.

Expenses are recognized in profit or loss when a decrease in future economic benefit related to a decrease in an asset or an increase in a liability has arisen that can be reliably measured.

They are recognized (a) on the basis of a direct association between the costs incurred and the earning of specific items of income; (b) on the basis of systematic and rational allocation procedures when economic benefits are expected to arise over several accounting periods and the association with income can only be broadly or indirectly determined; or (c) immediately when an expenditure produces no future economic benefits or when, and to the extent that, future economic benefits do not qualify, or cease to qualify, for recognition in the statement of financial position as an asset.

2.13Leases

The Company assesses at contract inception whether a contract is, or contains, a lease, i.e., if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Under PFRS 16, a lease exists where the contract grants the right to control the use of an identified asset for a period of time in exchange for consideration. Control over the use of an identified asset for a period of time is conveyed when the customer has both of the following throughout the period of use:

i. The right to obtain substantially all of the economic benefits from use of the identified asset; and
ii. The right to direct the use of the identified asset.

In identifying the leases, lease and some non-lease components shall be accounted separately under applicable standards.

<u>Company as a lessee</u>

For lessees, PFRS 16 removes the classification of leases as either operating or financing and requires that all leases be recognized on the statements of financial position, with certain exemptions allowed:
i. Short-term leases (twelve months or less); and
ii. Leases where the underlying asset, in a new condition, is of low value.

The Company does not recognize right-of-use asset and lease liability considering that the term of its lease agreement is not more than 12 months.

2.14Employee benefits

Short-term benefits

Short-term benefits are recognized as expense in the period when the economic benefits are given. Unpaid benefits at the end of the financial reporting period are recognized as accrued expense while benefits paid in advance are recognized as prepayment to the extent that it will lead to a reduction in future payments. Short-term benefits given by the Company to its employees include salaries and wages, social security contributions, short-term compensated absences, bonuses and other non- monetary benefits.

2.15 Provisions and contingencies

Provisions are recognized when (a) the Company has a present obligation (legal or constructive) as a result of a past event; (b) it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and (c) a reliable estimate can be made of the amount of the obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognized as interest expense. Where the Company expects some or all of a provision to be reimbursed, the reimbursement is recognized as a separate asset only when the reimbursement is virtually certain. The expense relating to any provision is charged against profit or loss, net of any reimbursement. Provisions are reviewed at each financial reporting date and adjusted to reflect the current best estimate.

Contingent liabilities are not recognized in the Company's financial statements but are disclosed unless the possibility of an outflow of resources embodying economic benefits is remote.

Contingent assets are not recognized in the Company's financial statements but are disclosed in the notes to financial statements when an inflow of economic benefits is probable.

2.16 Income taxes

Provision for income tax represents the sum of the current and deferred taxes.

Current tax

Current tax assets and current tax liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities, determined at the end of every quarter, subject to adjustments at the end of the period when a final adjustment return is filed and the corresponding annual income tax is computed and determined to be recovered or paid.

The tax currently payable is based on taxable income for the period. Taxable income differs from net income (loss) as reported in profit or loss because it excludes items of income or expense that are taxable or deductible in other periods and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated on the basis of the tax rates and tax laws enacted or substantively enacted at the financial reporting date.

Deferred tax

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

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

Deferred tax liabilities are recognized for all taxable temporary differences while deferred tax assets are recognized for all deductible temporary differences, carryforward of unused tax credits from excess minimum corporate income tax (MCIT) over regular corporate income tax (RCIT) and net operating loss carryover (NOLCO), to the extent that it is probable that sufficient taxable income will be available in future periods against which the deductible temporary differences and the carryforward of unused tax credits from excess MCIT over RCIT and unused tax losses from NOLCO can be utilized.

The carrying amount of deferred tax assets is reviewed at the end of each financial reporting period and reduced to the extent that it is no longer probable that sufficient taxable income will be available in future periods to allow the benefit of all or part of the deferred tax assets to be utilized.

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

Current and deferred taxes are recognized as an expense or income in profit or loss, except when they relate to items that are recognized outside profit or loss (whether in OCI or directly in equity account), in which case, the tax is also recognized outside profit or loss.

2.17 Related parties

Related party transactions are transfers of resources, services or obligations between the Company and its related parties, regardless of whether a price is charged.

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions. These include: (a) individuals owning, directly or indirectly through one or more intermediaries, control or are controlled by, or under common control with the Company; (b) associates; and (c) individuals owning, directly or indirectly, an interest in the voting power of the Company that gives them significant influence over the Company and close members of the family of any such individual.

Related parties may be individuals or corporate entities. The key management personnel of the Company are also considered to be related parties. In considering each possible related party relationship, attention is directed to the substance of the relationship, and not merely the legal form.

2.18 Events after the financial reporting date

Post year-end events up to the date the financial statements are authorized for issue by the BOD that provide additional information about the Company's position at the financial 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.

NOTE 3 -SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGMENTS

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

Judgments and estimates are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Revision to accounting estimate is recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

Judgments

In the process of applying the Company's accounting policies, management has made the following judgments, apart from those involving estimates, which have the most significant effect on the amounts recognized in the financial statements:

(a) Determining functional currency

Based on the economic substance of the underlying circumstances relevant to the Company, the functional currency has been determined to be the Philippine Peso.

The Company considers the following factors in determining its functional currency:

i. the currency that mainly influences its sale of services and the cost of providing the same;

ii. the currency in which the funds from financing activities are generated; and
iii. the currency in which the receipts from operating activities are usually retained.

(b) Classifying financial instruments

The Company classifies a financial instrument, or its component parts, on initial recognition as a financial asset, a financial liability or an equity instrument in accordance with the substance of the contractual agreement and guidelines set by PAS 32 on the definitions of a financial asset, a financial liability or an equity instrument. The substance of a financial instrument, rather than its legal form, generally governs its classification in the statement of financial position.

The classification of financial assets and financial liabilities is set out in Note 4.

(c) Significant increase of credit risk

ECL is measured as an allowance equal to 12-month ECL or lifetime ECL. An asset moves to the next stage when its credit risk has increased significantly since initial recognition. PFRS 9 does not define what constitutes a significant increase in credit risk. In assessing whether the credit risk of an asset has significantly increased, the Company takes into account qualitative and quantitative reasonable and supportable forward-looking information.

(d) Determining lease term

The Company has entered into lease agreements both as a lessor and as a lessee. As a lessor, the Company has retained all the significant risks and rewards of ownership of the leased property, and thus it accounted for the lease agreements as operating leases.

As a lessee, the Company determines whether there is a need to recognize right-of-use asset and lease liability - on-balance sheet lease under PFRS 16. Judgment is used in determining whether the lease terms will not go beyond twelve months and if it contains underlying assets of low value. In making such judgment, the Company evaluates the terms and conditions of the lease arrangement.

(e) Distinguishing between provisions and contingencies

Judgment is exercised by management to distinguish between provisions and contingencies. Accounting policies on recognition and disclosure of provisions are discussed in Note 2.15. The Company has determined that no contingencies will materially affect its financial statements, hence, no provisions were recognized in March 2023 and December 2022.

Estimates and assumptions

The following are the key assumptions concerning the future and other key sources of estimation uncertainty at the financial reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets within the next financial year:

(a) Estimating loss allowance for ECL

The Company measures ECL of a financial instrument in a way that reflects an unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes, the time value of money and information about past events, current conditions and forecasts of future economic conditions.
When measuring ECL, the Company uses reasonable and supportable forward-looking information, which is based on assumptions for the future movement of differenteconomic drivers and how these drivers will affect each other.In addition to specific allowance against individually significant loans and receivables, the Company also makes a collective impairment allowance against exposures which,

although not specifically identified as requiring a specific allowance, have a greater risk of default than when originally granted. This level of allowance is based on the status of the accounts receivable, past collection experience and other factors that may affect collectability.

There is no allowance for impairment recognizedon the Company's receivables as at September 30, 2025 and December 2024 (see Notes 6 and 10).

(b) Estimating useful lives of property and equipment

The Company estimates the useful lives of property and equipment based on the period over which these assets are expected to be available for use. The estimated useful lives are reviewed at least annually and are updated if expectations differ from previous estimates due to physical wear and tear, and technological obsolescence on the use of these assets. In addition, the estimate of the useful lives of property and equipment is based on collective assessment of industry practice, internal technical evaluation and experience with similar assets. It is possible, however, that future results of operations could be materially affected by changes in estimates brought about by changes in the factors mentioned. The amounts and timing of recorded expenses for any period would be affected by changes in these factors and circumstances. A reduction in the estimated useful lives of property and equipment would decrease the total assets and increase recorded expenses.

The net carrying value of property and equipment amounted to P455,910,755 and P461,672,645 as at September 30, 2025 and December 31, 2024, respectively. Accumulated depreciation and amortization amounted to P79,407,296 and P73,468,326 as at September 30, 2025 and December 31, 2025, respectively (see Note 7). There is no change in the estimated useful lives of these assets in September 2025 and December 2024.

(c) Recognizing deferred tax assets

Management reviews the carrying amount of deferred tax assets at each financial reporting date and reduces the same to the extent that it is no longer probable that sufficient taxable income will be available in future periods to allow the benefit of all or part of the deferred tax asset to be utilized.

NOTE 4-FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The following table shows the carrying values of the Company's financial assets and financial liabilities as at:

	September 2025	December 2024
Financial assets		
Cash (Note 5)	**P5,564,939**	P6,074,159
Receivables (Note 6)*	-	-
Other current assets	**120,290**	64,215
Advances to a related party (Note 10)	**1,042,011**	1,042,011
	P6,727,240	P7,180,385
Financial liabilities		
Accrued expenses and other payables (Note 9)**	**P20,820,576**	P25,110,738
Rental deposits	**1,128,900**	600,000
Advances from related parties (Note 10)	**274,302,904**	275,406,867
	P296,252,380	P301,117,605

**except advances to officers and employees*

***except government liabilities*

The above carrying amounts of financial assets and financial liabilities, which are carried at amortized cost, are assumed to approximate their fair values due to their relatively short-term maturities and their being subject to an insignificant risk of changes in value.

None of the Company's financial assets has been pledged as collateral for liabilities or contingent liabilities.

The item of income with respect to financial instrument recognized in profit or loss follows:

	September 2025	December 2024
Interest income (Note 5)	**P2,595**	P1,593

As stated in Note 2.5, the disclosure of fair value is not required when the carrying amount is areasonable approximation of fair value.

Financial risk management

The Company's activities expose it to a variety offinancial risks, namely (a) credit risk, (b) liquidity risk, and (c) interest rate risk.

Similar to all other businesses, the Company is exposed to risks that arise from its use of financial instruments. This note describes the Company's objectives, policies and processes for managing those risks and the methods used to measure them. Further, quantitative information in respect of these risks is presented throughout these financial statements.

There have been no significant changes to the Company's exposure to financial instrument risks, its objectives, policies and processes for managing those risks or the methods used to measure them from previous periods unless otherwise stated in this note.

General objectives, policies and processes

The BOD has overall responsibility for the Company's financial risk management, which includes establishment and approval of risk strategies, policies and limits. The main objective of the financial risk management is to minimize the adverse impact of financial risks on the Company's financial performance and financial position due to the unpredictability of financial markets.

The main risks arising from the Company's use of financial instruments are summarized as follows:

Credit risk

Credit risk is the risk where a counterparty defaults on its obligation to the Company, thus, resulting in a financial loss to the Company.

The Company's maximum exposure to credit risk is equal to the carrying amount of the financial assets as shown on the face of the statement of financial position or in the detailed analysis provided for in the notes to the financial statements. Such financial instruments pertain to the following:

	September 2025	December 2024
Cash in banks (Note 5)	**P5,524,939**	P6,034,159
Receivables (Note 6)*	-	-
Other current assets	**120,290**	64,215
Advances to a related party (Note 10)	**1,042,011**	1,042,011

**except advances to officers and employees*

These financial assets are neither past due nor impaired and viewed by management as "high grade" considering their collectibility and the credit history of the counterparties.

The evaluation of the credit quality of the Company's financial assets considers the payment history of the counterparties.

a) High grade - counterparties that have good paying history and are not expected to default in settling their obligations. Credit exposure from these financial assets is considered to beminimal.
b) Standard grade - counterparties for which sufficient credit history has not beenestablished.

Liquidity risk

Liquidity risk pertains to the Company not being able to meet its financial obligations as they fall due.

The liquidity gap will be covered by drawings pursuant to a credit line agreement between Abacore Capital Holdings, Inc. and Philippine Business Bank. The credit line is for the exclusive use in the construction of facilities for Montemaria project. Under the said agreement, the Company may draw an amount not exceeding P100 million. The said amount shall be available from time to time and for such purposes as may be approved by the bank. The credit line is a revolving and continuing credit line. All drawings and availments under the credit line shall be evidenced by a promissory note which will contain such terms and conditions as the interest rate, payment period and default penalty on past due obligation. The agreement contains the standard provisions on default.

The Company's financial liabilities are presented below.

	September 2025		
	< 6 months	**6-12 months**	**> 1 year**
Accrued expenses and other payables (Note 9)**	**P754,764**	**P20,065,811**	**P-**
Rental deposits			**1,128,900**
Advances from related parties (Note 10)		**-**	**274,302,904**
	P754,764	**P20,605,811**	**P275,431,804**

	December 31,2024		
	< 6 months	6-12 months	> 1 year
Accrued expenses and other payables (Note 9)**	P1,511,109	P23,599,629	P-
Rental deposits			600,000
Advances from related parties (Note 10)	-	-	275,406,867
	P1,511,109	P23,599,629	P276,006,867

**except government liabilities*

Interest rate risk

Interest rate risk is usually classified between cash flow and fair value interest rate risk. Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Fair value interest rate risk is the risk that the fair value of a financial instrument will fluctuate due to changes in market interest rates.

The primary source of the Company's interest rate risk relates to cash in banks. The interest rate on cash in banks is disclosed in Note 5. The Company maintains its cash deposits in established universal and commercial banks to manage credit risk.

Interest income on cash in banks amounted only to P2,595 and P1,593 in September 30, 2025 and December 31, 2024, respectively, thus, the Company does not have significant exposure to interest rate risk.

Capital management

The primary objective of the Company's capital management is to ensure its ability to continue as going concern and that it maintains a strong credit rating and healthy capital ratios to support its business and maximize shareholder value.The President has overall responsibility for monitoring of capital in proportion to risk. Profiles for capital ratios are set in light of changes in the Company's external environment and the risks underlying the Company's business operations and industry.

The Company monitors capital on the basis of the debt-to-equity ratio, which is calculated as total debt divided by total equity. Debt-to-equity ratio as at September 30, 2025 and December 31, 2024 is 1.38 and 1.39:1.00, respectively.

The Company is not subject to externally-imposed requirement.

NOTE 5 - CASH

The account consists of:

	September 2025	December 2024
Cash in banks	**P5,524,939**	P6,034,159
Petty cash	**40,000**	40,000
	P5,564,939	P6,074,159

Cash in banks pertain to current accounts maintained by the Company which earn an interest of 0.5%. Interest income earned by the Company in September 30, 2025 and December 31, 2024 amounted to P2,595 and P1,593 respectively.

NOTE 6 - RECEIVABLES

The,account consists of:

	September 2025	December 2024
Advances to employees	**P27,500**	P-
Other receivables	**-**	-
	P27,500	P-

Other receivables are cash advances subject to liquidation.

Advances to employees pertain to salary loans which are interest free and deductible every payroll period.

NOTE 7 - PROPERTY AND EQUIPMENT

The details and movements of this account are as follows:

		September 30				
		January 1		**Additions**		**September 30**
COST						
Furniture and fixtures	₱	2,555,048	₱	53,165	₱	2,608,213
Heavy equipment		12,942,689		-		12,942,689
Tools and equipment		219,304		-		219,304
Leasehold improvements		127,544		-		127,544
Building		481,047,975		-		481,047,975
Building improvements - Cenacle		4,172,199		-		4,172,199
Building improvements - MOAA		2,788,683		123,915		2,912,598
Images		15,107,143		-		15,107,143
Road		9,531,279		-		9,531,279
Road improvements		2,034,773		-		2,034,773
Welcome arch		2,309,012		-		2,309,012
Transportation equipment		2,305,322		-		2,305,322
	₱	**535,140,971**	**₱**	**177,081**	**₱**	**535,318,052**
ACCUMULATED DEPRECIATION		**January 1**		**Provisions**		**September 30**
Furniture and fixtures		2,483,590		17,864		2,501,454
Heavy equipment		11,301,622		609,211		11,910,833
Tools and equipment		219,304		-		219,304
Leasehold improvements		127,544		-		127,544
Building		40,423,942		4,810,480		45,234,422
Building improvements-Cenacle		760,095		41,849		801,944
Building improvements - MOAA		86,889		28,169		115,058
Images		3,282,143		150,000		3,432,143
Road		9,531,277		-		9,531,277
Road improvements		1,908,546		58,000		1,966,546
Welcome arch		1,606,386		76,967		1,683,353
Transportation equipment		1,736,988		146,429		1,883,417
		73,468,326		5,938,970		79,407,296
Net carrying amount	**₱**	**461,672,645**	**₱**	**(5,761,889)**	**₱**	**455,910,756**

		December 2024						
		January 1		Additions		Disposal		December 31
COST								
Furniture and fixtures	₱	2,499,598	₱	55,450	₱	-	₱	2,555,048
Heavy equipment		12,942,689		-		-		12,942,689
Tools and equipment		219,304		-		-		219,304
Leasehold improvements		127,544		-		-		127,544
Building		481,047,975		-		-		481,047,975
Building improvements		4,172,199		-		-		4,172,199
Building improvements - MOAA		2,206,020		582,663		-		2,788,683
Images		15,107,143		-		-		15,107,143
Road		9,531,279		-		-		9,531,279
Road improvements		2,034,773		-		-		2,034,773
Welcome arch		2,309,012		-		-		2,309,012
Transportation equipment		2,409,786		1,464,286		(1,568,750)		2,305,322
	₱	**534,607,322**	₱	**2,102,399**	₱	**(1,568,750)**	₱	**535,140,971**
ACCUMULATED DEPRECIAT		**January 1**		**Provisions**		**Disposal**		**December 31**
Furniture and fixtures		2,475,586		8,004	₱	-		2,483,590
Heavy equipment		10,073,633		1,227,989		-		11,301,622
Tools and equipment		219,304		-		-		219,304
Leasehold improvements		127,544		-		-		127,544
Building		30,802,982		9,620,960		-		40,423,942
Building improvements		676,396		83,699		-		760,095
Building improvements - MOAA		37,477		49,412		-		86,889
Images		2,982,143		300,000		-		3,282,143
Road		8,975,286		555,991		-		9,531,277
Road improvements		1,714,822		193,724		-		1,908,546
Welcome arch		1,452,452		153,934		-		1,606,386
Transportation equipment		1,598,476		399,970		(261,458)		1,736,988
		61,136,101		12,593,683		(261,458)		73,468,326
Net carrying amount	₱	**473,471,221**	₱	**(10,491,284)**	₱	**(1,307,292)**	₱	**461,672,645**

On December 26, 2013, the Company entered into a Deed of Absolute Sale with Omnicor Industrial Estate and Realty Center, Inc. for the purchase of properties such as Welcome Arch, Building/Field Office, Road, and Face and Hands of the Blessed Virgin Mary for a total consideration of P59,171,280.

By virtue of Deeds of Usufruct executed on June 24,2014 and November 19, 2014,the Company was granted usufructuary rights over the specific portions of the parcels of land owned by Montemayor Aggregates and Mining Corporation, HIM Management and Associates, Inc. and Omnicor on which the Company has constructed improvements. The period of the usufruct is for three years, which may be extended by mutual agreement with the landowners, the Company being granted the exclusive right to terminate the usufruct, as well as the option to acquire the pertinent portion of the land at fair market value in exchange for shares. The said landowners have likewise executed an undertaking to respect the use of said properties by the members/shareholders of the Company in the event of any dispute between them and the Company.

Management has expressed inclination to further extend the said usufructs for a longer period. Management will be proposing the said extension to the BOD as soon as it is able to convene after the community quarantine.

NOTE 8– INPUT VAT

The account consists of:

	September 2025	December 2024
Input VAT	**P48,789,195**	**P48,789,011**

Input VAT of the Company will be applied against output VAT in the future periods when it starts its commercial operations.

NOTE 9 - ACCRUED EXPENSES AND OTHER PAYABLES

The account consists of:

	September 2025	December 2024
Accrued expenses	**P754,764**	**P1,511,109**
Accounts payable	**1,064,079**	**826,629**
Government liabilities	**46,468**	**56,223**
Other payables	**19,001,732**	**22,773,000**
	P20,867,043	**P25,166,961**

Accrued expenses include accrual of rent.

Accounts payable pertains to the Company's liabilities to suppliers.

Government liabilities consist of expanded withholding taxes, and SSS, HDMF, and Philhealth premiums for remittance.

Other payables consist mainly of partial payments on offered shares based on memorandum of agreements with the buyers.

NOTE 10 - RELATED PARTY TRANSACTIONS

Related party transactions consist of non-interestbearing advances to/from related parties for working capital requirements and other related expenses which will be liquidated either through cash or equity shares of the borrower. Advances to related partyare due and collectible upon demand. For advances from related parties, the Company has unconditional right to defer payment for at least a year. There are no guarantees received or given during the year.

The summary of the Company's transactions with related parties in the normal course of business are as follows:

		Outstanding balance		**Transactions**		
Related party	**Nature of relationship**	**Sept. 2025**	Dec. 2024	**Sept. 2025**	Dec. 2024	**Terms and conditions**
Advances to a related party						
Verde Island Passage (VIP) Marine Sanctuary, Inc.	Under common directorship	**P1,042,011**	P1,042,011	**P-**	-	No term, non-interest bearing, unsecured
Allowance for impairment		**-**	-	**-**	-	
		P1,042,011	P1,042,011	**P-**	-	

Advances from related parties

Omnicor Industrial Estate	Under common directorship	**P252,569,947**	P273,673,910	**(21,103,963)**	(5,447,022)	No term, non-interest bearing, unsecured
Phil. Regional Investment Dev't. Corp.	Under common directorship	**20,000,000**		**20,000,000**		No term, non-interest bearing, unsecured
Abacus Global Technovisions, Inc.	Under common directorship	**1,732,957**	1,732,957	**-**	-	No term, non-interest bearing, unsecured
		P274,302,904	P275,406,867	**(P1,103,963)**	**(P5,447,022)**	

NOTE 11 - SHARE CAPITAL AND SHARE PREMIUM

The accounts at September 30, 2025 and December 2024 consist of:

Share capital

	Number of shares	Amount
Authorized		
Proprietary - at P10,000 per share	15,000	P150,000,000
Associate - at P1,000 per share	50,000	50,000,000
	65,000	P200,000,000

	September 2025		December 2024	
	Number of shares	**Amount**	Number of shares	Amount
Contributed capital				
Proprietary - at P10,000 per				
At January 1	**10,428**	**P104,280,000**	9,443	P94,300,000
Additional issuance of shares	**61**	**610,000**	985	9,850,000
Balances	**10,489**	**104,890,000**	10,428	104,280,000
Associate - at P10,000 per share				
At January 1	**20,902**	**20,902,000**	20,895	20,895,000
Additional issuance of shares	**21**	**21,000**	7	7,000
Balances	**20,923**	**20,923,000**	20,902	20,902000
	31,412	**P125,813,000**	31,330	P125,182,000

Share premium

	September 2025	December 2024
At January 1	**P306,868,750**	P217,820,750
Additions*	**7,184,000**	89,048,000
Balances	**P314,052,750**	P306,868,750

In a special stockholders' meeting held on May 14, 2015, the BOD secured the consent and approval of the stockholders of the amendment of Article Seventh of the Articles of Incorporation increasing the authorized capital stock from 7,500 to 15,000 proprietary shares with issue value of P10,000 per proprietary share and 30,000 to 50,000 associate shares with issue value of P1,000 per associate share.

The amount of increase of authorized capital stock is P95,000,000, thereby increasing the authorized capital stock from P75,000,000 to P150,000,000 for proprietary shares and from P30,000,000 to P50,000,000 for associate shares.

Of the said increase, the amount of P23,750,000 was subscribed and fully paid in cash by Omnicor Industrial Estate and Realty Center, Inc. and was approved by the SEC on July 28, 2015.

During 2020, the Company issued 280 proprietary shares for ₱28,000,000, resulting in recognition of share premium of ₱24,920,000 (net of ₱280,000 share issuance cost). Of the ₱28,000,000 subscriptions, ₱25,000,000 has been received in cash and ₱3,000,000 has been offset against Other payables (see Note 9). In 2021, the Company issued 1 proprietary share for ₱35,000, resulting in recognition of share premium of ₱33,650 (net of ₱350 share issuance cost).

A subscription agreement for ₱199,990,000 was executed between Montemaria Asia Pilgrims, Inc. and Omnicor Industrial Estate and Realty Center, Inc. on January 31, 2023 to convert a portion of the debt into equity in Montemaria resulting in recognition of share premium of ₱169,420,100 (net of ₱1,999,900 documentary stamp taxes).

NOTE 12- OTHER INCOME

Other income pertains to income earned by the Company from photo shoots & others made at the Montemaria site.

MONTEMARIA ASIA PILGRIMS, INC.

SCHEDULE OF FINANCIAL SOUNDNESS INDICATORS
For the Period Ending September 30, 2025 and September 30, 2024

		2025	2024
Current ratio:	Current assets	6,754,739	4,957,818
	Current liabilities	296,298,848	390,490,500
		0.02	**0.01**
Solvency ratio:	Cash + Accounts receivable	5,592,439	3,851,592
	Current liabilities	296,298,848	390,490,500
		0.02	**0.01**
Debt to equity ratio:	Total liabilities	296,298,848	390,490,500
	Total equity	215,155,842	131,470,074
		1.38	**2.97**
Asset to equity:	Total assets	511,454,689	521,960,574
	Total equity	215,155,842	131,470,074
		2.38	**3.97**
Profitability ratio:			
Return on assets:	Net income (loss)	(9,127,370)	(15,201,465)
	Total assets	511,454,689	521,960,574
		(0.02)	**(0.03)**
Return on Equity:	Net income (loss)	(9,127,370)	(15,201,465)
	Total Equity	215,155,842	131,470,074
		(0.04)	**(0.12)**

CERTIFICATION

I, VICENTE RAFAEL L. ROSALES, Corporate Secretary of MONTEMARIA ASIA PILGRIMS, INC. with SEC registration No. CS201307234 with office address at No. 135 J.P. Rizal St., Project 4, Quezon City, on oath state:

1) That on behalf of Montemaria Asia Pilgrims, Inc, I have caused this Preliminary Information Statement (SEC Form 20-IS) to be prepared;
2) That I read and understood its contents which are true and correct of my own personal knowledge and/or based on true records;
3) That the Montemaria Asia Pilgrims, Inc. will comply with the requirements set forth in SEC Notice dated June 24, 2020 for a complete and official submission of reports and/or documents through electronic mail; and
4) That I am fully aware that documents filed online which requires pre-evaluation and/or processing fee shall be considered complete and officially received only upon payment of a filing fee.

OCT 27 2025

IN WITNESS WHEREOF, I hereby sign this _____ day October 2025 in Quezon City.

Vicente

VICENTE RAFAEL L. ROSALES

SUBSCRIBED AND SWORN to before me, a Notary Public in and for QUEZON CITY this OCT 27 2025 2025, affiant having exhibited to me his Taxpayer Identification No. 210-687-128.

Doc. No.: 154
Page No.: 32
Book No.: CCI
Series of 2025

ATTY. BRYAN G. PEKAS
Notary Public for Quezon City
Valid until December 31, 2025
Roll of Attorney No. 66393
IBP No. 491739/Jan. 2, 2025, Q.C.
Admin Matter No. NP-317 / TIN 289-467-753
PTR No. 10095447/01-02-2025, Marikina City
MCLE Compliance No. VIII-0013054, 09-05-2024
603 EDSA Diamond Finance Bldg. Brgy. SMDP Cubao, Q.C.