COVER SHEET
for
SEC Form 20-IS

SEC Registration Number

5	9	3	6	6						

Company Name

ALSONS CONSOLIDATED RESOURCES INC

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

2nd Floor Alsons Building Don Chino Roces Avenue Makati City

Form Type	Department requiring the report	Secondary License Type, If Applicable
20IS	MSRD	

COMPANY INFORMATION

Company's Email Address	Company's Telephone Number/s	Mobile Number
legal@alcantaragroup.com	89823000	

No. of Stockholders	Annual Meeting Month/Day	Fiscal Year Month/Day
449	June 19, 2023	December 31

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
Jonathan F. Jimenez	jjimenez@alcantaragroup.com	89823000	09178579384

Contact Person's Address

3rd Floor Alsons Building Don Chino Roces Avenue, Makati City

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

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

Alsons Consolidated Resources, Inc.
Alsons Building, 2286 Chino Roces Avenue
1231 Makati City, Philippines
Tel. No. (632) 8982-3000
Website: www.acr.com.ph

NOTICE OF THE ANNUAL MEETING OF THE STOCKHOLDERS

Please be notified that the annual meeting of the stockholders of Alsons Consolidated Resources, Inc. will be held on Monday, June 19, 2023 at 2:00 p.m. The meeting will be conducted virtually and can be accessed at the link to be provided by the Company to all stockholders of record as of May 15, 2023, or to the proxy holders of such shareholders, who will register to attend the meeting. The following is the agenda of the meeting:

1. Call to Order;
2. Certification of Notice and Quorum;
3. Approval of the Minutes of the Annual Stockholders' Meeting held on May 26, 2022;
4. Approval of the Management Report and 2022 Audited Financial Statements;
5. Ratification of Acts of the Board and Management;
6. Election of Directors (including Independent Directors);
7. Appointment of External Auditors;
8. Other business that may properly be brought before the Meeting; and
9. Adjournment

Attached to this Notice, as Annex "A," is a brief statement of the rationale and explanation of each item in the agenda that requires the stockholders' approval. The Information Statement contains more details regarding the rationale and explanation for each such item.

An electronic copy of the Information Statement, the Company's Management Report, SEC Form 17-A, and other documents pertinent to the stockholder's attendance at the meeting are available at the Company's website at http://www.acr.com.ph/

The stockholders will be meeting virtually, and not physically, due to the increase in COVID-19 cases. Only stockholders of record as of May 15, 2023, or their proxies shall be entitled to attend, and vote at the meeting. Individual stockholders who wish to attend the virtual meeting must email their request to attend to *acr.annual@alcantaragroup.com* on or before the close of business on June 9, 2023. Stockholders who wish to be represented at the virtual meeting by proxy must either: (a) submit an original, duly signed, and accomplished proxy (for which a form has been provided together with Information Statement) by post or courier to the Office of the Corporate Secretary at the Alsons Building, 2286 Chino Roces Avenue, Makati City 1231 Metro Manila; or (b) email a copy of the said proxy form in an appropriate format to *acr.annual@alcantaragroup.com*, on or before the close of business on June 9, 2023. The Company will validate the requests and the proxies, and email the stockholders and proxy holders, the instructions on how to access the virtual meeting.

If you own shares through your broker, or your shares are lodged, please secure from your broker a duly signed and accomplished proxy form, which you or the broker must submit to the Company as stated above, and not later than the said date. Otherwise, the Company may not recognize you as a stockholder of record.

Makati City, May 11, 2023.

The Company sought SEC's approval for the Use of this QR Code on May 10, 2023

ANA MARIA KATIGBAK-LIM
Corporate Secretary

ANNEX "A"

EXPLANATION AND RATIONALE
For each item in the Agenda of the 2023 Annual Stockholders' Meeting

1. **Call to Order**

   The Chairman, and the President of the Company, Mr. Nicasio I. Alcantara, will formally call the 2023 Annual Stockholders' Meeting to order and introduce the Directors and Officers attending the Meeting.

2. **Certification of Notice and Quorum**

   The Corporate Secretary will certify that the Company timely and duly published the Notice pursuant to the rules of the Securities & Exchange Commission (SEC), and that the Information Statement has been made available to all stockholders of record. She will attest on whether a quorum is present for the Meeting.

3. **Approval of the Minutes of the Annual Stockholders' Meeting Held on May 26, 2022**

   Copies of the draft minutes have been made available to the stockholders on the Company's website at http://www.acr.com.ph/. The Chairman will ask the stockholders to approve the draft minutes, and adopt the following resolution:

   "RESOLVED, That the minutes of the Annual Meeting of the Stockholders of Alsons Consolidated Resources, Inc., held on May 26, 2022, be, as they are hereby, approved."

4. **Approval of the Management Report and the 2022 Audited Financial Statements**

   The Chairman and President will present his report to the stockholders, and Management will present its reports and the Financial Statements for the year ended December 31, 2022 which were audited by the Company's independent external auditors, SyCip Gorres Velayo & Company (SGV). The Audited Financial Statements were approved by the Audit Committee and the Board of Directors. In compliance with regulations, Management also submitted the Audited Financial Statements to the SEC and the Bureau of Internal Revenue. The Chairman will request the stockholders to approve the reports and the Audited Financial Statements, and adopt the following resolution:

   "RESOLVED, That the Annual Report of Management, as presented by the Chairman and President, and Management, and the Company's Audited Financial Statements for the year ended December 31, 2022, be, as they are hereby, approved."

5. **Ratification of Acts of the Board and Management**

   The Company's performance was the result of the acts, contracts and/or resolutions of the Board, and Management, and the Chairman will request the stockholders to ratify the same, and adopt the following resolution:

   "RESOLVED, That all acts, contracts, resolutions and actions, authorized and entered into by the Board of Directors and Management of the Company from the date of the last stockholders' meeting up to the present be, as they are hereby, approved, ratified and confirmed."

6. **Election of Directors (Including Independent Directors)**

   Management proposes to re-elect eight (8) regular directors and three (3) independent directors, and has filed an Information Statement and proxy form (the "Statement") in support of its proposal. The biographical profiles of the director-nominees are in the Information Statement posted in the Company's website at http://www.acr.com.ph/. The nominees are the following:

   For Regular Directors:

   (1) Nicasio I. Alcantara (5) Ramon T. Diokno

(2) Tomas I. Alcantara
(3) Editha I. Alcantara
(4) Alejandro I. Alcantara
(6) Honorio A. Poblador, III
(7) Tirso G. Santillan, Jr.
(8) Arturo B. Diago, Jr.

For Independent Directors:

(9) Jose Ben R. Laraya
(10) Jacinto C. Gavino, Jr.
(11) Thomas G. Aquino

7. Appointment of External Auditors

Upon the favorable recommendation of the Audit Committee, Management proposes that the Company reappoint SGV as its independent external auditors for 2023-2024, and adopt the following resolution:

"RESOLVED, That the audit firm of Sycip Gorres Velayo & Company be, as it is hereby, appointed as the Company's independent external auditors for the year 2023-2024."

8. Other Matters

Management may address questions sent in by the stockholders.

9. Adjournment

After all matters in the agenda have been taken up, the Chairman will adjourn the Meeting.

SECURITIES AND EXCHANGE COMMISSION
SEC FORM 20-IS

INFORMATION STATEMENT PURSUANT TO SECTION 20
OF THE SECURITIES REGULATION CODE

SECURITIES AND EXCHANGE COMMISSION
RECEIVED
MAY 23 2023
MARKET REGULATION DEPT.
BY: TIME: 3:03

1. Check the appropriate box:

   [ ] Preliminary Information Statement

   [X] Definitive Information Statement

2. Name of Registrant as specified in its charter:

   ALSONS CONSOLIDATED RESOURCES, INC.

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

4. SEC Identification Number: **59366**

5. BIR Tax Identification Code : **001-748-412**

6. Address of principal office : **Alsons Building, 2286 Don Chino Roces Avenue (formerly Pasong Tamo Extension), Makati City 1231, Philippines**

7. Registrant's telephone number, including area code: **(632) 8982-3000**

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

   June 19, 2023 at 2:00 p.m.
   Livestream by accessing the link provided in https://acr.com.ph/investor-relations/annual-stockholders-meeting/. The place of the virtual meeting will be in Makati City, from where the Chairman of the Board will preside.

   Approximate date on which the Information Statement is first to be sent or given to security holders: **May 25, 2023**

9. In case of Proxy Solicitations:

   Name of Person Filing the Statement/Solicitor: Alsons Consolidated Resources, Inc.
   Address and Telephone No.: 2/F Alsons Building, 2286 Don Chino Roces Avenue
   Makati City 1231 Metro Manila; (632) 8982-3000

10. Securities registered pursuant to Sections 8 and 12 of the SRC or Sections 4 and 8 of RSA (Information on number of shares and amount of debt is applicable only to corporate registrants):

Title of Each Class	Number of Shares of Common Stock Outstanding and Amount of Debt Outstanding
Common Stock, ₱1.00 par value	6,291,500,000 Shares
Commercial Paper – Series S	₱1,000,000,000
Series T	₱149,000,000
Series U	₱471,00,000

11. Are any or all of these securities listed in the Stock Exchange?

    Yes [X] No [ ]

    If yes, disclose the name of such Stock Exchange and the class of securities listed therein:

    Philippine Stock Exchange, Common Stock

ALSONS CONSOLIDATED RESOURCES, INC.
Notice of the Annual Meeting of the Stockholders

To All Stockholders:

Please be notified that the annual meeting of the stockholders of **Alsons Consolidated Resources, Inc.** will be held on Monday, June 19, 2023 at 2:00 p.m. The meeting will be conducted virtually and can be accessed at the link to be provided by the Company to all stockholders of record as of May 15, 2023, or to the proxy holders of such shareholders, who will duly register to attend the meeting. The following is the agenda of the meeting:

1. Call to Order;
2. Certification of Notice and Quorum;
3. Approval of the Minutes of the Annual Meeting of the Stockholders held on May 26, 2022;
4. Approval of the Management Report, and the 2022 Audited Financial Statements;
5. Ratification of Acts of the Board and Management;
6. Election of Directors (including Independent Directors);
7. Appointment of External Auditors;
8. Other business that may properly be brought before the Meeting; and
9. Adjournment

Attached to this Notice, as Annex "A", is a brief statement of the rationale and explanation of each item in the agenda that requires the stockholders' approval. The Information Statement contains more detail regarding the rationale and explanation for each such item.

An electronic copy of the Information Statement, the Company's Management Report, SEC Form 17-A, and other documents pertinent to the stockholder's attendance at the meeting are available at the Company's website at http://www.acr.com.ph/.

The stockholders will be meeting virtually, and not physically, due to the increase in COVID-19 cases. Only stockholders of record as of May 15, 2023 or their proxies are entitled to attend and vote at the meeting.

Individual stockholders who wish to attend the virtual meeting must email their request to attend to acr.annual@alcantaragroup.com on or before the close of business on June 9, 2023. Stockholders who wish to be represented at the virtual meeting by proxy must either: (a) submit an original, duly signed, and accomplished proxy, a form for which is set forth in the Information Statement, by post or courier to the Office of the Corporate Secretary at the Alsons Building, 2286 Chino Roces Avenue, Makati City 1231 Metro Manila; or (b) email a copy of the said proxy in an appropriate format to acr.annual@alcantaragroup.com on or before the close of business on June 9, 2023. The Company will validate the requests, and the proxies, and email the stockholders, and proxy holders, instructions on how to access the virtual meeting.

If you own shares through your broker, or your shares are lodged, please secure from your broker a duly signed and accomplished proxy form, which you or the broker must submit to the Company as stated above, and not later than the said date. Otherwise, the Company may not recognize you as a stockholder of record.

Makati City, May 17, 2023.

Jonathan F. Jimenez
Assistant Corporate Secretary
and Compliance Officer

Annex "A" to Notice

EXPLANATION AND RATIONALE

For each item on the Agenda of the 2022 Annual Stockholders' Meeting

1. **Call to Order**

The Chairman, and the President of the Company, Mr. Nicasio I. Alcantara, will formally call the 2023 Annual Stockholders' Meeting to order, and introduce the Directors and Officers attending the Meeting.

2. **Certification of Notice and Quorum**

The Corporate Secretary will certify that the Company timely and duly published the Notice pursuant to the rules of the Securities & Exchange Commission (SEC) and made the Information Statement available to all stockholders of record. He will attest on whether a quorum is present for the Meeting.

3. **Approval of the Minutes of the Annual Meeting of the Stockholders held on May 26, 2022**

Copies of the draft minutes have been made available to the stockholders on the Company's website at http://www.acr.com.ph/. The Chairman will ask the stockholders to approve the draft minutes, and adopt the following resolution:

"RESOLVED, That the minutes of the Annual Meeting of the Stockholders of Alsons Consolidated Resources, Inc., held on May 26, 2022, be, as they are hereby, approved."

4. **Management Report, and the 2022 Audited Financial Statements**

The Chairman and President will present his report to the stockholders, and Management will present its reports, and the Financial Statements for the year ended December 31, 2022, which were audited by the Company's independent external auditors, SyCip Gorres Velayo & Company (SGV), and approved by the Audit Committee, and the Board. In compliance with regulations, Management also submitted the Audited Financial Statements to the S.E.C., and the Bureau of Internal Revenue. The Chairman will ask the stockholders to approve the reports, and the Audited Financial Statements, and adopt the following resolution:

"RESOLVED, That the Annual Report of Management, as presented by the Chairman and President, and Management, and the Company's Audited Financial Statements for the year ended December 31, 2022 be, as they are hereby, approved."

5. **Ratification of the Acts of the Board and Management**

The Company's performance was the result of the acts, contracts, and/or resolutions by the Board, and Management, and the Chairman will ask the stockholders to ratify the same, and adopt the following resolution:

"RESOLVED, that all acts, contracts, resolutions and actions, authorized and entered into by the Board of Directors and Management of the Company from the date of the last stockholders' meeting up to the present be, as they are hereby, approved, ratified and confirmed."

6. **Election of Directors, including Independent Directors**

Management proposes to re-elect eight (8) regular directors and three (3) independent directors and has filed an information statement and proxy form (the "Statement") in support of its proposal. The biographical profiles of the directors-nominees are in the Statement that has been posted in the Company's website at http://www.acr.com.ph/. The nominees are the following:

For Regular Directors:

(1) Nicasio I. Alcantara
(2) Tomas I. Alcantara
(3) Editha I. Alcantara
(4) Alejandro I. Alcantara
(5) Ramon T. Diokno
(6) Honorio A. Poblador III
(7) Tirso G. Santillan, Jr.
(8) Arturo B. Diago, Jr.

For Independent Directors

(9) Jose Ben R. Laraya
(10) Jacinto C. Gavino, Jr.
(11) Thomas G. Aquino

7. Appointment of External Auditors

Upon the favorable recommendation by the Audit Committee, Management proposes that the Company reappoint SGV as its independent external auditors for 2023, and adopt the following resolution:

"RESOLVED, That the audit firm of SyCip Gorres Velayo & Co., be, as it is hereby, appointed as the Company's independent external auditors for the year 2023 -2024."

8. Other Matters

Management may address questions sent in by the stockholders.

9. Adjournment

After all matters in the agenda have been taken up, the Chairman will adjourn the Meeting.

Part I

INFORMATION REQUIRED IN INFORMATION STATEMENT

A. GENERAL INFORMATION

This Information Statement and Proxy Form (the "Statement") shall be made available to security holders as soon as practicable after the Securities and Exchange Commission approves the same, but not later than May 25, 2023 in connection with the Annual Stockholders' Meeting of Alsons Consolidated Resources, Inc. (the "Corporation", "Company" or "ACR").

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

The annual stockholders' meeting (the "Meeting") will be held on June 19, 2023 at 2:00 p.m.to be conducted virtually and can be accessed by stockholders of record, or their proxy holders, through the link provided them by the Company upon their registration with the Company's website. The place of the Meeting will be in Makati City, from where the Chairman of Board will preside.

The complete mailing address of the principal office of the Company is 2/F Alsons Building, 2286 Don Chino Roces Avenue, Makati City 1231, Philippines.

The Agenda of the Meeting, as indicated in the accompanying Notice, is as follows:

1. Call to Order;
2. Certification of Notice and Quorum;
3. Approval of the Minutes of the Annual Meeting of the Stockholders held on May 26, 2022;
4. Annual Report, and the 2022 Audited Financial Statements;
5. Ratification of Acts of the Board and Management;
6. Appointment of External Auditors;
7. Election of Directors (including Independent Directors);
8. Other business that may properly be brought before the Meeting; and
9. Adjournment

Questions will be entertained on the Management Report, Audited Financial Statements and other items in the agenda, as appropriate and consistent with orderly proceedings.

The Management Report and the Audited Financial Statements for the year ended December 31, 2022 are attached to this Statement. The Annual Report under Securities Exchange Commission ("SEC") Form 17-A is available on the Company's website (www.acr.com.ph). Upon written request of a shareholder, the Company shall furnish such shareholder with a copy of the said Annual Report or SEC Form 17-A as filed with the SEC, free of charge. The contact details for obtaining such copy are on page 20 of this Information Statement. The Information Statement will be made available to the stockholders by May 25, 2023.

Shareholders who cannot attend the Meeting by remote communication may accomplish the attached Proxy Form. Please indicate your vote (Yes, No, or where applicable, Abstain) for each item in the attached form, and submit the same on or before **June 9, 2023** to the Office of the Corporate Secretary at the Company's principal office.

Proxies will be tabulated by the Company's stock transfer agent, Prime Stock Transfer Services, Inc. (2/F, Alsons Building, 2286 Chino Roces Avenue, Makati City 1231 Metro Manila) and will be voted in accordance with applicable rules.

Voting procedures are contained in this Statement and will be stated at the start of the Meeting. Cumulative voting is allowed; please refer to Item 4, page 6 and Item 18, page 23 for an explanation of cumulative voting.

Further information and explanation regarding specific agenda items, where appropriate, are contained in various sections of this Statement, which constitutes notice of the resolutions to be adopted at the Meeting.

Item 2. <u>Dissenters' Right of Appraisal</u>

Any stockholder of the Corporation may exercise his appraisal right against the proposed actions which qualify as instances giving rise to the exercise of such right pursuant to and subject to the compliance with the requirements and procedure set forth under Title X of the Revised Corporation Code of the Philippines. There are no matters to be taken up during the Meeting that will require the exercise of the appraisal right.

For reference, Title X of the Revised Corporation Code states as follows:

"TITLE X
APPRAISAL RIGHT

SEC. 80. When the Right of Appraisal May Be Exercised. – Any stockholder has the right to dissent and demand payment of the fair value of his/her shares in case of:

(a) an amendment to the articles of incorporation that (i) changes or restricts his/her stockholders' rights, or (ii) authorizes preferences superior to his/her shares, or extends or shortens the Company's term of existence.

(b) a sale, lease, exchange, transfer, mortgage, pledge or other disposition of all or substantially all of the Company's assets.

(c) a merger or consolidation; and

(d) an investment of the Company's funds for any purpose other than its primary purpose.

SEC. 81. How Right is Exercised. – The dissenting stockholder who votes against a proposed corporate action may exercise this right of appraisal by demanding in writing, within 30 days from the vote, that the Company pay the fair value of his/her shares, failing which the appraisal right shall be deemed waived. If the proposed corporate action is implemented, the Company shall pay the dissenting stockholder, upon surrender of his/her certificate(s) or certificates, the fair value thereof as of the day before the vote was taken, excluding any appreciation or depreciation in anticipation of such corporate action.

If, within 60 days from the vote, the dissenting stockholder and the Company cannot agree on the fair value of the shares, 3 disinterested persons, one named by the dissenting stockholder, another by the Company, and the third by the 2 thus chosen, shall determine and appraise the fair value of the shares. The findings of the majority of the appraisers shall be final, and the Company shall pay the award within 30 days if the Company has unrestricted retained earnings in its books. Upon receipt of the payment, the stockholder shall transfer the shares to the Company.

SEC. 82. Effect of Demand and Termination of Right. – From the demand for the fair value of a stockholder's shares until either the Company's abandonment of the proposed action, or the Company's purchase of the said shares, all rights accruing to such shares, including voting and dividend rights, shall be suspended, except the right of such stockholder to receive payment of the fair value thereof. If the Company fails to pay the dissenting stockholder the value of the said shares within 30 days after the award, the voting and dividend rights shall immediately be restored.

SEC. 83. When Right to Payment Ceases. – The dissenting stockholder may withdraw his/her demand for payment only if the Company consents. If, the Company consents to the said withdrawal, or abandons, or rescinds, the proposed corporate action, or the Securities & Exchange Commission disapproves the proposed corporate action where such approval is necessary, or determines that the stockholder is not entitled to exercise his or her appraisal right, then the dissenting stockholder shall have no right to be paid, but his/her status as a stockholder shall be restored, and he/she shall receive all accrued dividends.

SEC. 84. Who Bears Costs of Appraisal. – The Company shall bear the costs and expenses of the appraisal unless the fair value ascertained by the appraisers is approximately the same as the price that the Company offered to pay the stockholder, in which case the dissenting stockholders shall bear the costs and expenses of the appraisal. If the dissenting stockholder files an action to recover such fair value, all costs and expenses shall be assessed against the Company, unless the refusal of the stockholder to receive payment was unjustified.

SEC. 85. Notation on Certificates; Rights of Transferee. –

Within 10 days after demanding payment for his/her shares, a dissenting stockholder shall submit the certificates of stock representing the shares to the Company for notation that such shares are dissenting shares. If the dissenting stockholder fails to timely submit the certificates, the Company may terminate the dissenting stockholder's appraisal right. If the dissenting stockholder transfers his shares to a third party, and the certificates are cancelled, the appraisal rights of the transferor shall cease, and the transferee shall have all the rights of a regular stockholder, and all accrued dividend shall be paid to the transferee."

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

None of the following persons have any substantial interest, direct or indirect, in any matter to be acted upon other than election to office:

1. Directors or officers of the Corporation at any time since the beginning of the last fiscal year;
2. Nominees for election as Directors of the Corporation;
3. Associate of any of the foregoing persons.

No incumbent Director has informed the Company in writing of an intention to oppose any action to be taken at the meeting.

B. CONTROL AND COMPENSATION INFORMATION

Item 4. Voting Securities and Principal Holders Thereof

As of May 15, 2023, there are 6,291,500,000 outstanding common shares entitled to notice and to vote during the Meeting. Each common share is entitled to one vote, except with respect to the election of Directors where the stockholders are entitled to cumulative voting. There are also 5,500,000,000 voting preferred shares that were subscribed, for which ₱55,000,000 was paid as of December 31, 2022. Only holders of the Company's common and preferred voting stock of record at the close of business hours on May 15, 2023, acting in person or by proxy on the day of the Meeting, are entitled to vote at the Annual Meeting.

The election of the Board of Directors for the current fiscal year will be taken up and all stockholders have the right to cumulate their votes in favor of their chosen nominees for Director in accordance with Section 23 of the Revised Corporation Code. Section 23 provides that a stockholder may vote such number of shares registered in his name as of the record date for as many persons as there are Directors to be elected or he may cumulate said shares and give one candidate as many votes as the number of Directors to be elected multiplied by the number of his shares shall equal, or he may distribute them on the same principle among as many candidates as he shall see fit. The total number of votes cast by such stockholders should not exceed the number or shares owned by him as shown in the books of the Corporation multiplied by the whole number of Directors to be elected.

1. Security Ownership of Certain Record and Beneficial Owners

As of May 15, 2023, the Company knows of no one who beneficially owns in excess of 5% of its common stock except as set forth below:

Table 1 - **Beneficial Owners of Voting Securities**

Title of Class	Name and address of Record Owner	Relationship with Issuer	Name of Beneficial Owner and Relationship with record owner	Citizenship	Number of Shares Held	Percentage
Common	**Alsons Corporation**[1] Alsons Building, 2286 Chino Roces Avenue, Makati City 1231 Metro Manila	Affiliate	AC[2]	Filipino	2,592,524,072	41.21%
Common	**Alsons Power Holdings Corp.** [1]**(APHC)** Alsons Bldg., 2286 Don Chino Roces, Avenue Makati City	Affiliate	APHC[2]	Filipino	1,249,999,599	19.87%
Common	**Alsons Development & Investment Corp.**[1] **(ADIC)** 329 Bonifacio St., Davao City	Affiliate	ADIC[2]	Filipino	1,188,524,026	18.89%
Common	**PCD Nominee Corporation**[3] **(Fil)** MSE Bldg., Ayala Ave., Makati City	None	Various[4]	Filipino	1,178,638,150	18.42%

2. Security Ownership of Management

The table on the next page shows the securities beneficially owned by all Directors, nominees, and Executive Officers of ACR as of May 15, 2023:

[1] The President and CEO of the Corporation, Nicasio I. Alcantara, is the Chairman of the Board of Directors of the Company.
[2] The Alcantara Family beneficially owns AC, APHC and ADIC, and these stockholders will be represented at the Meeting by Mr. Nicasio I. Alcantara.
[3] The PCD Nominee Corporation is not related to the Company.
[4] There are no holders of more than 5% of common stock under PCD. The clients of the various PCD participants have the power to decide how the Company's shares are to be voted.

Table 2 - **Security Ownership of Management**

Title of Class	Name of Beneficial Owner	Amount and Nature of Beneficial Ownership [Direct (d) or Indirect (i)]	Citizenship	Percent of Ownership
Directors:				
Common	Nicasio I. Alcantara	100 (d)	Filipino	0.00%
Common	Editha I. Alcantara	100,000 (d)	Filipino	0.00%
Common	Alejandro I. Alcantara	1 (d)	Filipino	0.00%
Common	Jacinto C. Gavino, Jr.	1 (d)	Filipino	0.00%
Common	Ramon T. Diokno	1 (d)	Filipino	0.00%
Common	Jose Ben R. Laraya	100 (d)	Filipino	0.00%
Common	Tomas I. Alcantara	1 (d)	Filipino	0.00%
Common	Honorio A. Poblador III	100 (d)	Filipino	0.00%
Common	Arturo B. Diago, Jr.	1 (d)	Filipino	0.00%
Common	Thomas G. Aquino	100 (d)	Filipino	0.00%
Common	Tirso G. Santillan, Jr.	1 (d)	Filipino	0.00%
Sub-total		**100,406 (d)**		**0.00%**
Officers:				
-	Nicasio I. Alcantara	-	Filipino	0.00%
-	Editha I. Alcantara	-	Filipino	0.00%
-	Tirso G. Santillan, Jr.	-	Filipino	0.00%
-	Antonio Miguel B. Alcantara	-	Filipino	0.00%
-	Ana Maria A. Katigbak- Lim	-	Filipino	0.00%
-	Alexander Benhur M Simon	-	Filipino	0.00%
-	Jonathan F. Jimenez	-	Filipino	0.00%
Sub-total		**-**		**0.00%**
Grand Total		**100,406(d)**		

Voting Trust Holders of 5% or More

No person holds five percent (5%) or more of the issued and outstanding shares of stocks of the Company under a voting trust or similar agreement.

Changes in Control

There are no changes in the controlling interest of the Company during the period covered by this report.

Item 5. Directors and Executive Officers

(a) **Board of Directors and Executive Officers**

The Company's Board of Directors is responsible for the overall management and direction of the Company. The Board meets regularly or as often as required, to review and monitor the Company's financial position and operations. Each Board member serves for a term of one year or until his successor is duly elected and qualified.

The following are the Directors and Officers of the Company and their business experience for the last five years:

Table 3 – **Board of Directors**

Office	Name	Nationality
Director, President, Chairman of the Board	Nicasio I. Alcantara	Filipino
Director and Treasurer	Editha I. Alcantara	Filipino
Director, Executive Vice President	Tirso G. Santillan, Jr.	Filipino
Director	Alejandro I. Alcantara	Filipino
Director	Ramon T. Diokno	Filipino
Director	Tomas I. Alcantara	Filipino
Director	Honorio A. Poblador III	Filipino
Director	Arturo B. Diago, Jr.	Filipino
Independent Director	Jacinto C. Gavino, Jr.	Filipino
Independent Director	Jose Ben R. Laraya	Filipino
Independent Director	Thomas G. Aquino	Filipino

Nicasio I. Alcantara, 80, Filipino, became the Chairman of the Board of Directors effective March 1, 2021. He previously led ACR as Chairman and President from 1995 to 2001. He was Chairman and Chief Executive Officer of Petron Corporation from 2001 to 2009. He currently holds leadership positions and board directorships in several companies including ACR Mining Corporation where he serves as Chairman and Phoenix Petroleum where he sits as an independent director. He has over 45 years of involvement in both public and private companies, and in diverse industries that include manufacturing, banking and finance, property, information technology, agriculture, power and energy, financial services, agriculture and diversified holdings. Mr. Alcantara is also a director of Seafront Resources Corporation, Philodril Corporation and Site Group International Limited.

He obtained his Business Administration degree from the Ateneo de Manila University and his Master's degree in Business Administration from Sta. Clara University, California U.S.A

Tomas I. Alcantara, 76, Filipino, was the Chairman of the Board of Directors and the President of the Company since August 2001 to February 28, 2021. He opted to retire as the Company's chairman effective March 1, 2021. He holds a Bachelor of Science degree in Economics from the Ateneo de Manila University, a Masters in Business Administration (MBA) from Columbia University, and he attended the Advanced Management Program of the Harvard Business School. He is presently Director of the other companies in the Alcantara Group (since August 2001).

Mr. Alcantara is also the Chairman of the Alsons Adtx Information Systems, Inc. (since August 2001). He is a Trustee of the European IT Service Center Foundation (since August 2002) and of the Foundation for Revenue Enhancement (August 2004). He has been a Director of Holcim Philippines, Inc. since July 2003, Philweb Corporation (May 2002) and DBP-Daiwa Capital Markets Phils., Inc. (July 1995).

Mr. Alcantara served as Undersecretary for the Industry & Investment Group of the Department of Trade and Industry, the Vice Chairman and Managing Head of the Board of Investments from July 1986 to March 1995, and the Special Envoy of the Philippine President to Asia Pacific Economic Cooperation forum in 1996. He was also the Chairman of the Board of Directors and the President of Holcim Manufacturing Corporation (formerly Alsons Cement Corporation) from May 1997 to July 2003 and has served as a Director of that company since 1997. He was a Member of the Advisory Board of Rizal Commercial Banking Corporation (RCBC) from April 1997 to June 2007. Mr. Alcantara served as a Director of Philippine Reclamation Authority (formerly Public Estate Authority) from 2003 to April 2006 and Chairman of the Manila Economic & Cultural Office from March 2001 to August 2010.

Editha I. Alcantara, 74, Filipino, has served as Director of the Company since March 8, 1995. She holds a Business Administration degree from Maryknoll College and an MBA from Boston College. Ms. Alcantara became the President of C. Alcantara and Sons, Inc. in 1992 after serving as the Treasurer of that company. Presently, she is a Director (since 1980) and the Treasurer (since October 2000) of other companies in the Alcantara Group.

She is also a Director of the Philippine Wood Producers Association (since May 16, 1980), and has served as a Trustee for the Philippine Business for the Environment, Inc. since July 1995 and as a Trustee of Miriam College since December 1998.

Tirso G. Santillan Jr., 79, Filipino, became a Director of the Company in June 11, 1996. He has also been the Executive Vice-President since April 27, 1995. He holds a Bachelor of Arts degree in Engineering and a Masters in Business Management degree from the Ateneo de Manila University.

Presently, he heads the Power Business Unit of the Alcantara Group. He has been the Executive Vice-President of Alto Power Management Corporation since January 1996, Conal Holdings Corporation since June 1997, Southern Philippines Power Corporation and Western Mindanao Power Corporation since March 1996. He is also a Director of Sarangani Agricultural Co., Inc. since May 2002.

Additionally, he has been the Managing Partner of Private Capital of Asia Ltd. since June 1991. Mr. Santillan worked with the First Pacific Group from February 1987 to May 1991.

Alejandro I. Alcantara, 68, Filipino, has served as a Director of the Company since July 2003. He graduated from the Ateneo de Davao with a degree in Economics. Mr. Alcantara has been a Director and the President of Aquasur Resources Corporation since 1993 and has served in the same capacity with Finfish Hatcheries, Inc. since 1995. He has also served as the Executive Vice President & General Manager of Sarangani Agriculture Company, Inc. since 1986 and of Alsons Aquaculture Corporation since 1998. He also became a Director of other companies in the Alcantara Group in 1986. Mr. Alcantara also served as a Director and the Treasurer of the Federation of Cattle Raisers Association of the Philippines from 1997 to December 2009.

Ramon T. Diokno, 75, Filipino, rejoined the Company as a Director in March 18, 2009. Previously, he served the Company as a Director from June 19, 2002 to June 29, 2006 and as its Chief Financial Officer from January 16, 2001 to June 30, 2006. He holds an Economics and Accountancy degree from the De La Salle University and a Masters of Science in Management degree from the Massachusetts Institute of Technology.

Mr. Diokno is also the Chief Financial Officer of Lepanto Consolidated Mining Co and its wholly-owned subsidiaries. He is currently also a Director of Alsons Insurance Brokers Corporation.

Jacinto C. Gavino, Jr., 73, Filipino, has served as Independent Director of the Company since May 2005. He has been a full-time Faculty of the Asian Institute of Management (AIM) since 1990 and he presently holds the Fr. James F. Donelan, SJ, Professorial Chair in Business Ethics. He is on the core faculty of the Washington SyCip Graduate School of Business (WSGSB). He was also the Associate Dean of the Master in Management Program from 1993 to 1995, and Associate Dean for Research from 1995 to 1999.

He is currently a Director of Productronica Holdings, Inc. (2003), Aurotech Corporation (2000), Green Chemicals Corporation (2006), RNuable Energy Corporation (2011) and Sarangani Agricultural Co., Inc. (2005). He also serves as a Trustee of Fundacion Santiago (2002) and the Center for Family Ministries at the Loyola School of Theology (2006). He also does consultancy work for various businesses and non-profit organizations.

Professor Gavino holds a Bachelor of Science degree in Electrical Engineering from the University of the Philippines (1971), a Master in Business Administration degree from the Ateneo de Manila University (1984), and a Doctorate in Public Administration from the University of the Philippines (1993). He also taught in the Ateneo de Manila University, Maryknoll College, and the University of the Philippines.

Jose Ben R. Laraya, 83, Filipino, has served as Independent Director of the Company since March 1995. He holds a Commerce degree from De La Salle College and an MBA from the University of the Philippines. He also attended the Advanced Management Program at Harvard Business School. Currently, he serves as Chairman of the Board of Directors of Ultrex Management & Investments Corporation (1992) and Laraya Holdings, Inc. (2007). He also serves as President of Trully Natural Food Corporation (2004), and a Director of La Frutera, Inc. (1997).

Previously, he served as Vice-Chairman of Philcom Corporation from October 1996 to February 1999, President of National Steel Corporation from September 1980 to February 1989, Dole Asia from February 1989 to June 1992, and APC Group, Inc. from September 1995 to February 1999.

Honorio A. Poblador III, 77, Filipino, has served as a Director of the Company since March 8, 1995. He holds a Political Science degree from the Ateneo de Manila University. Currently, he serves as Chairman of the Board of Directors of Asuncion Realty Corporation (since 1995), Chairman of the Board of Directors and President of Asmaco, Inc. and President of Asian Aesthetic Excellence, Inc. and Mayriad Human Resources and Services, Inc.

He is also a Director of Philippine Communications Satellite Corporation, Philippine Overseas Telecommunications Corporation, and Elnor Investment Corp. (since 1983), Philcomsat Holdings Corporation (1998), the Philodrill Corporation (1997), F & C Realty Corporation and POB Corporation (2003).

Dr. Thomas G. Aquino, 74, Filipino, became an Independent Director of the Company in May 20, 2011. He is a Senior Fellow at the Center for Research and Communication of the University of Asia and the Pacific (UA&P). He was formerly the Senior Undersecretary of Philippine Department of Trade and Industry. He supervised the country's foreign trade promotions, trade negotiations under World Trade Organization & the ASEAN Free Trade Agreements as well as bilateral trade talks with the country's major economic trading nations. He served as overall lead negotiator for the country's fist free trade agreement, namely the Philippines-Japan Economic Partnership Agreement and was country representative to the High Level Task Force on ASEAN Economic Integration. For public service, Dr. Aquino was conferred the Presidential Service Award (or Lingkod Bayan) for extraordinary contribution of national impact on public interest, security and patrimony and was receipient of the Gawad Mabini Award with the rank of Grand Cross (or Dakilang Kamanong) for distinguished service to the country both at home and abroad by the President of the Republic of the Philippines.

Before entring public service, Dr. Aquino held important roles in the fields of economics and business in the private sector as Vice President for Business Economics and Director of the Strategic Business Economics Program of UA&P. He returned to private practice as strategy consultant to companies and economic policy adviser to government entities. He is the Chairman of NOW Corporation and Independent Director of A Brown Company, both publicly listed at the Philippine Stock Exchange. He obtained his Doctorate in Management from IESE Business School, University of Navarre (Spain) in 1980, an MS in Industrial Economics from presently the University of Asia and the Pacific in 1972 and an AB in Economics from the School of Economics, University of the Philippines in 1970.

He obtained a Doctorate in Management from IESE Business School, University of Navarre (Spain) in 1980, an MS in Industrial Economics from presently the University of Asia and the Pacific in 1972 and an AB in Economics from the School of Economics, University of the Philippines in 1970.

Arturo B. Diago, Jr. 72, Filipino, became a director of the Company in August 2017 afer the resignation of Mr. Nicasio I. Alcantara in July 2017. Mr. Diago has been the Treasurer of Cyan Management Corporation since 1988, Teleperformance, Inc. since 1996, Lacturan Holdings, Inc. since 1997, Mantrade Development Corporation since 2003 and Canlubang Golf Corporation since 2007. Mr. Diago has been the Vice-President-Comptroller of MG Exeo Network, Inc. since 1991. He has been an Executive Vice President and Treasurer of Directories Philippines Corporation since 1989. He served as the Chief Officer for Administrative and Corporate Service of Pilipino Telephone Corporation until December 31, 2000. Mr. Diago served as the President of Lodestar Investment Holdings Corp. since May 2006. He held various positions in the Alcantara Group of Companies involved in manufacturing, marketing and shipping operations. He has been the Vice Chairman of Asian Media Development Group, Inc. since 2003. Mr. Diago serves as a Director of Directories Philippines Corporation and MG Exeo Network Inc., among other corporations. He has been a Director of Alsons Consolidated Resources, Inc. since August 24, 2017. He serves as a Director of Cebuana Lhuillier Bank, Cybersoft Information Technology, Inc., 911 Alarm, Inc. and Vinnell Belvoir Corp. He served as a Director of Lodestar Investment Holdings Corp. from March 10, 2006 to December 2007 and its Globalport 900, Inc. (a/k/a MIC Holdings Corp.). Mr. Diago served as a Director of PLDT Communications and Energy Ventures, Inc. (Former Name: Pilipino Telephone Corporation) from April 24, 1991 to May 9, 2011. He obtained his Master's Degree in Business Management from the Asian Institute of Management and his Bachelor of Science Degree in Commerce from the De La Salle University. He also attended the Strategic Business Economics Program of the Center for Research and Communication (now University of Asia and the Pacific).

(b) The Executive Officers

The following Company executive officers do not own more than 2% of ACR:

Table 4 – Executive Officers

Office	Name	Nationality
Director, President, Chairman of the Board	Nicasio I. Alcantara	Filipino
Director and Treasurer	Editha I. Alcantara	Filipino
Director, Executive Vice President	Tirso G. Santillan, Jr.	Filipino
Corporate Secretary	Ana Maria Margarita A. Katigbak-Lim	Filipino
Chief Financial Officer Corporate Secretary	Alexander Benhur M. Simon Ana Maria Margarita A. Katigbak	Filipino Filipino
Assistant Corporate Secretary Chief Investment and Strategy Officer	Jonathan F. Jimenez Antonio Miguel B. Alcantara	Filipino Filipino

Ana Maria Margarita A. Katigbak-Lim, 54, Filipino, has been the Corporate Secretary of the Company since June 24, 2021, replacing Atty. Roberto B. San Jose. She received her comparative literature and law degrees from the University of the Philippines. She is a member of the Philippine Bar and a senior partner of Castillo Laman Tan Pantaleon and San Jose Law Offices. In addition to serving as a Corporate Secretary for the Company, she also serves as a Director of Mabuhay Holdings Corporation since 2007, and corporate secretary and assistant corporate secretary of client companies of the law firm.

Alexander Benhur M. Simon, 59, Filipino, became the Company's Vice President and Chief Financial Officer on February 1, 2021. Mr. Simon previously served as Chief Finance Officer of Global Business Power Holdings Corporation, a subsidiary of Metro Pacific Group, and SMC Global Power Holdings Corporation, a subsidiary of San Miguel Corporation. He obtained his Bachelor of Science Degree in Management Engineering from Ateneo de Manila University, Master of Business Administration from Pepperdine University in California, USA, and Master of Applied Business Economics from the Center for Research and Communication.

Jonathan F. Jimenez, 57, Filipino, was appointed as the Assistant Corporate Secretary of the Company on April 1, 2022. He is a member of the Philippine bar and a Juris Doctor (Law) graduate of the Ateneo de Manila University in 1992. Atty. Jimenez has a long-standing career of 23 years in the Alcantara Group. He first joined the Alcantara Group in October 1998 where he served as Legal Counsel of Lima Land, Inc. for 15 years. In October 2013, he transferred to Alsons Land Corporation prior to moving to Conal Corporation in March 2014 as Legal Counsel and now serves as the Corporate Secretary of the Group's other Businesses

Antonio Miguel B. Alcantara, 38, Filipino, was appointed as Deputy Chief Executive Officer of Power Business Unit effective January 1, 2022. Prior to this appointment, he was the Company's Chief Investment & Strategy Officer since February 1, 2021 where he helped developed and implemented strategic investment opportunities and business direction that ensure financial growth of the Group. He led the acquisition of the 103MW Diesel Fired Power Plant in Northern Mindanao (Mapalad Power Corporation) where he currently serves as Director. Mr. Alcantara has also assisted the Chairman in monitoring investment performance, explore new investment opportunities and monitor progress of projects. He earned his Bachelor of Science in Business Administration degree major in Finance and Marketing at Northeastern University, Boston, Massachusets USA and his masters degree at

Babson College, F.W. Olin Graduate School of Business, Wellesley, MA where he graduated as Magna Cum Laude.

a. Family Relationship of Directors and Officers

Mr. Nicasio I. Alcantara, Mr. Tomas I. Alcantara, Mr. Alejandro I. Alcantara, and Ms. Editha I. Alcantara are siblings, while Mr. Antonio Miguel B. Alcantara is the son of Mr. Alejandro I. Alcantara. There are no other family relationships known to the Company up to the 4th civil degree.

b. Independent Directors

The following are the Company's Independent Directors. They are neither officers nor substantial shareholders of ACR:

(1) Jacinto C. Gavino, Jr.
(2) Jose Ben R. Laraya
(3) Thomas G. Aquino

d. Compensation plan

Warrants and Options Outstanding

The Company has no share-based compensation plan granted to its employees and does not grant warrants or options to any of its Directors or Executive Officers.

e. Pending Legal Proceedings

None of the Directors and officers are involved in any bankruptcy proceedings as of May 15 8, 2023 and during the past five years. None have they been convicted by final judgment in any criminal proceedings or been subject to any order, judgment or decree by a court or agency of competent jurisdiction, permanently or temporarily enjoining, barring, suspending, or otherwise limiting their involvement in any type of business, securities, commodities, or banking activities, or found in action by any court of administrative bodies to have violated a securities or commodities law.

f. Significant employees

The Company does not expect person, other than the Executive Officers, to make a significant contribution to the business.

g. Legal Proceedings where Property is the Subject

There is no material pending legal proceeding as of May 15, 2023 to which the Company or any of its subsidiaries or affiliates is a party or of which any of their property is the subject.

h. Certain Relationships and Related Transactions

During the last three (3) years, the Company was not a party to any transaction in which a Director or Executive Officer of the Company, any nominee for election as a Director, or any security holder owning more than 5% of any class of the Company's issued and outstanding shares and/or his/her immediate family member, had a material interest thereon.

In the normal conduct of business, the following are some of the Company's transactions with its affiliates and related parties disclosed in the audited financial statements under Notes 17 (Loans Payable), 18 (Long-term Debt), and 20 (Related Party):

- On December 11, 2015, the Company and AC entered into Deed of Assignment of Shares (share swap) agreements with Alsons Prime Investments Corporation ("APIC"), whereby the Company and AC assigned and transferred to APIC all their interests in Indophil Resources N.L., an Australian entity ("IRNL" or "Indophil") in exchange for ownership interests in Indophil Resources Philippines, Inc., a Philippine corporation ("IRPI"). Accordingly, the Company recognized the investment in IRPI, amounting to ₱1.213 billion, as representing the carrying value of the investment at the date of the share swap agreements. The Company still exercises significant influence over IRPI due to the Company's representation in IRPI's Board of Directors and its Operating Committee. Accordingly, ACR treats its investment in IRPI as an "Investment in associate" using the equity method in the 2017 consolidated financial statements.

On August 27, 2019, the Board of Indophil Resources Phils, Inc. (IRPI) approved the equity call to all existing shareholders amounting to ₱52.50 per share. On September 30, 2019, ACR participated and paid IRPI ₱2,977,452 for the additional 56,715 common shares

There were no transactions to which the Company was a party during the past two (2) fiscal years where a Director, Executive Officer, nominee for Director, or stockholder owning more than 10% of the outstanding shares of the Company had a direct interest. Directors have no self-dealing and related party transactions.

The Company retains the law firm of Castillo Laman Pantaleon and San Jose for legal services, where Atty. Ana Maria Margarita A. Katigbak, is a partner. In 2022, and 2021, ACR paid this law firm fees of ₱360,000.00 for each year. No special engagement was made during the years covered. The Company believes that these fees are reasonable for the services rendered.

With the Company's issuance of the voting preferred shares, the Company's ultimate parent company is Alsons Corporation, which owns 68.63% of the common shares, and all of the preferred shares. The Company's outstanding common shares, which are all listed in the Philippine Stock Exchange, are owned and controlled by the following companies: Alsons Corporation - 41.21%; Alsons Power Holdings Corporation - 19.87%; and Alsons Development & Investment Corporation - 18.89%.

Item 6. Compensation of Directors and Executive Officers

A Director's compensation consists solely of a per diem of ₱30,000 for every meeting of the Board of Directors, and ₱15,000 for every meeting of the Executive Committee or Audit Committee, as authorized by Section 9 of the Company's Amended By-laws.

The aggregate amounts paid by the Company to its Directors and Executive Officers as a group were ₱ 2,565,000, ₱3,300,000 and ₱2,955,000 for the years 2022, 2021 and 2020, respectively. For 2023, the Company estimates that it will pay an aggregate amount of ₱3,630,000 as compensation to its Directors and Executive Officers.

Table 5 - Summary of Compensation of Directors

Name and Principal Position	Year (With 2023 Estimates)	Bonus (₱)	Other Annual Compensation Income (₱)
1. Nicasio I. Alcantara Chairman and President	2023 2022 2021 2020	₱ - - - -	₱315,000 180,000 210,000 -
2. Editha I. Alcantara Director & Treasurer	2023 2022 2021 2020	- - -	390,000 255,000 315,000 300,000

3. Tirso G. Santillan, Jr. Director and EVP	2023 2022 2021 2020	- - -	315,000 180,000 255,000 300,000
4. Tomas I. Alcantara Director	2023 2022 2021 2020	- - - -	315,000 180,000 240,000 225,000
5. Jose Ben R. Laraya Director	2023 2022 2021 2020	- - - -	390,000 255,000 315,000 300,000
6. Ramon T. Diokno Director	2023 2022 2021 2020	- - - -	315,000 255,000 270,000 285,000
7. Thomas G. Aquino Director	2023 2022 2021 2020	- - - -	315,000 255,000 270,000 225,000
8. Jacinto C. Gavino, Jr. Director	2023 2022 2021 2020	- - - -	315,000 255,000 300,000 270,000
9. Alejandro I. Alcantara	2023 2022 2021 2020	- - - -	240,000 180,000 240,000 210,000
10. Arturo B. Diago, Jr.	2023 2022 2021 2020	- - - -	240,000 180,000 240,000 210,000
11. Honorio A. Poblador III	2023 2022 2021 2020	- - - -	240,000 180,000 240,000 210,000
All other Officers and Directors as a group unnamed	2023 2022 2021 2020	- - -	240,000 210,000 420,000 240,000

Table 6 - Summary of Compensation of Executive Officers

Name and Principal Position	Year	Salary, Bonus and others (₱)
Nicasio I. Alcantara President and Chief Operating Officer*		
Tirso G. Santillan, Jr. Executive Vice President		
Tomas I. Alcantara** President and Chief Operating Officer		
Antonio Miguel B. Alcantara Chief Investment and Strategy Officer, Deputy Chief Executive Officer of Power Business Unit ***		
Joseph C. Nocos Senior Vice President for Business Development		
Gregorio Gonzales VP-Project Development ****		

Most Highly Compensated Executive Officers	2023 estimates 2022 2021	26,909,751 26,751,725 24,462,068
All other officers***** as a group unnamed	2023 estimates 2022 2021	68,964,981 69,023,007 67,437,754

* Effective March 1, 2021 -- elected as Chairman & President
**Effective March 1, 2021 – retired as Chairman & President
***Effective March 1, 2021 – Appointment as Chief Investment & Strategy Officer
****Resigned effective August 8, 2021
*****Managers and up (including all above-named officers).

The total annual compensation consists of basic pay and other taxable income (guaranteed bonus and performance-based bonus). The Company has no other arrangement with regard to the remuneration of its existing officers aside from the compensation received as herein stated.

The disclosure on the compensation of Key Management Personnel as a Group is presented in Note 20 of the consolidated financial statements. The Company has no current compensation plan.

The Company and the Executive Officers are not involved in any of the following transactions:
1. Standard or any material arrangements between the Company and the Executive Officers.
2. Employment contracts between the Company and the Executive Officers.
3. Compensatory plan or arrangement between the Company and the Executive Officers.
4. Outstanding warrants or options granted by the Company to the Executive Officers.
5. Adjustments or amendments on stock warrants or options granted by the Company to the Executive Officers.

The members of the Compensation Committee of the Company are as follows:
1. Nicasio I. Alcantara - Chairman
2. Honorio A. Poblador III - Member
3. Jose Ben R. Laraya - Member (Independent Director)
4. Tirso G. Santillan, Jr. - Member
5. Tomas I. Alcantara - Member

Employment Contracts and Termination of Employment and Change-in-Control Arrangements
The above-named Executive Officers of the Company are not employees of ACR and are not covered by any existing employment contracts. They only receive per diem if they attend a Board meeting, an Executive Committee meeting, and/or an Audit Committee meeting.

Elections of Directors
The Directors of the Company elected at the Stockholders' Meeting are to hold office for one (1) year until their respective successors have been duly elected and qualified.

The following members of the current Board of Directors were nominated to the Directorship for the following year by Ms. Sylvia G. Cortes:

1. Nicasio I. Alcantara
2. Tomas I. Alcantara
3. Editha I. Alcantara
4. Alejandro I Alcantara
5. Tirso G. Santillan, Jr.
6. Ramon T. Diokno
7. Honorio A. Poblador III
8. Jose Ben R. Laraya (independent)
9. Jacinto C. Gavino, Jr. (independent)
10. Thomas G. Aquino (independent)
11. Arturo B. Diago, Jr.

Ms. Cortes is not related to any of the Board of Directors and Executive Officers of the Company by affinity or consanguinity. None of the existing Directors declined for re-election or has disagreement on any matters relating to the operations, policies, or practices of the Company.

Nomination and Election of Independent Directors
In compliance with SRC Rule 38, which provides for the guidelines on the nomination and election of Independent Directors, a Nomination Committee was created with the following members:
1. Nicasio I. Alcantara - Director and Committee Chairman
2. Jose Ben R. Laraya - Independent Director Member

3. Tomas I. Alcantara - Director Member
4. Arturo B. Diago, Jr. - Director Member

The members of the Nomination Committee consist of at least three (3) Directors, one of whom is an Independent Director, and one non-voting member who is a human resources director/manager for the Company.

The tasks of the Nomination Committee are: (i) to promulgate the guidelines or criteria to govern the conduct of the nomination; (ii) to accept and pre-screen nominees for election as Independent Directors, ensuring that they conform with the criteria prescribed in SRC Rule 38 and the Company's by-laws, not later than 30 days prior to the stockholders meeting; and (ii) to prepare the final list of candidates and make this available to the SEC and stockholders before the stockholders' meeting.

On July 16, 2004, the Company amended its by-laws incorporating Rule 38 of the Securities Regulation Code as amended, stating the procedure or manner for the nomination and election of Independent Directors.

During the Stockholders' Meeting, the Chairman will inform the stockholders in attendance that:

1. Unqualified nominees shall not fill up specific slots for the Independent Directors.

2. In case of resignation, disqualification, or cessation of an Independent Director, the SEC shall be notified of such fact within five (5) days of the resignation, disqualification, or cessation. The vacancy shall thereafter be filled by a vote of at least a majority of the remaining Directors, if still constituting a quorum, upon nomination of the Nomination Committee. Otherwise, the stockholders in a regular or special meeting called for the purpose shall fill the vacancy. An Independent Director so elected to fill a vacancy shall serve only for the unexpired term of his predecessor in office.

The Company's Management is soliciting proxies to re-elect the current Independent Directors, namely: Mr. Jose Ben R. Laraya; Mr. Jacinto C. Gavino and Dr. Thomas G. Aquino; all of whom were nominated by Ms. Sylvia G. Cortes, who is an unrelated stockholder. This Information Statement and Proxy Form have been submitted by the Company's Management to the Securities and Exchange Commission ("SEC") and the Philippine Stock Exchange and have been made available to the stockholders in compliance with the SEC rules on proxy solicitation.

The above Directors and nominees, particularly the Independent Directors, pursuant to SRC Rule 38, have been screened by the Nomination Committee.

The write-up on their respective backgrounds and qualifications is set forth in the foregoing section on "Directors and Officers".

Justification from the Board of Directors on the Re-nomination of the Independent Directors

The Securities & Exchange Commission, in its Code of Corporate Governance for Publicly Listed Companies[6], recommends that the Independent Directors of the Board of Directors of the Company serve for a maximum cumulative term of only nine (9) years reckoned from 2012. The same Code, however, states that if the Company wishes to retain Independent Directors, the Board should provide meritorious justification, and seek shareholders' approval during the annual meeting.[7]

The Company's New Manual of Corporate Governance[8], also provides that:

> "The Independent directors should serve for a maximum cumulative term of nine years, excluding any period before the year 2012. After which, the independent director shall be

[6] SEC Memorandum Circular N° 19, series of 2016; hereafter the "Code"
[7] Code, Recommendation 5.3
[8] Adopted on August 24, 2017; hereafter, the "Manual"

perpetually barred from re-election as an Independent director, but may be nominated and elected as a regular director. If the Company retains an Independent director who has served for nine years, the Board shall provide meritorious justifications and seek shareholders' approval during the annual shareholders' meeting."[9]

By June 19, 2023, the three (3) Independent Directors, Messrs. Jose Ben R. Laraya, Jacinto C. Gavino, Jr., and Thomas G. Aquino, would have served as Independent Directors for ten (10) years since May 2012.

The Company seeks to retain all three (3) Independent Directors for the 2023-2024 term based on the meritorious justification provided by the Nominations and Election Committee and Board of Directors, discussed below.

Proposals

(A) *From the Nomination and Election Committee*

In addition to endorsing the nomination of the eight (8) Regular Directors, the Nomination and Election Committee has also endorsed the nomination of Messrs. Jose Ben R. Laraya, Jacinto C. Gavino, Jr., and Thomas G. Aquino, as Independent Directors for the 2023-2024 term. The Committee, without the participation of Mr. Laraya who is a member thereof, has opined that the justifications for the retention of the three (3) Independent Directors for the 2023-2024 term is meritorious, and proposes that all be nominated for re-election to the Company's Board of Directors at the shareholders' meeting on June 19, 2023.

(B) *From the Board of Directors*

The Board of Directors, at its meeting of March 23, 2023, noted the opinion and proposal of the Nomination and Election Committee, and approved the same. The Board, without the participation of three (3) Independent Directors who are all members thereof, also proposed the retention for re-election of the three (3) Independent Directors for the 2023-2024 term.

Professional Profiles of the Independent Directors

Please refer to the attached professional biography of each of the Independent Directors.

Capability, Experience and Merits of the Directors

Mr. **Jose Ben R. Laraya** has managed to combine his past, and/or current, experience as the Chairman of the Board of Directors of Ultrex Management & Investments Corporation, and Laraya Holdings, Inc., and as President of Truly Natural Food Corporation and TWS Ventures, Inc. to make a decisive contribution to the Company's growth, facilitating the communication channel required between the Management and the Board of Directors. Because of these positions, he has first-hand knowledge of the needs of a business and has placed his experience at the Company's service. His judgment and knowledge of how the Company operates are very important elements in the debates and business decisions adopted by the Board of Directors. His active participation in the Audit Committee, the Executive Committee, and the Nominations and Election Committee, has contributed positively to their development and in the operations of these Committees. His contribution to the decision-making process of the Board of Directors, and its Committees, is very important, as well as in the assessment of the prospects of future business in an industry which is continuously evolving.

Mr. **Jacinto C. Gavino, Jr.** has made a very positive contribution to the Company's development

[9] Manual, section 5.3

since he became an Independent Director in 2005. His knowledge, from having been a member of the faculty of the Asian Institute of Management, and the Washington SyCip Graduate School of Business, is a valuable asset to the Board of Directors, and to the Company. His status as member of the Audit Committee has been key to efficient communication to the Board of Directors of all the information derived from the Company's external and internal auditors, contributing to the decision-making process of the Board. His participation in the Audit Committee has enabled Mr. Gavino to play an important role in the preparation and review of the information that is accessed by the market. His capacity for analysis has helped the Board decision-making process in times of economic uncertainty. His experience in other sectors adds diversity and enriching points of view in the Board's discussions.

Mr. **Thomas G. Aquino** has made a decisive contribution to the success of the Company since he joined the Board of Directors, and was made a member of the Executive Committee, in 2011. His profile and experience in the public sector, and in the management of companies of very different kinds throughout his professional career, have been very important in the definition of the Company's financial and operating structure. This broad and diverse experience in other sectors, especially in aspects relating to investments, enabled Mr. Aquino to make a valuable contribution to the discussions of the Board of Directors, especially in relation to strategic investments. His expertise in various government positions has also proven to be an added value to the Board.

The in-depth experience of all three (3) Independent Directors as managers also makes a positive contribution to the Board's work, and to the relationship with the management team.

Their experience in the financial area enriches the debate within the Board for the decision-making process, while contributing to the dynamics and development of the Board Committees of which they are members.

Their respective professional careers, and the results obtained by the Company since they joined the Board, their experience in the industry, combined with a large financial experience, make Messrs. Laraya, Gavino, and Aquino key members of the Board, and exemplary Independent Directors.

These Independent Directors' professional profiles, and proven experience, facilitate their quick integration and understanding of the business, bringing to the Board new points of view and different approaches. Their selection process is a sufficient guarantee of their professional capacity and independence.

The combination of the experience of these Independent Directors in the financial, management, and operational areas in different sectors in which the Company operates, or may operate, are great assets for the Company, and consequently for the shareholders, and support a good balance in the composition of the Board.

Recommendation

The Board therefore recommends that the Company retain all three (3) Independent Directors for the 2023-2024 term, and - with these meritorious justifications – urge the shareholders to approve of such retentions, and vote for all three (3) Independent Directors at the annual shareholders meeting on June 19, 2023.

Item 7. Independent Public Accountants

1. SyCip Gorres Velayo & Co. ("SGV") has been the Company's external auditor for the last three fiscal years. SGV has not expressed any intention to resign as the Company's principal public accountant nor has it indicated any hesitance in accepting re-election after the completion of their last audit.

2. In compliance with SEC Memorandum Circular No. 8, Series of 2003 on rotation of External Auditors, SGV's engagement partner will be replaced in 2023.
3. The Company has maintained SGV as its principal public accountant to audit the financial statements for the last fiscal year. SGV has not expressed any intention to resign as the Company's principal public accountant nor has it indicated any hesitance in accepting re-election after the completion of their last audit.

Management recommends a vote for the re-appointment of SGV & Co. as the Corporation's External Auditor for the year ending December 31, 2023 with SGV's Ms. Djole S. Garcia as the engagement partner. Management expects representatives of SGV to be present at the Meeting and these representatives have the opportunity to make a statement, if they desire to do so. Management expects SGV to respond to appropriate questions at the Meeting.

Members of the Audit Committee

The following are the members and officers of the Company's Audit Committee:

Office	Name
Chairman	Jose Ben R. Laraya
Member	Editha I. Alcantara
Member	Jacinto C. Gavino, Jr.
Member	Thomas G. Aquino
Member	Ramon T. Diokno

Item 10. Modification or Exchange of Securities

The Company has no outstanding securities that are to be modified or to be issued in exchange for other securities.

External Audit and Audit-Related Fees

Fees for the years ended December 31, 2022 and 2021 were ₱550,000 for each year for the audit of the Company's annual financial statements or services normally provided in connection with statutory and regulatory filings or engagements. The fees and services were approved by the Audit, Risk Oversight, and Related Party Transaction Committee (Audit Committee) in compliance with the Code of Corporate Governance for Publicly Listed Companies.

The other fees billed by SGV pertain to an engagement of SGV in 2021 to conduct a tax seminar exclusively for the Group on the Tax Incentives for the Group's renewable project amounting to ₱ 300,000. In 2022, KAIEDC also engaged SGV to provide tax opinion on the draft Build and Lease Agreement with a locator which the Company paid ₱168,000 (inclusive value added tax).

Brief Summary for the Approval of the Auditor's fees

The Audit Committee pre-approves all audit plans, scope, and frequency before the conduct of its external audit. Moreover, pursuant to its mandate, it likewise performs interface functions with both internal and external auditors.

The External Auditor confers and discusses with the Internal Auditors of the Company the auditing process adopted and methodologies used in compliance with International Accounting Standards in the initial draft of the Financial Statements and Notes to the Financial Statements in compliance with its Internal Management handbook and such other statutory and regulatory requirements.

The External Auditor likewise prepares an accountability statement that sufficiently identifies the officers responsible for the financial report.

The final form of the Annual Financial Statements is then presented to the Company's Audit Committee members who can properly review and further examine and perform their oversight financial management functions in such areas relative to the Company's credit, market, liquidity, operational, legal and other risks as indicated in its financial reports. The approval of the External Auditor's fees is made by the Audit Committee in view of the complexity of the services rendered and the reasonableness of the fee under the engagement provided in the audit of the Company's Annual Financial Statements.

Changes in and Disagreements with Accountants on Accounting and Financial Disclosures

There have been no disagreements with SGV on accounting principles or practices, financial statements disclosures, auditing scope or procedures, which disagreements, if not resolved to their satisfaction, would have caused them to refer thereto in its respective reports on the Company's financial statements for the abovementioned years.

Interest of certain persons in or opposition to matters to be acted upon

The Directors, officers, nominees for Directors and their associates do not have a substantial interest, direct or indirect, in any matter to be acted upon other than election to office.

The Company has not been informed in writing by any person that he or she intends to oppose any action to be taken by the Company at the meeting.

Item 11. Financial and Other Information

The Company's Management's Discussion and Analysis or Plan of Operations and Financial Statements for the years ended December 31, 2022 and 2021 are attached hereto as **Annexes "A"** and **"B"**, respectively.

Item 12. Merger, Consolidation, Acquisition and Similar Matters

The Company has no plan to undergo a merger or consolidation into or with any other entity.

C. OTHER MATTERS

Item 15. Actions with Respect to Reports

a) Approval of the minutes of the 2022 annual stockholders' meeting held on May 26, 2022, covering the following matters presented for resolution of the stockholders, which were all duly approved by a majority of the stockholders present and represented in the meeting:

   (i) Approval of the minutes of the 2021 annual stockholders' meeting;
   (ii) Annual report for calendar year 2021 including the consolidated Audited Financial Statements for the calendar year December 31, 2021;
   (iii) Ratification of the acts and resolutions of the Board of Directors and Management during the preceding year;
   (iv) Election of incumbent Directors, including the independent directors; and
   (v) Election of the SyCip Gorres Velayo & Co. as the external auditor of the Corporation for the year 2022.

The minutes of the 2022 Annual meeting of Stockholders held on May 26, 2022 and the relevant resolutions approved by the Board of Directors for ratification of the stockholders are attached as "Annex C".

In addition, the minutes contain the following information:

1. A description of the voting and vote tabulation procedures used in the previous meeting;
2. A description of the opportunity given to stockholders or members to ask questions and a record of the questions asked and answers given;
3. The matters discussed and resolutions reached;
4. A list of the directors, officers and the percentage of outstanding and voting shares of stockholders who attended and participated in the meeting.
5. Approval of the annual report of management for the year ending December 31, 2022. The report will cover the performance of the Company in 2022 and the outlook for 2023.

Item 16. Matters Not Required to be Submitted

There are no matters or actions to be taken up in the Meeting that will not require the vote of the stockholders as of the record date.

Item 17. Other Proposed Action

There are no further actions required which would need disclosure.

Item 18. Voting Procedures

Stockholders as of May 15, 2023 may vote at the Annual Stockholders' Meeting. Stockholders have the right to vote in by proxy, or through remote communication.

Registration of stockholders and proxies attending the Annual Stockholders' Meeting by remote communication will open not later than May 29, 2023.

The approval of all the matters requiring stockholder action as set forth in the Agenda and this Information Statement would require the affirmative vote of stockholders owning at least a majority of the outstanding voting capital stock.

For the election of Directors, the eleven (11) nominees receiving the most number of votes will be elected to the Board of Directors. Cumulative voting will apply. Each stockholder as of May 15, 2023 may vote the number of shares registered in his name for each of the eleven (11) Directors to be elected, or he may multiply the number of shares registered in his name by eleven (11) and cast the total of such votes for one (1) Director, or he may distribute his votes among some or all of the eleven (11) Directors to be elected.

The Company will publish on its website, for all shareholders to view, not later than May 29, 2023, the Information Statement and proxy form. The proxy form contains each item on the agenda that requires shareholders to vote "YES", "NO", or, where applicable, "ABSTAIN". In the case of the election of directors, the names of each of the nominees are listed in the proxy with space for the shareholder to indicate his or her instructions to the proxy holder to: (a) vote for all of the nominees; or (b) withhold his/her vote for all nominees; or (c) withhold his/her vote for nominees indicated by the stockholder. The vote of the shareholders who submitted proxies for each item on the agenda will be tallied by Prime Stock Services, Inc. ("Prime Stock), the Company's stock transfer agent.

The voting at the Stockholders' Meeting will be by balloting collected before the Meeting. Shareholders or their proxy holders will be asked to submit their ballots upon registration.

Ballots will be tabulated by the stock transfer agent, Prime Stock, under the guidance and supervision of the Corporate Secretary. Results of the voting by shareholders will be announced for each item on the Agenda requiring the vote of shareholders. The tabulation and results of the voting shall be duly disclosed and shall be made available on the Company's website on the business day following the meeting.

This voting procedure shall also be announced at the start of the meeting.

For all other matters to be taken up, majority vote of the outstanding capital stock present and represented at the Meeting, where a quorum exists, shall be sufficient.

Part II

(Please see separate Proxy Form)

Part III

UPON THE WRITTEN REQUEST OF A STOCKHOLDER, THE COMPANY WILL PROVIDE, WITHOUT CHARGE, A COPY OF THE COMPANY'S SEC FORM 17-A (ANNUAL REPORT). THE STOCKHOLDER MAY BE CHARGED A REASONABLE COST FOR PHOTOCOPYING THE EXHIBITS.

ALL REQUESTS MAY BE SENT TO THE FOLLOWING:

Atty. Jonathan F. Jimenez
Assistant Corporate Secretary and Compliance Officer
Alsons Consolidated Resources, Inc.
3/F Alsons Building, 2286 Don Chino Roces Avenue
Makati City, 1231 Metro Manila, Philippines

SIGNATURES

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 Makati on May 17, 2023.

ALSONS CONSOLIDATED RESOURCES, INC.
Issuer

By: **JONATHAN F. JIMENEZ** Date: May 17, 2023
Assistant Corporate Secretary
And Compliance Officer

Part II

PROXY FORM

PLEASE FILL UP AND SIGN THE PROXY AND RETURN IMMEDIATELY TO THE CORPORATE SECRETARY.

The undersigned stockholder of Alsons Consolidated Resources, Inc. (the "Company") hereby appoints Mr. Nicasio I. Alcantara or in his absence, the Chairman of the meeting, as proxy, with power of substitution, to represent and vote all shares registered in the name of the undersigned, at the Annual Meeting of the Stockholders of the Company to be conducted virtually on Monday, June 19, 2023, and at any of continuation thereof for the purpose of acting on the following matters:

1. Approval of the Minutes of the Annual Stockholders' Meeting held on May 26, 2022 ☐ Yes ☐ No ☐ Abstain 2. Approval of the Annual Report, and the 2022 Audited Financial Statements; ☐ Yes ☐ No ☐ Abstain 3. Ratification of the Acts of the Board & Management; ☐ Yes ☐ No ☐ Abstain 4. Re-appointment of SyCip Gorres & Velayo as external auditors; ☐ Yes ☐ No ☐ Abstain 5. Approve the appointment of, and appoint, Election Inspectors, if Stockholders move for, and approve, such appointments; ☐ Yes ☐ No ☐ Abstain 6. At their discretion, the proxies named above are authorized to vote upon such other matters as may properly come before the meeting; ☐ Yes ☐ No ☐ Abstain	7. Election of Directors (including Independent Directors); ☐ Vote for all nominees below: Nicasio I. Alcantara Tomas I. Alcantara Editha I. Alcantara Alejandro I. Alcantara Ramon T. Diokno Honorio A. Poblador III Tirso G. Santillan, Jr. Arturo B. Diago, Jr. Jose Ben R. Laraya (Independent Director) Jacinto C. Gavino, Jr. (Independent Director) Thomas G. Aquino (Independent Director) ☐ Withhold authority to vote for all nominees listed above ☐ Withhold authority to vote for the nominees listed below ________ ________ ________ ________ ________ ________
____________ Date	Signature: ____________ Printed Name: ____________ Stockholder / Authorized Signatory

THIS PROXY SOLICITATION IS MADE BY OR ON BEHALF OF THE BOARD OF DIRECTORS OF THE COMPANY. THE COMPANY SECRETARY SHOULD RECEIVE THIS ON OR BEFORE JUNE 9, 2023, THE DEADLINE FOR SUBMISSION OF PROXIES.

THIS PROXY, WHEN PROPERLY EXECUTED, WILL BE VOTED IN THE MANNER AS DIRECTED BY THE STOCKHOLDER. IF NO DIRECTION IS MADE, THIS PROXY WILL BE VOTED "FOR" THE ELECTION OF ALL NOMINEES AND FOR THE APPROVAL OF THE MATTERS STATED ABOVE AND FOR SUCH OTHER MATTERS AS MAY PROPERLY COME BEFORE THE MEETING, IN THE MANNER DESCRIBED IN THE INFORMATION STATEMENT AND/OR AS RECOMMENDED BY MANAGEMENT OR THE BOARD OF DIRECTORS.

A PROXY SUBMITTED BY A CORPORATION SHOULD BE ACCOMPANIED BY A CORPORATE SECRETARY'S CERTIFICATE QUOTING THE BOARD RESOLUTION DESIGNATING A CORPORATE OFFICER TO EXECUTE THE PROXY.

PROXIES EXECUTED BY BROKERS MUST BE ACCOMPANIED BY A CERTIFICATION UNDER OATH STATING THAT THE BROKER HAS OBTAINED THE WRITTEN CONSENT OF THE ACCOUNT HOLDER.

FORMS OF THE CERTIFICATION MAY BE REQUESTED FROM PRIME STOCK. (TELEPHONE (02) 8982 30 29).

A STOCKHOLDER GIVING A PROXY HAS THE POWER TO REVOKE IT AT ANY TIME BEFORE THE RIGHT GRANTED IS EXERCISED. A PROXY IS ALSO CONSIDERED REVOKED IF THE STOCKHOLDER ATTENDS THE MEETING IN PERSON AND EXPRESSES HIS INTENTION TO VOTE IN PERSON. THIS PROXY SHALL BE VALID FOR FIVE (5) YEARS FROM THE DATE HEREOF UNLESS OTHERWISE INDICATED IN THE SPACE HEREIN PROVIDED: ________________________.

This solicitation is primarily by mail; however, incidental personal solicitation may also be made by the officers, directors and regular employees of the Company whose number is not expected to exceed fifteen and who receive no additional compensation therefor. The Company bears the cost of preparing and mailing this proxy form and other materials furnished to stockholders in connection with this proxy solicitation.

No director or executive officer, nominee for election as director, or associate of such director, executive officer or nominee, of the Company, at any time since the beginning of the last fiscal year, has any substantial interest, direct or indirect, by security holdings or otherwise, in any of the matters to be acted upon in the meeting, other than election to office.

ANNEX A

ALSONS CONSOLIDATED RESOURCES, INC.

MANAGEMENT REPORT

for the
2023 Annual Meeting of Stockholders
Pursuant to SRC Rule 20[4] [B]

MANAGEMENT'S DISCUSSION AND ANALYSIS OR PLAN OF OPERATIONS

REVIEW OF CURRENT YEAR 2022 vs. 2021 OPERATIONS

Highlights of the Company's financial performance are as follows:

1. Revenues and Profitability

ACR and Subsidiaries posted significant increase in its consolidated revenues during the year at ₱ 11,989 million from the ₱10,047 million reported in the previous year. The increase was due mainly to improved operations of our power companies and increase in energy dispatch during the year.

Cost of services increased by 24% at ₱7,765 million from ₱6,255 million in 2021 due mainly to the higher fuel cost as well as the cost of the industrial lot as mentioned above.

General and administrative expenses increased slightly from ₱678 million in 2021 to ₱682 million this year. The increase was due mainly to the higher provision of expected credit losses and personnel costs, among others. The 2022 operations have returned to new normal as the COVID-19 scare eases. As a result, operating profit increase significantly to ₱3,532 million from last year's ₱3,114 million.

The Company continues to post strong earnings before interest, taxes, depreciation and amortization (EBITDA) registering ₱5,289 million in 2022, surpassing last year's ₱4,709 million. The resulting EBITDA margin is 44% from 47% from last year.

Meanwhile, finance charges decrease by 4% from ₱1,717 million in 2021 to ₱1,650 million in 2022. The decrease was due to the settlement of maturing loans of Sarangani during the year. Interest income on the other hand increase by 50% from ₱16 million income earned in 2021 to ₱ 25 million this year. The increase was due mainly to higher interest rates on placements during the year.

Equity in net earnings coming from the Company's share in Aviana Development Corp. posted lower results in 2022 of ₱55 million from ₱72 million in the previous year due mainly to the lower sales performance of the Company.

The Company's other income of ₱259 million is significantly better than last year's ₱1 million. This year's other income includes the gain recognized by KAIEDC for the lot it leased to Panhua which accounted for under finance lease. This gain was partly offset by the recognition of an impairment loss of goodwill.

As a result of the foregoing, the consolidated net income posted steady result of ₱1,875 million. The income attributable to Parent of ₱617 million is 52% better that last year's ₱405 million posting an earnings per share of ₱0.097 from ₱0.064 last year.

2. Financial Position

As of December 31, 2022, total resources of ACR and Subsidiaries remained strong at ₱47,796 million, almost the same level reported in 2021.

Current assets likewise remain stable at ₱11,264 million this year. The decrease in inventories and prepaid expenses was offset by the increase in trade and other receivables.

Noncurrent assets remain the same at ₱36,533 million. The depreciation expense recognized during the year was offset by the cost incurred for the cost of Siguil Hydro Power Plant which is currently under construction.

Current liabilities increased by 2% from ₱9,618 million to ₱9,789 million, largely on the availment of short-term loans payable by the Parent Company which were mostly used for the construction Siguil Power Plant. Noncurrent liabilities, on the other hand, decreased by 5% due to the amortization of maturing long-term debt and partly offset by the recognition of deferred credit arising from the collection of a grant for the Siguil Hydro project.

Equity increased by 5% from ₱17,952 million to ₱18,909 million due mainly to the income earned during the year.

ACR posted a current ratio of 1.15:1 in 2022 compared to 1.16:1 in 2021 mainly due to the higher current liabilities brought about by the increase in loans payable.

Net cash inflows from operating activities remain stable and continue to be the source of payment of maturing obligations and trade payables. Net cash used for investing activities increased significantly from ₱976 million to ₱2,078 million this year due mainly to the additional project cost incurred for the construction of Siguil Hydro Power plant. Net cash outflows from financing activities amounted to ₱2,527 million is slightly lower than last year's ₱2,643 million. The increase in loan and long-term debt was offset by the payments made during the year. The net cash balance after accounting for the above changes reached ₱2,796 million, slightly lower than the ₱2,864 million in the previous year.

3. Key Performance Indicators (KPI)

The Company's operations for the year ended December 31, 2022 showed stable gross profit at ₱ 4,215 million compared to last year's ₱3,792 million. KPI of the Company are as follows: (Amounts in million pesos, except ratios).

Table 6 – Comparative KPIs (2022 Vs. 2021)

Financial KPI	Definition	Calendar Year	
		2022	2021
Profitability			
Revenues		₱11,989	₱10,046
EBITDA		5,289	4,709

EBITDA Margin	EBITDA ÷ Net Sales	44%	47%
Return on Equity	Net Income ÷ Total Stockholders' Equity	10%	7%
Net Earnings Attributable To Equity Holders		₱617	₱405
Efficiency			
Operating Expense Ratio	Operating Expenses ÷ Gross Operating Income	19%	22%
Liquidity			
Net Service Coverage	Total Cash Available for for Debt Service ÷ Aggregate Principal and Interest during Next Period	2.01:1	2.32:1
Debt-To-Equity Ratio		1.53:1	1.66:1
Current Ratio	Current Assets ÷ Current Liabilities	1.15:1	1.16:1

Profitability

The earnings before interest, taxes, depreciation and amortization ("EBITDA") of the Company improved to ₱5,289 million from ₱4,709 million in 2021. The better performance of the operating power plants let to an EBITDA margin of 44% in 2022.

Return on equity also improved to 10% from last year's 7%. While the net income attributable to the equity holders of the parent jumped 52% ₱617 million from last year's ₱405 million. All of the operating power plants continue to deliver positive results as the COVID-19 scare eases.

Efficiency
The Company's operating expense ratio decreased to 19% from last year's 22%. The operating power plants continue to improved their operating performance during the year.

Leverage and Liquidity

The project loan drawdown of the Siguil Hydro Project as well as the additional short-term debts obtained by the Parent Company which was offset by the amortization of Sarangani's project loan resulted to an increase in financial debt by 0.7%. Consequently, net debt coverage ratio decreased to 11% from last year's 13%.

Description Of Key Performance Indicators:

a. **Revenues.** Revenue is the amount of money that the Company and its subsidiaries receive arising from their business activities and is presented in the top line of the consolidated statements of income. The present revenue drivers of the Company are: (i) Energy and power; and (ii) Real estate. Revenue growth is one of the most important factors that management and investors use in determining the potential future stock price of a company and is closely tied to the earnings power for both the near and long-term timeframes. Revenue growth also aids management in making sound investment decisions.

b. **EBITDA**. The Company computes EBITDA as earnings before extra-ordinary items, net finance expense, income tax, depreciation, and amortization. It provides management and investors with a tool for determining the ability of the Company to generate cash from operations to cover financial charges and income taxes. It is also a measure to evaluate the Company's ability to service its debts, to finance its capital expenditure and working capital requirements.

c. **Net Earnings Attributable to Equity Holders of Parent.** Net income attributable to shareholders is one more step down from net income on the consolidated statements of income. The net income of a company is all of the revenues minus all of the expenses including interest expenses and taxes. Net income attributable to shareholders is the net income minus the non-controlling interests. This aids management and investors in identifying company's profit allocated to each outstanding share.

d. **Debt-to-Equity Ratio**. This measures the Company's financial leverage calculated by dividing its total liabilities by stockholders' equity. It indicates what proportion of equity and debt the company is using to finance its assets.

e. **Current Ratio**. Current ratio is a measurement of liquidity computed by dividing current assets by current liabilities. It is an indicator of the Company's ability to meet its current maturing obligations. The higher the ratio, the more liquid the Company presents.

SIGNIFICANT DISCLOSURES

Please refer to **Annex D** of this report for the significant disclosures made by the Company during the year. Other than those mentioned in Annex D and the disclosures made by the Company in its Audited Consolidated Financial Statements, it is not aware of the following:

1. Unusual items that materially affect the Company's assets, liabilities, equity, net income or cash flows because of their nature, size or incidents;

2. Changes in estimates of amounts reported in prior interim periods of the current financial year or changes in estimates of amounts in prior financial years that have a material effect in the current period;

3. Issuance and repurchase of equity securities;

4. Segment revenues and segment results for business segments and geographical segments;

5. Changes in contingent liabilities or contingent assets since the annual balance sheet date;

6. Existence of material contingencies and other transaction events that are material to an understanding of the current period;

7. Known trends, commitments, events, and uncertainties that will result in or likely to decrease its liquidity in a material way. ACR does not anticipate having, within the next twelve (12) months, any cash flow or liquidity problem nor does it anticipate any default or breach of any of its existing notes, loans, other indebtedness, or financial arrangements requiring it to make payments. With the improvement in the Company's operating performance, ACR expects to meet all financial loan covenants for the next interim period;

8. Events that will trigger direct or contingent material financial obligations to the Company;

9. Material off-balance sheet transactions, arrangements, obligations (direct or contingent), and other relationships of the Company with unconsolidated entities or other persons created during the year;

10. Known trends, events or uncertainties that have had or that are reasonably expected to have a material favorable impact on net sales, revenues, net income from continuing operations;

11. Significant elements of income or loss that did not arise from the Company's continuing operations;

12. Material events subsequent to the end of the reporting period that have not been reflected in the consolidated financial statements;

13. Material changes in the composition of the Company, including any business combination, acquisition or disposal of subsidiaries and long-term investments and discontinuing operations;

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Accounting Policies and Principles

The consolidated financial statements of ACR and its Subsidiaries for the years ended December 31, 2022 and 2021 are presented in accordance with Philippine Financial Reporting Standards (PFRS) applied on a consistent basis.

Seasonality Aspects of the Business

The operations of ACR and its subsidiaries were not affected by seasonality or cyclicality.

Material Changes in Consolidated Balance Sheet Accounts by 5% or More

1. Short-term investments, 10% Increase

   The increase in short-term investment (2022: ₱124 million vs. 2021: ₱112 million) was due mainly to the additional placement made during the last quarter of the year as the timing of the usage cash for operations and or the payment of the construction of Siguil Hydro Power Plant which is expected to begin commercial operations in later part of 2023.

2. Trade and other receivables, 24% Increase

   The increase was due to the timing of collection of trade receivables during the year. the Company has provided financial reliefs to certain electric cooperatives and distribution utilities as a response to the effect of the COVID-19 pandemic. These relief measures included restructuring of existing receivables and extension of payment terms.

3. Inventories - at cost, 32% decrease

   The decrease was due mainly to the timing of coal purchases of Sarangani Energy Corporation which has fuel supply and/or transport agreements with Kaltim Prima Coal, and Galaxy Energy and Resources for low Sulphur coal, or sub-bituminous coal from Indonesia with gross calorific value ranging from 4200 to 5000 kCal per kilogram. Local supply is sourced from Semirara Mining and Power Corporation. The company is also procuring coal via spot market or short-term contracts with flexible pricing options with prices based on Indonesian Coal Index and or Fixed Price arrangements.

4. Prepaid Expenses, 44% Decrease

   The release of debt reserve account of Sarangani Energy Corporation during the year let to the decrease in this account.

5. Noncurrent Portion of Trade Receivables, 5% decrease

   The decrease was due to the collections made during the year. In 2020, the Company provided financial reliefs to certain electric cooperatives and distribution utilities as a response to the effect of the COVID-19 Pandemic.

6. Investment in Real Estate, 20%, Decrease

   The lots acquired by KAIEDC for the expansion of the covered area of the Ecozone Industrial Estate in 2021 has been transmitted to a locator during the year through execution of long-term lease arrangement covering a period of 50 years and extendible period of another 50 years at no additional cost to the paid by the lessee. This arrangement is accounted for under finance lease. As such, the related real estate asset was derecognized by the Company and the full settlement of the locator of the lease payments were included as part of the income during the year. The above terms led to the decrease in the investment in real estate accounts by 20%.

7. Advances to Contractors, 206% Increase

   The additional advances made during the year by Siguil Hydro Power Corp. to its EPC Contractor, Sta. Clara International, caused the increase in this account.

8. Goodwill, 24% Decrease
   The Company recognized an impairment of ₱165 million during the year. The Company assessed that the carrying value of the underlying assets of SPPC and WMPC's cash generating units including goodwill is greater than its fair value based on the expected cash flows.

9. Net retirement benefit assets, 10% Increase

   The increase was due to the excess of the value of the assets in a defined benefit obligation over the present value of the liabilities as determined by an independent actuary during the year.

10. Deferred income tax assets, 44% Decrease

    The decrease was primarily due to the decline in the carrying value of the capitalized interest, which depreciation expense was provided during the year. In addition, the deferred tax effect of the net loss carry-over was also deducted for the expired portion.

11. Other noncurrent assets, 50% Increase

    The increase was primarily due to the restricted cash relating to Siguil's long-term debt. The first principal payment is scheduled in 2024.

12. Accounts payable and other current liabilities, 40% Decrease

    The decrease is due to payments made during the year for the accrued liabilities pertaining to the bulk purchases of coal during the months of November and December 2021. In addition, the dividends payable of Sarangani Energy in 2021 was settled in 2022 amounting to ₱750 million.

13. Loans payable, 103% increase; Short-term notes payable, 19% Decrease

    The increase in loans payable was due to additional loans availed during the year, while the decrease in short-term notes payable was due to the settlement of the matured portion towards the end of 2022.

14. Income tax payable, 16% Increase

    The increase was due to the higher taxable income earned during the year by all operating power Companies.

15. Lease Liability, 131% Increase

    The increase was due to the recognition of additional lease obligations during the year.

16. Current Portion of Long-term Debt, 38% Increase
    Long-term debts – net of Current portion, 6% Decrease

    The variances were due to recognition and settlement of maturing principal during the year.

17. Deferred Credit, 75% increase

    The increase is due to the portion of Join Credit Mechanism (JCM) grant received by SHPC during the year. As a background, SHPC entered into a grant agreement with Toyota Tsusho Corp. (TTC) and Ministry Environment of Japan (MEJ) in 2019. The Conditions attached to the grant are as follows:

    - Construction of hydro power plant
    - 50% carbon credits to be delivered to MEJ from start of operation and 22 years thereafter.

The MOA between SHPC and TTC requires SHPC to have an agreed PSA with SOCOTECO II or any other offer taker.

REVIEW OF YEAR 2021 vs. 2020 OPERATIONS

Highlights of the Company's financial performance are as follows:

4. **Revenues and Profitability**

    ACR and Subsidiaries posted a 6% increase in its consolidated revenues during the year at ₱10,055 million from the ₱9,471 million reported in the previous year. The improvement was due mainly to SEC's improved operations.

    Cost of services increased by 33% at ₱6,255 million from ₱4,688 million in 2020 due mainly to the higher fuel cost as well as higher energy dispatched by WMPC in 2021.

    General and administrative expenses increased by 27% at ₱678 million from ₱535 million in 2020. The increase was due mainly to the higher transportation cost, outside services and COVID-19 related expenses as a result of easing lockdowns during the year. As result, operating profit decrease from ₱4,248 million to ₱3,121 million in 2020. The last year's income includes the one-time recognition of revenue loss compensation charged to EPC contractor of SEC 2 as a result of the relay in completing the Plant.

    The Company continues to post strong earnings before interest, taxes, depreciation and amortization (EBITDA) registering ₱4,709 million in 2021, 22% lower than last year's ₱6,061 million. The last year's revenue include "the revenue loss compensation" paid by JGC for the delay in the completion of SEC 2 Plant. The resulting EBITDA margin of 47% from 64% form last year.

Meanwhile, finance charges decrease by 19% from ₱2,111 million in 2020 to ₱1,717 million. The decrease was due to the settlement of maturing loans of SEC during the year. Interest income on the other hand decrease by 61% from ₱42 million income earned in 2020 to ₱16 million this year. The decrease was due mainly to lower interest rates on placements during the year which is below 1% on the average.

Equit in net earnings coming from the Company's share in Aviana Development Corp. posted higher results in 2021 of ₱72 million from ₱64 million in the previous year due mainly to the improved performance of the Company.

The Company's negative Other Income of ₱7 million is lower in 2021 from ₱81 million in 2020 due mainly to lower foreign exchange loss as a result of stronger Peso during the year.

As a result of the foregoing, the consolidated net income posted steady result of ₱1,321 million. The income attributable to Parent of ₱405 million is 24% better that last year's ₱325 million posting an earnings per share of ₱0.064 from ₱0.051 last year.

5. Financial Position

As of December 31, 2021, total resources of ACR and Subsidiaries remained strong at ₱47,756 million, increased by 3% versus the ₱46,415 million level reported in 2020.

Current assets posted a significant increase of 19% from ₱9,394 million in 2020 to ₱11,204 million this year. The increase came largely from higher trade and other receivables. In 2020, the Company has provided financial reliefs to certain electric cooperatives and distribution utilities as a response to the effect of the COVID-19 pandemic. These relief measures included restructuring of existing receivables and extension of payment terms. Inventories also increased by 81% from ₱ 839 million to ₱1,517 million due mainly to the higher coal costs.

Noncurrent assets slightly decrease by 1%, due mainly to the recognition of depreciation expense on the Company's property, plant and equipment and partly offset by the cost incurred for the cost of Siguil's Plant which is currently under constraction.

Current liabilities increased by 9% from ₱8,847 million to ₱9,618 million, largely on the availment of short-term notes payable by the Parent Company which were mostly used for the construction Siguil. Noncurrent liabilities, on the other hand, decreased by 7% due to the amortization of maturing long-term debt and partly offset by the recognition of deferred credit arising from the collection of a grant for the Siguil Hydro project.

Equity increased by 14% from 15,704 million to 17,952 million due mainly to the increase in non-controlling interest as a result of the conversion of related party advances in ATEC into equity as well as the income earned during the year.

ACR posted a current ratio of 1.17:1 in 2021 as compared to 1.06:1 in 2020 mainly due to the higher current assets brought about by the increase in trade and other receivables as ell as spare parts and supplies.

Net cash inflows from operating activities remain stable and continue to be the source of payment of maturing obligations and trade payables. Net cash used for investing activities decreased significantly from ₱1,487 million to ₱373 million this year due mainly to the lower cost inclured for capital expenditures. This year's expenditures focused mainly on the construction of Siguil Hydro Power Plant Project. Net cash outflows from financing activities amounted to ₱2,665 million is likewise lower than last year's ₱3,598 million. This is due mainly to the lower payment of loans and long-term debt as well as interest. The net cash balance after accounting for the above changes reached ₱2,864 million, slightly higher than the ₱2,703 million in the previous year.

6. Key Performance Indicators (KPI)

The Company's operations for the year ended December 31, 2021 showed stable gross profit at ₱ 4,783 million compared to last year's ₱2,556 million. KPI of the Company are as follows: (Amounts in million pesos, except ratios).

Table 7 – Comparative KPIs (2021 Vs. 2020)

Financial KPI	Definition	Calendar Year	
		2021	2020
Profitability			
Revenues		₱10,046	₱9,471
EBITDA		4,709	6,061
EBITDA Margin	EBITDA ÷ Net Sales	47%	64%
Return on Equity	Net Income ÷ Total Stockholders' Equity	7%	12%
Net Earnings Attributable To Equity Holders		₱405	₱325
Efficiency			
Operating Expense Ratio	Operating Expenses ÷ Gross Operating Income	22%	13%
Liquidity			
Net Debt Coverage	Cash Flow from Operating Activities ÷ Net Financial Debt	15%	26%
Debt-To-Equity Ratio		1.66:1	2.67:1
Current Ratio	Current Assets ÷ Current Liabilities	1.15:1	1.06:1

Profitability

The earnings before interest, taxes, depreciation and amortization (EBITDA) of the Company idecreased from ₱6,061 million to ₱4,709 million in 2021. The last year's revenue include "the revenue loss compensation" paid by JGC for the delay in the completion of SEC 2 Plant. The resulting EBITDA margin of 47% from 64% form last year.

Return on equity (ROE) was also down from last year's 12% to 7% this year while the net income attributable to the equity holders of the parent improved to ₱405 million from last year's ₱325 million. The all the operating power plants continue to deliver positive results in spite of the COVID-19 lockdowns.

Efficiency

The Company's operating expense ratio increased to 22% in 2021 from 13% in 2020. The operating power plants continue to improve their operating performance during the year.

Leverage and Liquidity

The continued amortization of Sarangani's project loan which is partly offset by the additional short-term debts obtained by the Parent Company for the construction of Siguil Hydro Project resulted in financial debt decreased slightly by 0.7%. Consequently, net debt coverage ratio decreased to 11% from last year's 13%.

Current ratio on the other hand increased to 1.18:1 from last year's 1.06:1 due mainly to the higher balance of trade receivables and coal inventory.

Seasonality Aspects of the Business

The operations of ACR and its subsidiaries were not affected by seasonality or cyclicality.

Material Changes in Consolidated Balance Sheet Accounts by 5% or More

1. Cash and cash equivalents, 6% Increase and Short-term investments, 6% Increase

   The decrease in cash and cash equivalents (2021: ₱2,864 million vs. 2020: ₱2,703 million) was due mainly to the cash generated from operations of the Power Companies as well as additional short-term borrowings of the Parent Company which were use for the construction of Siguil Hydro Power Plant which is expected to begin commercial operations in 2023.

2. Trade and other receivables, 24% Increase

   The increase was due to the timing of collection of trade receivables during the year. the Company has provided financial reliefs to certain electric cooperatives and distribution utilities as a response to the effect of the COVID-19 pandemic. These relief measures included restructuring of existing receivables and extension of payment terms.

3. Spare parts and supplies, 81% increase

   The increase was due mainly to the higher cost of coal inventories.

4. Noncurrent Portion of Trade Receivables, 93% decrease

   The decrease was due to the collections made duting the year. In 2020, the Company provided financial reliefs to certain electric cooperatives and distribution utilities as a response to the effect of the Covid-19 Pandemic.

5. Investment in Real Estate, 69%, increase

   The increase was due mainly to the additional lots acquired by KAIEDC for the expansion of the covered area of the Ecozone Industrial Estate.

6. Advances to Contractors, 59% Decrease

   The decrease was due to the reclassification to Construction-in Progress of the Completed portion of Sta. Clara's construction works for Siguil's hydro power plant and KAIEDC property transferred to its name during the year.

7. Property, Plant and Equipment, 2% Decrease

   The decrease is due mainly to the depreciation expense recognized on SEC 1 and 2 during the year which is partly offset by the additional project cost incurred for the Construction of Siguil Hydro power plant.

8. Accounts payable and other current liabilities, 17% Decrease

   The decrease was due to the conversion of liability to GBPC to non-controlling interest amounting to ₱1,880 million. This was partially offset by the unpaid purchases of coal during the months of November and December 2021.

9. Loans payable, 14% increase and short-term notes payable , 118% Increase

   The increase in loans payable was due to additional loans availed during the months of November and December 2021 while the increase in notes payable represents additional commercial paper issuances in July and November 2021.

10. Income tax payable, 19% Increase

    The increase was due to the higher taxable income earned during the year by all operating power Companies.

11. Lease Liability, 300% Increase

    The increase was due to the recognition of additional lease obligations during the year.

12. Current Portion of Long-term Debt, 22% Increase
    Long-term debts – net of Current portion, 8% Decrease

    The variances were due to recognition and settlement of marturing principal during the year.

13. Deferred Credit, 100% increase

    The increase is due to the portion of Join Credit Mechanism (JCM) grant received by SHPC during the year. As a background, SHPC entered into a grant agreement with Toyota Tsusho Corp. (TTC) and Ministry Environment of Japan (MEJ) in 2019. The Conditions attached to the grant are as follows:

    - Construction of hydro power plant
    - 50% carbon credits to be delivered to MEJ from start of operation and 22 years thereafter
    - The MOA between SHPC and TTC requires SHPC to have an agreed PSA with SOCOTECO II or any other offer taker.

REVIEW OF YEAR 2020 vs. 2019 OPERATIONS

Highlights of the Company's financial performance are as follows:

1. Revenues and Profitability

ACR and Subsidiaries posted a 39% increase in its consolidated revenues during the year at ₱ 9,471 million from the ₱6,796 million reported in the previous year. This improvement was due mainly to Sarangani's full year of commercial operations which started on October 10, 2019.

Cost of services increased by 11% at ₱4,687 million from ₱4,237 million in 2019 due mainly to the cost associated to SEC 2 operations as well as higher energy dispatched by the WMPC in 2020.

General and administrative expenses was down by 10% at ₱535 million from ₱598 million in 2019. The decrease was due mainly to the lower transportation costs, outside services and marketing expenses as a result of the lockdown brought about by Covid 19 Pandemic. As result, operating profit improved significantly from ₱1,958 million to ₱4,248 million in 2020

Earnings before interest, taxes, depreciation, and amortization (EBITDA) improved from ₱3,199 million to ₱6,061 million this year as a result of full year operations of SEC 2 resulting to higher EBITDA margin of 64% from last year's 47%.

Meanwhile, finance charges increase significantly by 95% from ₱1,081 million in 2019 to ₱2,111 million. The interest on project loan availed for SEC 2 are now expensed while in 2019 these were capitalized as part of project cost up to the time the Company declared commercial operations.

The Company's negative Other Income of ₱81 million is higher in 2020 from ₱25 million in 2019 due mainly to an impairment loss of goodwill associated to SPPC amounting to ₱115 million.

As a result of the foregoing, the consolidated net income posted significant increase from ₱974 million in 2019 to ₱1,868 million in 2019. The income attributable to Parent is 120% better that last year's ₱248 million to ₱325 million this year and posting an earnings per share of ₱0.051 from ₱0.023 last year.

2. Financial Position

As of December 31, 2020, total resources of ACR and Subsidiaries remained strong at ₱46,415 million, increased by 2% versus the ₱45,609 million level reported in 2019.

Current assets posted a slight increase from ₱8,840 million in 2019 to ₱9,393 million this year. The increase came largely from higher trade and other receivables. In 2020, the Company has provided financial reliefs to certain electric cooperatives and distribution utilities as a response to the effect of the COVID-19 pandemic. These relief measures included restructuring of existing receivables and extension of payment terms. Noncurrent assets slightly decrease by 1%, due mainly to the recognition of depreciation expense on the Company's property, plant and equipment and partly offset by the cost incurred for the cost of Siguil's Plant which is currently under construction.

Current liabilities decreased significantly by 27% from ₱12,051 million to ₱8,847 million, largely on account of refinancing of Company's Fixed Rate Corporate Note (FRCN) in December 2020 as well as lower short-term notes payable. Noncurrent liabilities, on the other hand, increased by

17% due to the reclassification of above maturing loan and partly offset by additional decommissioning liability related to SEC 2.

ACR posted a current ratio of 1.06:1 for 2020 as compared to 0.73:1 in 2019 mainly due to the decrease in current liabilities as a result of refinancing of the Company's FRCN loan.

Net cash inflows from operating activities remain stable and continue to be the source of payment of maturing obligations and trade payables. Net cash used for investing activities decreased from ₱3,083 million to ₱2,018 million this year due mainly to the completion of SEC 2 in October 2019. This year's capital expenditures focused mainly on the construction of Siguil Hydro Power Plant Project. Net cash outflows from financing activities amounted to ₱3,693 million is significantly higher than the ₱33 million in 2019 due mainly to the payment of long-term debt. The total available funds of ₱8,414 million in 2020, from which ₱2,205 were used for power plant project construction during the year. The net cash balance after accounting for the above changes reached ₱2,703 million, slightly lower than the ₱2,815 million in the previous year.

3. Key Performance Indicators (KPI)

The Company's operations for the year ended December 31, 2020 showed stable gross profit at ₱ 4,783 million compared to last year's ₱2,556 million. KPI of the Company are as follows: (Amounts in million pesos, except ratios).

Table 8 – **Comparative KPIs (2020 vs. 2019)**

Financial KPI	**Definition**	**Calendar Year**	
		2020	2019
Profitability			
Revenues		₱9,471	₱6,796
EBITDA		6,061	₱3,199
EBITDA Margin	EBITDA ÷ Net Sales	63%	47%
Return on Equity	Net Income ÷ Total Stockholders' Equity	12%	7%
Net Earnings Attributable To Equity Holders		₱325	₱148
Efficiency			
Operating Expense Ratio	Operating Expenses ÷ Gross Operating Income	13%	29%
Liquidity			
Net Service Coverage	Total Cash Available for for Debt Service ÷ Aggregate Principal and Interest during Next Period	2.78:1	2.85:1
Debt-To-Equity Ratio		1.88:1	2.82:1
Current Ratio	Current Assets ÷ Current Liabilities	1.06:1	0.73:1

Profitability

The earnings before interest, taxes, depreciation, and amortization (EBITDA) of the Company increased from ₱3,199 million to ₱6,061 million in 2020 due mainly to the full year operations of SEC 2 and improved performances of SEC 1 and WMPC. EBITDA Margin significantly improved from 47% in the previous year to 64% this year as a result of higher income.

Return on equity (ROE) was also up from last year's 7% to 12% this year while the net income attributable to the equity holders of the parent increased significantly to ₱325 million from last year's ₱148 million. The second section of SEC started commercial operations on October 10, 2019 and now in full year operations contributing ₱4,172 million in total revenues during the year.

Efficiency

The Company's operating expense ratio decreased to 13% in 2020 from 29% in 2019. The full year commercial operations of SEC 2 and improved operating performance of the Company's operations led to the decrease in operating expense ratio.

Liquidity

As a result of the additional loan obtained by the Parent Company for the Construction of Siguil Hydro Project, financial debt increased by 8%. Consequently, the net debt coverage ratio decreased to 11% from last year's 13%. The current ratio on the other hand decreased to 0.73:1 from last year's 1.42:1. The first tranche of Company's Five-Year Fixed Rate Corporate Note (FXCN) which matures on December 2020 has been recognized as current during the year. The Company is currently working on the refinancing of this maturing obligation and majority of the noteholders have signified their concurrence.

Seasonality Aspects of the Business

The operations of ACR and its subsidiaries were not affected by seasonality or cyclicality.

Material Changes in Consolidated Balance Sheet Accounts by 5% or More

1. Cash and cash equivalents, 4% Decrease and Short-term investments, 42% decrease.

   The decrease in cash and cash equivalents (2020: ₱ 2,703 million vs. 2019: ₱ 2,814 million) was due to the usage of cash for the construction of Siguil Hydro Power Plant and payment of dividends. Siguil is expected to be completed and to commence commercial operations in 2022.

2. Trade and other receivables, 22% Increase.

   The increase was due to the timing of collection of trade receivables during the year. the Company has provided financial reliefs to certain electric cooperatives and distribution utilities as a response to the effect of the COVID-19 pandemic. These relief measures included restructuring of existing receivables and extension of payment terms.

3. Spare parts and supplies, 30% increase.

   The increase was due mainly to the coal inventory for SEC 2 who is now on full year commercial operations. SEC 2 began operations on October 10, 2019.

4. Prepaid expenses and other current assets, 12% Decrease.

   The decrease was due to the lower interest reserve account of Sarangani Energy Corporation required for its loan facility used for the construction of SEC 2 and the application of available creditable withholding tax against income tax due for the year.

5. Advances to Constructors, 9% Decrease

   The decrease was due to the offsetting of advances against payable on SEC 2 payables which was partly offset by the advances made for the construction of Siguil Hydro Project which began construction in 2019 and target completion in 2022.

6. Contract Asset, 35% Increase

   The Contract asset represents asset recognized though the application of PFRS 15. This Accounting Standards simply recognizes the revenues of SEC relative to its Capital Recovery Fee equally over the life of its PSA. Thus, applying the average method in calculating the CRF Revenue. The increase during the year is attributable to SEC 2's re-computation of contract asset.

7. Goodwill, 14% Decrease

   The Company recognized impairment loss amounting to ₱115 million in 2020 due to decline in recoverable amount and no impairment loss was recognized on goodwill in 2019.

8. Accounts payable and other current liabilities, 14% Increase.

   The increase was unpaid dividends at the end of the year and the refundable deposit for the lot to be acquired by a certain customer during the year.

9. Loans payable, 1,131% increase and short-term notes payable , 45% Decrease

   The increase in loans payable was due to additional availament during the year wherein the proceeds was used for the construction of Siguil Hydro Project while the decrease in short-term notes payable which was a negotiable commercial paper registered with the Securities and Exchange Commission was due mainly to settlement made during the year.

10. Income tax payable, 7% Increase.

    The increase was due to the higher taxable income earned during the year. The major portion of this increase is attributed to SEC 2 which is currently on its first full year of commercial operations.

11. Lease Liability, 89% Decrease

    The decrease was due to payment of lease during the year.

12. Current Portion of Long-term Debt, 76% Decrease

    Long-term debts – net of Current portion, 17% Increase

    The refinancing of the Company's Five-Year Fixed Rate Corporate Note (FRCN) in December 2020 let to the decrease in current portion of long-term debt at the same time increase the long-term debt. This same note was recognized as current in 2019.

13. Deferred Tax Liabilities, 9% Increase

The increase in deferred tax liabilities was due to the recognition of additional contract asset related to SEC 2. Please refer to item 6

BUSINESS AND GENERAL INFORMATION

THE BUSINESS

Alsons Consolidated Resources, Inc. (ACR or the Company) was incorporated on December 24, 1974 as Victoria Gold Mining Corporation to engage in the business of exploration of oil, petroleum and other mineral products. The corporate name was changed to Terra Grande Resources, Inc. (Tegre) in March 1995.

In 1994, the Alcantara Group, through Alsons Power Holdings Corporation (APHC), acquired a 55.80% interest in Tegre through a swap of APHC's 50.78% stake in Northern Mindanao Power Corporation (NMPC). The Securities and Exchange Commission (SEC) formally approved the stock swap on March 4, 1995 together with the increase in the Company's authorized capital stock from ₱1 billion to ₱3 billion.

The corporate name was changed to Alsons Consolidated Resources, Inc. in June 1995 to mark the entry of the Alcantara Group. The Company's primary purpose was subsequently changed to that of an investment holding company, and oil exploration was relegated to a secondary purpose.

On October 10, 1996, the Company completed its reorganization through a series of stock swaps. As a result, some of the Alcantara Group's established businesses became majority- or minority-owned subsidiaries of ACR, who's authorized capital was further increased from ₱3 billion to ₱12 billion.

ACR's core businesses, conducted through its various subsidiaries and associates, can be grouped into the following main categories: a) Energy and Power, b) Property Development, and c) Other Investments. A description of the general nature and scope of these businesses is presented below:

Energy and Power

ACR's investment in the Energy and Power business is through four holding firms namely, Conal Holdings Corporation (Conal or CHC), Alsing Power Holdings, Inc. (Alsing), Alsons Renewable Energy Corporation (AREC), and Alsons Thermal Energy Corporation (ATEC). Conal owns all of ACR's diesel plant operating power generation businesses, namely: (1) Alsing Power Holdings, Inc. at 80%, (2) Alto Power Management Corporation at 60%, and (3) Mapalad Power Corporation at 100%. Alsing, in turn, owns 55% of: (a) Western Mindanao Power Corporation; and (b) Southern Philippines Power Corporation. Further, ACR directly owns 20% of Alsing. AREC, which was organized on September 18, 2014, is ACR's vehicle for developing renewable energy (RE) projects. AREC currently holds 100% equity in the following subsidiaries: Siguil Hydro Power Corporation, Kalaong Hydro Power Corporation, Bago Hydro Resources Corporation and Sindangan Zambo-River Power Corporation, all in the business of renewable energy. ATEC was organized on November 23, 2015 as a holding company for ACR's coal-fired thermal power assets. ACR transferred its ownership in Sarangani Energy Corporation (SEC) to ATEC on October 13, 2016.

ACR also formed Aces Technical Services Corporation (ACES), a wholly owned subsidiary, on July 7, 2011, and it serves as the operations and maintenance provider of SEC and San Ramon Power, Inc. (SRPI). ACR transferred its ownership in ACES and SRPI to ATEC on October 12, 2016, and May 24, 2017, respectively.

On June 3, 2017, the Company signed an agreement with Global Business Power Corporation (GBP) for GBP to acquire a 50% less one share stake in ATEC. The Philippine Competition Commission approved the transaction on September 25, 2017, and the Deed of Absolute Sale was signed on November 27, 2017. The partnership combines ACR's distinct knowledge of the Mindanao power market, developed through long years of experience as the island's first independent power producer; with GBP's track record as the leading power producer in the Visayas. The Company believes that this endeavor will greatly benefit power consumers most specifically the interconnection of the Mindanao and Visayas grids. The partnership will also give ACR the opportunity to pursue with greater strength its energy-based projects, particularly its renewable power generating plants in Mindanao and Western Visayas. This will also allow ACR to accelerate its foray and entry in other energy-related enterprises in Southern Philippines, including the smaller islands with promising growth in power demands.

ACR also has a wholly owned subsidiary, Alsons Power International Limited (APIL), which develops power plant projects outside the country.

ACR's four (4) power generation subsidiaries, Western Mindanao Power Corporation (WMPC), Southern Philippines Power Corporation (SPPC), Mapalad Power Corporation (MPC) and Sarangani Energy Corporation (SEC), are all located in Mindanao.

WMPC operates a 100-megawatt (MW) diesel-fired electricity generating facility in Zamboanga City as a merchant plant after its 18-year "Build-Operate-Own" (BOO) arrangement with the National Power Corporation (NPC) expired in December 2015. WMPC currently provides power to Zamboanga City thru a power sales agreement (PSA) with the Zamboanga City Electrical Cooperative (Zamcelco). SPPC owns a 55 MW diesel-fired electricity generating facility located in Alabel, Sarangani Province, 13 kilometers east of General Santos City. SPPC's 18-year BOO arrangement with NPC expired on April 28, 2016.

MPC rehabilitated the 103MW bunker-fired Iligan Diesel Power Plants (IDPPs) I and II, which Conal acquired from the Iligan City Government and started operating these plants on February 27, 2013. MPC currently functions as a merchant plant and serves various electric cooperatives in Mindanao.

SEC's 210MW coal-fired power plants are located in Maasim, Sarangani Province. Its first section of 105MW began commercial operations in April 2016, while its second section of another 105MW or Phase 2 started commercial operations on October 10, 2019.

ACR has also started construction of its first renewable energy project under Siguil Hydro Power Corporation, which will operate a 14.5MW run-of-river electricity generating facility located at the Siguil River basin in Maasim, Sarangani. The construction phase of this project is in full swing and the Company expects commercial operations to begin in the second quarter of 2022. The Company likewise began site development and clearing works for SRPI's 105MW coal-fired power plant project, which could supply power to Zamboanga City and other parts of the Zamboanga Peninsula, with commercial operations expected to begin in 2024.

Property Development

ACR is also engaged in Real Estate Development and Project Management through its subsidiary, Alsons Land Corporation or ALC. ALC continues to enhance its real estate portfolio thru investments in projects with immediate development potential. These include residential, commercial, mixed-use, and township and estate projects that have trading income activities (sale), high value recurring income businesses (rentals), Joint Venture arrangements and Asset Management opportunities.

Launched in November 25, 1994, ALC was involved in the development of Eagle Ridge Residential Estates, and the Eagle Ridge Golf and Country Club, in Cavite. The latter Club boasts of 72 holes in 4 golf courses, each designed by a world-class golf legend.

ACR also entered into a Joint Venture Agreement with Ayala Land Incorporated (ALI) to develop a 26-hectare world-class estate in Lanang, Davao City, Mindanao. The estate is set to be transformed into a master-planned, mixed-use community that will include residential low to mid-rise towers, commercial lots, offices, an events venue and a waterside cove with some retail components.

ALC continues to grow its residential business when it embarked on the expansion of its Campo Verde subdivision in Batangas, a joint venture project with Sunfields Realty Development, Inc. The initial project, which is an 11-hectare property located inside the Lima Technology Center, is close to selling out. This project is an hour away from Makati via the South Luzon Expressway and the Southern Tagalog Arterial Road Tollway. Campo Verde offers three (3) distinct Spanish-themed homes that are ideal for young to growing families. The model house choices range from: Condesa, with a lot area of 90 square meters and floor area of 36 square meters; Duquesa, with a lot size of 100 square meters and a floor area of 50 square meters; and Reina, with 120 square meter-lot and a floor area of 80 square meters.

Though Kamanga Agro-Industrial Ecozone Development Corp. (KAIEDC), ACR is also developing the Kamanga Agro-Industrial Economic Zone in the Municipality of Maasim, Province of Sarangani, where the power plant of Sarangani Energy is located. This "Ecozone" is accredited with the Philippine Economic Zone Authority (PEZA) as an agricultural and light-industry zone. Enterprises will be encouraged to set up their businesses in, or relocate to, this Ecozone to enjoy incentives prescribed by law through the PEZA. Additional lots were acquired as expansion of the covered estate. On July 6, 2022, KAIEDC and a locator signed a lease agreement of industrial lots covering a 47.819 hectares for a period of 50 years with an extended option of another 25 years, which is accounted as finance lease.

Other Investments

In 2007, ACR infused capital of ₱ 195 million in ACR Mining Corporation (ACR Mining), which was acquiring 75% interest in a joint venture between Alsons Development and Investment Corporation (ALDEVINCO), and Southern Exploration Corporation (SECO). This joint venture was organized to explore and develop the Manat mining claims, which are covered by Mineral Production Sharing Agreement (MPSA) No. 094-97-XL up to the year 2022, with an area of 1,547.32 hectares. It is located in the Municipality of Nabunturan, Province of Compostela Valley, and in the Municipality of Maco, Province of Davao del Norte. Previous exploration work identified three mineralized structures: Pagtulian, Katungbuan/Taglayag, and Magas. Detailed work on the Magas Vein Zone revealed an estimated inferred resource of 2.7 million tons containing: 2.8 grams per ton gold, 26 grams per ton silver, 0.09% copper, 0.85% lead, and 1.58% zinc. On May 24, 2015, ACR's Board of Directors declared the shares of ACR Mining as a property dividend, with record date of June 5, 2015. The SEC approved the property dividend on August 11, 2015. The Bureau of Internal Revenue issued authorized the registration of the ACR Mining shares in the names of ACR's shareholders on February 22, 2016.

The Declaration of Mining Project Feasibility was submitted to the Mines and Geosciences Bureau on October 2012. At present, the Company continues to be under the care and maintenance activities wherein your Company implemented various safety, environment and health programs together with our host communities.

On February 22,.2022, the DENR issued an order approving the assignment of MPSA No. 094-97-XI from ALDEVINCO to ACR Mining pursuant to the March 25, 2019 Deed of Assignment.

ACRMC through its letter to the DENR dated May 21, 2022, the Company requested for a reinstatement of unconsummated term of the above MPSA for about 5 to 7 years due to forece majeure in view of the following conditions:

i. The prevailing peace and order situation Compostela Valley, now known as Davao de Oro;

ii. The shift in the policy direction of the government with the issuance of Executive Order No. 79 in on July 6, 2022, specifically touching the on the proposed changes in the revenue schemes;
iii. The adverse effect in conducting operations for more than 2 years due to the straight government response to Covid-19 pandemic, among others.

The DENR considered the lost term of MPSA 094-97-XI, granted and extended period of 5 years starting from the expiration of of its first 25-year term on November 20, 2022 and such term shall expire on November 20, 2027.

OTHER INFORMATION

Business Segments Contribution to Revenues

Table 9 – **The contribution of each segment of the business to the consolidated revenues of the Company are as follows:**

	(Amounts in Thousand PhP)			% to Total		
	2022	2021	2020	2022	2021	2020
Energy and Power	2022	2021	2020	2022	2021	2020
Property Development	₱11,967,261	₱10,046,854	₱9,464,452	100%	100%	100%
	21,971	-	-	0%	0%	0%

The Company has no income from foreign sources for the past 3 years.

Competition

A shift in market forces has prompted a slowdown in sales for the Eagle Ridge Estates. Economic and affordable housing developments of Filinvest, Camella Homes, and Amaia have gained a foothold in the region.

While several power generation companies have either commenced construction of coal-fired power stations or announced plans to build them, Sarangani Energy has secured its position in the market by entering into Power Sales Agreements (PSAs) with various distribution utilities. Having secured the approval of the Energy Regulatory Commission of these PSAs, Sarangani Energy is assured of the market for its capacity.

The diesel power plants of WMPC and MPC are moderately contracted. These plants offer distribution utilities ideal peaking and insurance capacities due to their competitive pricing and proven performance over years of reliable operations. SPPC, on the other hand, has no current PSA, but the Company is exploring opportunities for relocating its engines to other locations. MPC is likewise considering relocating its available unutilized engines to other locations.

Sources and Availability of Raw Materials and Supplies

SPPC has not renewed Fuel Supply Agreement with Pilipinas Shell Petroleum that expired last September 1, 2019. MPC and WMPC each signed a Fuel Supply Agreement with Phoenix Petroleum Corporation for the supply of approximately 4 to 8 million liters of fuel per month for each plant. MPC's and WMPC's agreement is valid until March 2021.

WMPC and MPC has an agreement with Pilipinas Shell Petroleum Corporation for the supply of its lubricating oil, while SPPC's contract was terminated in 2018.

Wärtsilä Corporation of Finland supplies the engine parts and major maintenance services needed by the diesel plants.

Sarangani Energy Corporation has a fuel supply and transport agreement with Toyota Tsusho Corporation for low sulfur coal, or sub-bituminous coal, which is sourced from Kalimantan, Indonesia with net calorific value of 3,630 to 5,450 KCal per kilogram and its price based on GlobalCoal New Castle Index. The agreement is valid for 10 years from April 29, 2016 until 2026. The company is also procuring low sulfur coal via spot market or short term contracts with flexible pricing options with prices based on Global Coal New Castle Index, Indonesian Coal Index and or Fixed Price arrangements.

Dependence on a Single or a Few Customers

WMPC and MPC have secured, or are securing PSAs with various distribution utilities, and are currently moderately contracted. SPPC has no current PSA, but is exploring opportunies for relocating its engines to other locations. Sarangani Energy, on the other hand, has secured 25-year PSAs with the following distribution utilities:

Contracting Party	Contracted Capacity (MW)
South Cotabato Electric Cooperative II, Inc.	70
Iligan Light and Power, Inc.	15
Cagayan Electric Power and Light Company, Inc.	20
Davao del Norte Electric Cooperative, Inc.	15
Davao del Sur Electric Cooperative, Inc.	15
Agusan del Norte Electric Cooperative, Inc.	10
Agusan del Sur Electric Cooperative, Inc.	10
Cotabato Electric Cooperative, Inc.	10
South Cotabato 1Electric Cooperative, Inc.	10
Zamboanga del Sur 1Electric Cooperative, Inc.	5
Zamboanga del Norte Electric Cooperative, Inc.	5

Alto Power Management Corp. (APMC), a subsidiary of ACR, provides the plant and operation management services to SPPC, WMPC and MPC. Also, APMC International Ltd., a wholly owned subsidiary of APMC, provided operations and maintenance management services to PT Makassar Power Indonesia until April 2016.

The Property Development and other businesses of ACR are not dependent on a single or few customers and the loss of one or a few customers will have no material adverse effect on the Company and its subsidiaries.

Effect of Existing or Probable Governmental Regulations on the Business

Republic Act No. 9136, the Electric Power Industry Reform Act of 2001 (EPIRA), and its implementing rules and regulations (IRR), provide for significant changes in the power sector, which includes, among others:

a. The unbundling of the generation, transmission, distribution and supply of power and other disposal assets, including its contract with independent power producers and electricity rates;

b. Creation of a Wholesale Electricity Spot Market (WESM) within one year; and,

c. Open and nondiscriminatory access to transmission and distribution systems.

   The law also requires public listing of not less than 15% of common shares of generation and distribution companies within 5 years from its effectivity. It provides: (i) cross ownership restrictions between transmission and generation companies, and between transmission and distribution companies; and (ii) a cap of 50% on the demand of a distribution utility sourced from an associated company engaged in generation except for contracts entered into prior to the effectivity of the EPIRA; and (iii) specifically relating to generation companies, a cap on the concentration of ownership to only 30% of the installed capacity of the grid and/or 25% of the national installed generating capacity. Based on the assessment of management, the operating subsidiaries have complied with the applicable provisions of the EPIRA and its IRR.

Corporate Income Tax and Incentives Reform Act (CITIRA), the second package of the tax reform program was renamed Corporate Recovey and Tax Incentives for Enteprises (CREATE) which aims to recalibrate to make it more relevant and responsive to the needs of businesses negatively affected by the COVID-19 pandemic, and to improve the ability of the Philippines to attract highly desirable investments that will serve the public interest. The CREATE bill seeks to lower corporate income tax rates and to rationalize fiscal incentives.

Under the proposed law, the corporate income tax will be immediately reduced from the current 30 percent to 20 percent for domestic corporations with total assets not exceeding P100 million, excluding land, and total net taxable income of not more than P5 million. The corporate income tax of all other corporations, meanwhile, will be lowered to 25 percent. The bill would also lower the minimum corporate income tax (MCIT) from 2 percent to one percent effective July 2021 until June 30, 2023.

On the fiscal incentives, the total period of incentive availment has been increased to a maximum of 17 years. The length of the period of incentives takes into account the location and type of the registered activity.

Highly desirable projects with a minimum investment capital of PHP50bn or those that can generate at least 10,000 employees, can enjoy a superior incentive package for up to 40 years which includes ITH for a maximum of 8 years. The sunset period for existing registered business enterprises (RBE) enjoying ITH can continue to enjoy the same within the remaining ITH period while firms enjoying 5% GIT can continue to enjoy the same for 10 years. Existing RBEs may re-apply for the fiscal incentives under the CREATE bill after the lapse of the sunset period.

Approval of fiscal incentives for new projects or activities with investment capital of PHP1bn and below shall be delegated to their respective Investment Promotion Agencies (IPA). Fiscal incentives application for projects or activities with investment capital exceeding PHP1bn shall be subject to the approval of the Fiscal Incentives Review Board (FIRB)

Duty exemption on certain importations, VAT exemption on importations, and VAT zero-rating on local purchases shall still apply.

The reduction of income tax rates will provide positive impact to existing businesses and attract foreign investors to Kamanga Agro-Industrial Ecozone.

Research and Development

ACR and its subsidiaries do not allocate specific amounts or a fixed percentage for research and development. All research, if any, are done by its subsidiaries and affiliates on a per project basis. The allocation for such activities may vary depending on the nature of the project.

Employees

As of December 31, 2022, ACR and its 50% or more directly or indirectly-owned subsidiaries had a manpower complement of 490 employees, broken down as follows: 16 executives, 31 managers, 136 supervisors and 307 associates. The Company believes that changes in manpower complement will be minimal for the next twelve months. The employees of the Company and its subsidiaries are not unionized.

Bankruptcy Proceedings

The Company has not contemplated any plan for bankruptcy, receivership, or similar proceedings. Neither is there any material reclassification, merger, consolidation, nor sale of any significant amount of assets in the ordinary course of business.

Cost and Effect of Compliance with Environmental Laws

ACR engages only in projects and activities that comply with environmental laws. Its power subsidiaries follow the regulations embodied in the EPIRA. All its plants meet the exhaust emission standards set by the Department of Environment and Natural Resources (DENR). Compliance with existing environmental laws has corresponding costs, which include expenditures for the following:

a. renewal fees for the DENR permit/license to operate.
b. exhaust emission tests and monitoring (costs covered by the environmental guarantee fund);
c. environmental monitoring fund (SPPC ₱500,000 and WMPC ₱598,000); and,
d. environmental guaranty fund (SPPC ₱500,000 and WMPC ₱508,000).

The Company meets all governmental, environmental, health and safety requirements. The Company's operating units are regularly inspected and have not experienced significant governmental, environmental, health or safety problems. For the past three years, the total amounts spent in complying with environmental laws by the subsidiaries are as follows (1) ₱ 1,859,568 in 2022; (2) ₱771,967 in 2021; and, (3) ₱461,176 in 2020.

Investment Acquisition

On August 27, 2019, the Board of Indophil Resources Phils, Inc. (IRPI) approved the equity call to all existing shareholders amounting to ₱52.50 per share. On September 30, 2019, ACR participated and paid IRPI ₱2,977,452 for the additional 56,715 common shares.

Risks

Through prudent management and cautious investment decisions, ACR constantly strives to minimize risks that can weaken its financial position. However, certain risks are inherent to specific industries and are not within the direct control of the Company.

Some of the risks that the Company and its subsidiaries may be exposed to are the following:

1. **Foreign Exchange Rate Fluctuations**

   The Company's exposure is primarily associated with fluctuations in the value of the Peso against the U.S. Dollar and other foreign currencies. The spare parts and insurance of SPPC and WMPC are denominated in U.S. Dollars. The Company keeps a portion of its short-term investments in foreign currency to serve as a hedge in foreign exchange fluctuations.

2. **Interest Rate Risks**

   The Company's interest rate risk management policy centers on reducing overall interest expense and on minimizing other costs of borrowing. Changes in market interest rates would have material impact on the Company's interest-bearing obligations, specifically on those with floating interest rates.

   ACR and its subsidiaries manage their interest rate risks by leveraging its debt portfolio and by optimizing a mix of fixed and variable interest rates. Other measures are employed to avert risk include pre-payment of debts and re-financing of loans. Moreover, utilization of existing credit facilities has been kept to a minimum.

3. Liquidity Risks

The Company and its subsidiaries carefully manage their liquidity position to be able to finance their working capital, debt service, and capital expenditure requirements. Sufficient levels of cash and short-term money market placements are maintained to meet maturing obligations. Management regularly monitors and forecasts its cash commitments, matches debt payments with cash generated from the assets being financed, and negotiates with creditors on possible restructuring or re-financing of existing loans to avail of better terms and conditions. The project cost of Siguil Hydro Power Plant which is currently under construction has been committed through bank financing and equity at a ratio of 75/25 basis.

4. Credit Risks

ACR and subsidiaries transact only with companies and institutions that are in a sound financial position and have demonstrated good credit standing. The power companies' receivables are from various electric cooperatives and the collection of which has been current and up to-date except for SPPC's long-outstanding receivable from NPC consisting of US$7,336,536.91 and ₱96,255,433.46 plus interest from April 25, 2005 to April 25, 2010, which arose from a decision by the Energy Regulatory Commission (ERC) that NPC has appealed to the Supreme Court. On November 23, 2016, the Supreme Court Second Division issued a resolution that denied NPC's motion for reconsideration with finality.

On the other hand, Receivables of the property companies come from installment sales of industrial/residential lots and housing units. Receivable balances are monitored regularly and allowance provisions are reviewed to ensure limited exposure to bad debts.

5. Impact of Covid 19

The economic narrative on the COVID-19 outbreak revolves around two causal mechanisms: the impact of the fear factor on behavior, reflected in a decline in demand for travel-related services, discretionary consumption, and the production and regional supply chains. Our power plants continue to deliver the uninterrupted energy supply required by the power purchasers under their respective power sales agreements. As long as the power purchasers distribute the power sold to them by ACR's subsidiaries, and honor their power sales agreements, the impact on the business is minimal.

Further discussion on the Company's financial risk management objectives and policies is contained in Note 33 of the Consolidated Financial Statements.

DESCRIPTION OF PROPERTIES

The Company's energy and power operations are located in three different sites. WMPC's power plant is in a 9-hectare property in Sitio Malasugat, Sangali, Zamboanga City, while SPPC's plant is situated in a 16-hectare property located in Alabel, Sarangani Province, which is 15 kilometers east of General Santos City. The WMPC and SPPC properties are fully owned by the above-mentioned subsidiaries of ACR. CHC's power plants, IDPPs I and II, which are operated by MPC, are on an 8-hectare property in the municipality of Lugait, Misamis Oriental and in the City of Iligan. These power plants were acquired by virtue of a Deed of Sale between the City of Iligan and CHC dated February 27, 2013. The lots on which the power plants of CHC are located were acquired by MPC from ALDEVINCO in November 21, 2013. The Sarangani coal-fired power plant is located in Maasim, Saragani Province.

The power assets were used as collateral in various loans, specifically: (1) CHC power plant and the real estate owned by MPC, were used as collateral for loans for the rehabilitation of the MPC power plants; and (2) Sarangani Energy's real estate and coal-fired power plants are mortgaged to its various lender banks.

ALC, the Company's property development company, used to own a 700-hectare property in General Trias, Cavite. ALC also has properties in Batangas, Cabuyao in Laguna, and along Don Chino Roces Avenue (formerly Pasong Tamo Extension), Makati City. Its Batangas property currently has residential developments. In addition, ALC owns the property, including the improvement, Alsons Building, where the Company maintains its corporate headquarters.

All of these properties are in good condition.

Table 10 – **Property, Plant and Equipment (consolidated)**

(Amounts in Thousand PhP)	**December 31, 2022**	December 31, 2021
Main Engine of Power Plant Structures and Others	**₱30,958,308**	₱30,911,974
Plant Mechanical, Switchyard and Desulfurization Equipment	**7,272,721**	7,270,737
Land, Buildings and Leasehold Improvements	**577,526**	575,761
Machinery and Other equipment	**1,592,231**	1,461,411
Right of Use Assets	**82,615**	48,953
Construction in Progress	**3,516,353**	2,673,300
Total	**43,999,754**	42,942.136
Less: Accumulated Depreciation and Amortization	**(16,257,840)**	(14,847,299)
Net Book Value	**₱27,741,914**	₱28,094,837

LEGAL PROCEEDINGS

SPPC has a claim from NPC pertaining to the portion of accounts that was disputed by NPC and was eventually decided by the Supreme Court in 2016 in favor of SPPC, holding NPC liable to pay SPPC for the additional 5 MW from 2005 to 2010. The claim consists of long-outstanding receivable amounting to P89 million and unrecognized receivable of $6 million and P69 million as of December 31, 2022.

On October 14, 2020, SPPC filed a Motion to Resolve with the Commission on Audit (COA) requesting COA to immediately resolve the Petition for Money Claim.

On November 26, 2021, the COA issued its decision partially granting SPPC's Petition for Money Claim as against the NPC and directing the parties to submit a memorandum or comment on whether or not the obligation of NPC under the ECA is among the obligations assumed by PSALM.

On December 14, 2021, SPPC filed its comment on the decision. On December 31, 2021, the NPC filed its comment on the decision. As of December 31, 2022, the issue on whether PSALM assumed the NPC's obligation to SPPC under the ECA remains pending before the COA.

Some of the subsidiaries or affiliates of the Company are also from time to time involved in routine litigation as well as various legal actions incidental to their respective operations as follows. However, in the opinion of the Company's management, none of these legal matters, in which its subsidiaries or affiliates are involved, will be material to the Company's financial condition and results of operations. Refer to Note 34 of the Consolidated Notes to Financial Statements attached to this report for detailed description.

SUBMISSION of MATTERS to a VOTE of SECURITY HOLDERS

During the calendar year covered by this report, no business matter was submitted to a vote of security holders through solicitation of proxies or otherwise.

OPERATIONAL AND FINANCIAL INFORMATION

Market Price of and Dividends on the Registrant's Common Equity

1. **Market Information**

The public trading price of the Company's common shares for the last three (3) year in the Philippine Stock Exchange are as follows:

Table 11 – **Market Price of ACR Shares**

		First Quarter	Second Quarter	Third Quarter	Fourth Quarter
2023	High	₱0.92			
	Low	0.75			
2022	High	1.09	₱1.06	₱0.97	₱0.92
	Low	1.01	0.92	0.92	0.76
2021	High	1.37	1.40	1.36	1.24
	Low	0.61	1.23	1.15	1.03
2020	High	1.37	1.46	1.44	1.49
	Low	0.61	0.83	1.13	1.19

Last trade price of ₱0.77 per share on May 15, 2023.

2. **Stockholders**

As of May15, 2023, ACR has 6,291,500,000 common shares outstanding held by 448 stockholders. The top twenty stockholders of the Company, as recorded by Prime Stock Transfer Services, Inc., the Company's stock transfer agent, are as follows:

Table 12 – **Top Twenty (20) Stockholders**

	Name	No. of Shares Held	% to Total
1.	Alsons Corporation	2,592,524,072	41.21%
2.	Alsons Power Holdings Corp.	1,249,999,599	19.87%
3.	Alsons Development and Investment Corp.	1,188,524,026	18.89%
4.	PCD Nominee Corporation (Filipino)	1,178,638,150	18.73%
5.	PCD Nominee Corporation (Non-Filipino)	51,182,901	0.008%
6.	SEC Account No. 2 fao various Customers of Guoco	2,090,000	0.03%
7.	All Asia Capital Trust & Investment Division	1,830,000	0.03%
8.	EBC Securities Corporation	1,030,000	0.02%
9.	Crisostomo, Emily A.	1,000,000	0.02%
9.	Cruz, Felipe Jr. A.	1,000,000	0.02%
9.	Nora T. Go	1,000,000	0.02%
10.	First Integrated Capital Securities, Inc. (555300)	900,000	0.01%
11.	First Integrated Capital Securities, Inc. (555200)	795,000	0.01%
12.	Ansaldo, Godinez & Co., Inc.	755,000	0.01%
13.	George Go	750,010	0.01%
14.	AACTC FAO Trinity Investment	680,000	0.01%
15.	EstebanYau	600,000	0.01%
16.	Roy C. Tia	513,000	0.01%
17.	S. J. Roxas & Co., Inc.	507,000	0.01%
18.	Antonio Co	500,000	0.01%

18.	Mendoza, Marites &/or Alberto Mendoza	500,000	0.01%
18.	Roqueza, Ricardo S.	500,000	0.01%
18.	San Jose, Roberto V.	500,000	0.01%
18.	Vega, Luis &/or Eliseo C. Ocampo, Jr.	500,000	0.01%
19.	Mendoza Albert G. &/or Jeannie C. Mendoza	450,000	0.01%
20	Guillermo F. Gili, Jr.	430,000	0.01%
	Total shares of top 20	6,277,698,758	99.78%

3. Dividends

Declaration of dividends is subject to approval by the Board of Directors.

The historical dividend declarations are follows:

Year	Date of Declaration	Amount	Per Share	Date of Record	Date of Payment
2022	May 26, 2022	₱125,830,000	₱0.020	May 26, 2022	July 23, 2022
2021	May 20, 2021	125,830,000	0.020	June 30, 2021	July 23, 2021
2020	July 11, 2020	125,830,000	0.02	July 23, 2020	August 4, 2020

Dividends on preferred shares amounting to ₱4 million in 2022, 2021 and 2020 were applied against the Company's subscriptions receivable from Alsons Corporation.

Management continuously endeavors to increase ACR's share value through new projects and expansion programs while at the same time provide yearly dividends to its shareholders. On June 8, 2011, the Board of Directors adopted a dividend policy of annually declaring dividends of at least 20% of the previous year's un-appropriated retained earnings.

4. Sales of Unregistered Securities Within the Last Two (2) Years

There are no other securities sold for cash by the Company within the last two (2) years that were not registered under the Securities Regulation Code.

CORPORATE GOVERNANCE

The Company complies with all Corporate Governance requirements imposed by the Securities & Exchange Commission, and submits to the Commission such reports, disclosures, and other documents required by the Commission, and the applicable codes, and manuals, on Corporate Governance on or before the due date of the same.

A. Evaluation System

The Company continuously determines compliance by the Board of Directors and top-level management with Company's Manual of Corporate Governance by reviewing the said Manual, and the current Corporate Governance Code of the Commission, before each meeting of the Board, and before each meeting of its committees.

The Company also periodically reviews the charter, and functions, of the Board and its Committees, namely the Executive & Corporate Governance Committee, the Audit, Risk Oversight, and Related Party Transaction Committee, the Nomination & Election Committee, the Compensation Committee, and the Retirement Committee, to determine whether the appropriate committee should meet, and if so, determine the agenda for the said meeting.

Thus, the evaluation system established by the Company to determine compliance with the Company's Manual on Corporate Governance, the Commission's applicable Code of Corporate Governance, the charter of the Board or Committee, is a thorough and comprehensive review of the Company's activities before each Board or Committee meeting, and the presentation to the Board or Committee of the necessary activity for said compliance.

The Company used the following criteria in evaluating or assessing the Directors:

Demonstration of knowledge, skills, and experience to be a valuable resource in the Board's fulfillment of its responsibilities;

(a) Possession of strong up-to-date understanding of the business of the Company and its wholly owned subsidiaries;
(b) Introduction of useful outside information and perspective to Board and Committee deliberations;
(c) Participation in, and is engagement at, meetings of the Board and Committees;
(d) Contributions to Board discussions are forward- looking, constructive, timely, independent, and to the point;
(e) Demonstration of a cooperative attitude and willingness to compromise in order to promote Board cohesion;
(f) Possession of understanding and sensitivity to the fiduciary, ethical, legal responsibilities of the Board;
(g) ppropriate representation of the Company when interacting with members of the public; and
    (i) Overall, valuable to the Board, and/or Company.

Rating Range

The Company provided a rating range of: "1" being equivalent to "Always/almost always"; "2" being equivalent to "Usually; "3" being equivalent to "Sometimes; "4 " being equivalent to "Rarely"; "5 " being equivalent to "Almost never/Never", and "0 " being equivalent to "Don't know". Raters were allowed to provide a decimal in increments of 0.25 in each of their ratings.

Procedure

After the rescheduled annual shareholders' meeting in 2020, before the subsequent meeting of the Audit Committee, and the following Board meeting, the Company conducted a thorough and comprehensive review of the Company's compliance with its Manual on Corporate Governance, which involved an internal assessment of the performance of the Board, its Chairman, its individual Directors, and the Board's committees using the above criteria. Since the internal assessment was performed in the midst of the pandemic, the Company relied on video and telephone conferences, and dispensed with written evaluation sheets to receive the in-house appraisal of the performances of the available Directors, the Board as a whole, and two (2) of the Board's Committees, the Audit Risk Oversight and Related Party Transaction Committee, and the Executive and Corporate Governance Committee.

Appraisal Results and Performance Report

Using the above-enumerated criteria, the results of the in-house and internal appraisal, evaluation, and assessment were as follows: the available Directors earned an average rating of 1.21; the two (2) Committees earned an average rating of 1.24; and overall, the Board earned a rating of 1.25."

B. Compliance with Adopted Leading Practices

Similar to the continuous evaluation system to determine compliance with the Company's Manual on Corporate Governance, the Commission's applicable Code of Corporate Governance, and/or the charter of the Board or Committee, adopted leading practices on good Corporate Governance are always discussed during Board meetings, or Committee meetings, as the Directors are always trying to improve the Company's operations, and goal-oriented activities. After the presentation by the management of the item in the agenda, a discussion ensues on how the Company could improve, or what measures need to be taken to achieve a better outcome.

Past discussions resulted in the current practice of checking current Company performance against an evolving five-year – or even a longer term – plan. The Directors also query management on the methods to achieve established targets in the long-term plans. The Board has even conducted a workshop to tackle issues arising from efforts to achieve targets that were set during an earlier, and less volatile, period.

C. Deviations from the Manual

As reported to the Commission, and as set forth in various disclosures and filings at www.acr.com.ph, the Board has established its Executive and Corporate Governance Committee to, among others, assist the Board in the performance of its corporate governance responsibilities. The Committee has five members, and three of those are independent directors.

Since the Corporate Governance Committee is also the Executive Committee, its head is the Chairman of the Board, and is not an Independent Director. Nonetheless, the overall Principle 3 and Recommendation 3.3 of the Manual, and of the Code, are still being achieved since the said Committee continues to assists the Board in performing its corporate governance responsibilities. No sanctions are envisioned for this fully justified deviation.

In its 2020 Corporate Governance Manual, the Company addresses the situation where the Chairman of its Board, Mr. Nicasio I. Alcantara, is also the Company's Chief Executive Officer (CEO). The Company has stated:

> "The Board, taking into consideration the Company's size, risk profile and complexity of operations, may decide that separate individuals should hold the positions of Chairman and CEO, with each having clearly defined responsibilities."

While the Board has not yet decided that separate individuals should hold the positions of Chairman and CEO. Nonetheless, this has not compromised the Board's independence since the Chairman and CEO still has just one vote. Thus, Principle 5 of the Manual, and of the Code, is still being observed. Moreover, the responsibilities of the President and Chief Executive Officer are clearly defined in the Revised Corporation Code, the Company's articles, and by-laws, and the 2020 Manual on Corporate Governance, and these are different from the responsibilities of the Chairman. No sanctions are envisioned for this fully justified deviation.

D. Plans to Improve Corporate Governance

The Company has been discussing the feasibility of separating the Executive & Corporate Governance Committee into two separate committees: the Executive Committee, and the Corporate Governance Committee. With this separation, the chair of the Corporate Governance Committee would be an Independent Director, as envisioned in the Company's Manual on Corporate Governance, and the Commission's applicable Code of Corporate Governance. The Chairman of the Board of Directors would then remain as the Chairman of the Executive Committee, which is in accordance with the said Manual, and Code.

A Corporate Governance Committee meeting separately from the Executive Committee, and chaired by an Independent Director, would then be able to better address the various issues arising from the operations of the Company, and that of its subsidiaries.

The Company is also considering an update of the respective charters of the committees. Such updated charters should provide a clear guidance to each committee on their functions, purposes, and objectives.

Annex "B"

Alsons Consolidated Resources, Inc. and Subsidiaries

Consolidated Financial Statements
December 31, 2022 and 2021
And Years Ended December 31, 2022, 2021 and 2020

And

Independent Auditor's Report

SECURITIES AND EXCHANGE COMMISSION
SEC Headquarters, 7907 Makati Avenue, Salcedo Village, Barangay Bel-Air, Makati City, 1209, Metro Manila Philippines
Tel: (632) 818-0921 Fax: (632) 818-5293 Email: mis@sec.gov.ph

The following document has been received:

Receiving: Mary Irish De Castro
Receipt Date and Time: April 13, 2023 04:06:35 PM

Company Information

SEC Registration No.: 0000059366
Company Name: ALSONS CONSOLIDATED RESOURCES INC.
Industry Classification: C10100
Company Type: Stock Corporation

Document Information

Document ID: OST10413202381008503
Document Type: Financial Statement
Document Code: FS
Period Covered: December 31, 2022
Submission Type: Consolidated
Remarks: None

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

COVER SHEET
for
AUDITED FINANCIAL STATEMENTS

SEC Registration Number

5 9 3 6 6

COMPANY NAME

ALSONS CONSOLIDATED RESOURCES, INC. AND SUBSIDIARIES

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

Alsons Building, 2286 Chino Roces Avenue, Makati City, Metro Manila, Philippines

Form Type	Department requiring the report	Secondary License Type, If Applicable
AAFS	CRMD	NA

COMPANY INFORMATION

Company's Email Address	Company's Telephone Number	Mobile Number
legal@alcantaragroup.com	(02) 8982-3000	09178581642

No. of Stockholders	Annual Meeting (Month / Day)	Fiscal Year (Month / Day)
449	May 20	December 31

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
Jose D. Saldivar, Jr.	jsaldivar@alcantaragroup.com	(02) 8982 - 3000	N/A

CONTACT PERSON's ADDRESS

Alsons Building, 2286 Chino Roces Avenue, Makati City, Metro Manila, Philippines

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

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

Alsons Consolidated Resources, Inc.
(Listed in the Philippine Stock Exchange Trading Symbol "ACR")
2nd Floor, Alsons Building
2286 Chino Roces Ext., (formerly P. Tamo Ext.,) Makati City
1231 Metro Manila Philippines
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STATEMENT OF MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL STATEMENTS

SECURITIES AND EXCHANGE COMMISSION,
Secretariat Building, PICC Complex
Roxas Boulevard, Pasay City

The management of Alsons Consolidated Resources, Inc., is responsible for the preparation and fair presentation of the consolidated financial statements including the schedules attached therein, for the years ended December 31, 2022 and 2021, 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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated 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 consolidated financial statements including the schedules attached therein, and submits the same to the stockholders.

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

NICASIO I. ALCANTARA	**TIRSO G. SANTILLAN, JR.**	**ALEXANDER BENHUR M. SIMON**
Chairman and President	Executive Vice-President	Vice President and Group Chief Finance Officer

Signed this 23rd of March 2023.

SUBSCRIBED AND SWORN to before me this 23 MAR 2023 of affiants exhibiting to me their Identifications, as follows:

Name	Identification No.	Date and Place of Issue
Nicasio I. Alcantara	P9170862B	Valid Until 03-14-2032 /DFA
Tirso G. Santillan, Jr.	N17-72-000977	Valid Until 02-12-2023 LTO QC
Alexander Benhur M. Simon	N15-83-033925	Valid Until 08-06-2024 /LTO

Doc No. 185
Page No. 38
Book No. 13
Series of 2023

VILMA HILDA D. VILLANUEVA-FABELLA NOTARY PUBLIC PARAÑAQUE CITY

ATTY. VILMA HILDA VILLANUEVA-FABELLA
NOTARY PUBLIC
Until December 31, 2024
IBP No. 272742/1-05-2023/PPLM
PTR No. 3190126/1-09-2023/Parañaque
Roll No. 41901
Not. Com. No. 119-2023/1-09-2023

SGV
Building a better working world

SyCip Gorres Velayo & Co.
6760 Ayala Avenue
1226 Makati City
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INDEPENDENT AUDITOR'S REPORT

The Stockholders and the Board of Directors
Alsons Consolidated Resources, Inc.
Alsons Building, 2286 Chino Roces Avenue
Makati City, Metro Manila, Philippines.

Opinion

We have audited the consolidated financial statements of Alsons Consolidated Resources, Inc. and its subsidiaries (the Group), which comprise the consolidated statements of financial position as at December 31, 2022 and 2021, and the consolidated statements of income, consolidated statements of comprehensive income, consolidated statements of changes in equity and consolidated statements of cash flows for each of the three years in the period ended December 31, 2022, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at December 31, 2022 and 2021, and its consolidated financial performance and its consolidated cash flows for each of the three years in the period ended December 31, 2022 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 Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with the Code of Ethics for Professional Accountants in the Philippines (Code of Ethics) together with the ethical requirements that are relevant to our audit of the consolidated financial statements in the Philippines, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

Impairment Testing of Goodwill

Under PFRSs, the Group is required to annually test the amount of goodwill for impairment. As at December 31, 2022, the carrying value of the Group's goodwill amounted to ₱527 million, which is considered significant to the consolidated financial statements. In addition, management's assessment process requires significant judgment and is based on assumptions which are subject to higher level of estimation uncertainty due to the current economic conditions which have been impacted by the coronavirus pandemic, specifically the contracted and dispatchable capacities, tariff rates and discount rates.

The Group's disclosures about goodwill are included in Note 14 to the consolidated financial statements.

Audit Response

We involved our internal specialist in evaluating the methodology and the assumptions used, specifically on discount rates. We compared the key assumptions used, such as contracted and dispatchable capacities against the historical performance of the cash-generating units (CGUs), industry/market outlook and other relevant external data, taking into consideration the impact associated with the coronavirus pandemic. For tariff rates, we compared the rates used against the rates in the provisionally approved power sales agreements, ancillary services procurement agreements and other relevant external data. We tested the parameters used in the determination of the discount rates against market data. We also reviewed the Group's disclosures about those assumptions to which the outcome of the impairment test is most sensitive; specifically, those that have the most significant effect on the determination of the recoverable amount of goodwill.

Valuation of Unquoted Investment in Alsons Development & Investment Corporation (Aldevinco)

The Group's unquoted equity investments classified as financial assets at fair value through other comprehensive income (FVOCI) include an investment in unquoted preferred shares of Aldevinco amounting to ₱2,200 million, comprising 5% of total consolidated assets as at December 31, 2022. The valuation of this investment is significant to our audit because it is inherently subjective as it involves the use of valuation inputs that are not market observable. Management also applied judgment in selecting the valuation technique and the assumptions to be used. These assumptions include the fair values of the investee's identifiable assets, such as the fair values of real estate inventories, appraised values of real estate properties and fair values of investments in listed and unlisted equity securities and the discounts applied for lack of marketability and lack of control.

The Group's disclosures about its investment in unquoted equity securities designated at FVOCI are included in Note 13 to the consolidated financial statements.

Audit Response

We involved our internal specialist in evaluating the valuation technique and assumptions used. We compared the key assumptions such as fair values of real estate inventories against estimated selling prices less cost to sell; fair values of real estate properties against appraisal reports; fair values of listed equity securities against quoted prices; fair values of unlisted equity securities against adjusted net asset values of the investee companies; and discount for lack marketability and lack of control against market information. We also reviewed the Group's disclosures about those assumptions to which the outcome of the valuation is most sensitive; specifically, those that have the most significant effect on the determination of the fair value of the unquoted equity investment.

Other Information

Management is responsible for the other information. The other information comprises the information included in the SEC Form 20-IS (Definitive Information Statement), SEC Form 17-A and Annual Report for the year ended December 31, 2022, but does not include the consolidated financial statements and our auditor's report thereon. The SEC Form 20-IS (Definitive Information Statement), SEC Form 17-A and Annual Report for the year ended December 31, 2022 are expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audits of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audits, or otherwise appears to be materially misstated.

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

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

In preparing the consolidated financial statements, management is responsible for assessing the Group'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 Group or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated 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 consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group'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 Group'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 consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

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

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Manolito R. Elle.

SYCIP GORRES VELAYO & CO.

Manolito R. Elle
Partner
CPA Certificate No. 106471
Tax Identification No. 220-881-929
BOA/PRC Reg. No. 0001, August 25, 2021, valid until April 15, 2024
SEC Partner Accreditation No. 106471-SEC (Group A)
Valid to cover audit of 2022 to 2026 financial statements of SEC covered institutions
SEC Firm Accreditation No. 0001-SEC (Group A)
Valid to cover audit of 2021 to 2025 financial statements of SEC covered institutions
BIR Accreditation No. 08-001998-128-2023, January 25, 2023, valid until January 24, 2026
PTR No. 9564613, January 3, 2023, Makati City

March 23, 2023

ALSONS CONSOLIDATED RESOURCES, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	December 31	
	2022	2021
ASSETS		
Current Assets		
Cash and cash equivalents (Note 7)	**₱2,796,280,747**	₱2,864,190,106
Short-term cash investments (Note 7)	**123,724,552**	112,434,574
Trade and other receivables (Notes 8 and 20)	**5,986,468,079**	4,833,860,679
Inventories - at cost (Note 9)	**1,037,141,653**	1,517,325,850
Real estate inventories (Note 10)	**622,840,466**	632,070,639
Prepaid expenses and other current assets (Notes 15 and 18)	**697,187,726**	1,244,315,920
Total Current Assets	**11,263,643,223**	11,204,197,768
Noncurrent Assets		
Noncurrent portion of trade receivables (Note 8)	**3,323,416**	3,511,969
Contract assets (Note 8)	**1,684,163,954**	1,732,320,376
Investments in real estate (Notes 10 and 30)	**410,914,921**	513,872,270
Investments in associates (Note 11)	**2,305,803,186**	2,275,982,933
Property, plant and equipment (Note 12)	**27,741,914,110**	28,094,837,067
Equity investments designated at fair value through other comprehensive income (FVOCI) [Note 13]	**2,355,339,743**	2,361,796,426
Advances to contractors	**456,601,567**	149,040,874
Goodwill (Note 14)	**527,187,320**	692,187,320
Net retirement benefits assets (Note 28)	**22,385,884**	20,416,872
Deferred income tax assets - net (Note 29)	**23,985,449**	43,020,477
Other noncurrent assets (Note 18)	**1,001,225,019**	665,274,120
Total Noncurrent Assets	**36,532,844,569**	36,552,260,704
TOTAL ASSETS	**₱47,796,487,792**	₱47,756,458,472
LIABILITIES AND EQUITY		
Current Liabilities		
Accounts payable and other current liabilities (Note 16)	**₱2,580,667,584**	₱4,330,960,272
Loans payable (Note 17)	**3,194,099,417**	1,570,535,030
Short-term notes payable (Note 17)	**1,576,622,383**	1,943,104,063
Income tax payable	**69,658,316**	60,228,044
Current portion of long-term debts (Note 18)	**2,367,618,137**	1,713,027,825
Total Current Liabilities	**9,788,665,837**	9,617,855,234
Noncurrent Liabilities		
Long-term debts - net of current portion (Note 18)	**17,687,397,843**	18,874,181,664
Net retirement benefits liabilities (Note 28)	**69,819,334**	75,405,409
Lease liabilities - net of current portion (Note 30)	**18,036,134**	7,808,237
Decommissioning liabilities (Notes 12 and 19)	**395,092,476**	425,824,476
Deferred credit (Note 33)	**295,026,290**	168,848,386
Deferred income tax liabilities - net (Note 29)	**633,199,351**	634,422,250
Total Noncurrent Liabilities	**19,098,571,428**	20,186,490,422
Total Liabilities	**28,887,237,265**	29,804,345,656

(Forward)

	December 31	
	2022	2021
Equity (Note 21)		
Capital stock	**₱6,346,500,000**	₱6,344,483,333
Equity reserves	**2,560,906,702**	2,532,325,677
Retained earnings:		
Unappropriated	**2,518,585,684**	2,031,472,491
Appropriated	**1,100,000,000**	1,100,000,000
Attributable to equity holders of the Parent Company	**12,525,992,386**	12,008,281,501
Non-controlling interests (Notes 1 and 21)	**6,383,258,141**	5,943,831,315
Total Equity	**18,909,250,527**	17,952,112,816
TOTAL LIABILITIES AND EQUITY	**₱47,796,487,792**	₱47,756,458,472

See accompanying Notes to Consolidated Financial Statements.

ALSONS CONSOLIDATED RESOURCES, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF INCOME

	Years Ended December 31		
	2022	2021	2020
REVENUE FROM CONTRACTS WITH CUSTOMERS (Notes 6 and 33)	**₱11,989,232,129**	₱10,046,853,824	₱9,464,452,238
COSTS AND EXPENSES			
Cost of services (Note 22)	**(7,765,115,552)**	(6,255,304,967)	(4,687,943,817)
Cost of real estate sold (Note 10)	**(9,230,173)**	–	–
General and administrative expenses (Note 23)	**(847,947,716)**	(678,039,319)	(649,838,838)
	(8,622,293,441)	(6,933,344,286)	(5,337,782,655)
OTHER INCOME (CHARGES)			
Finance charges (Note 26)	**(1,650,401,744)**	(1,716,943,551)	(2,110,565,816)
Equity in net earnings of associates (Note 11)	**54,720,253**	72,357,699	63,584,408
Interest income (Notes 7 and 15)	**24,781,780**	16,473,016	41,965,781
Others - net (Note 27)	**424,259,077**	922,876	39,611,892
	(1,146,640,634)	(1,627,189,960)	(1,965,403,735)
INCOME BEFORE INCOME TAX	**2,220,298,054**	1,486,319,578	2,161,265,848
PROVISION FOR INCOME TAX (Note 29)			
Current	**326,898,946**	191,481,168	277,479,277
Deferred	**18,255,276**	(25,844,681)	15,856,510
	345,154,222	165,636,487	293,335,787
NET INCOME	**₱1,875,143,832**	₱1,320,683,091	₱1,867,930,061
Net income attributable to:			
Equity holders of the Parent Company	**₱617,343,193**	₱404,555,589	₱325,106,338
Non-controlling interests	**1,257,800,639**	916,127,502	1,542,823,723
	₱1,875,143,832	₱1,320,683,091	₱1,867,930,061
Basic/diluted earnings per share attributable to equity holders of the Parent Company (Note 21)	**₱0.097**	₱0.064	₱0.051

See accompanying Notes to Consolidated Financial Statements.

ALSONS CONSOLIDATED RESOURCES, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

	Years Ended December 31		
	2022	2021	2020
NET INCOME	**₱1,875,143,832**	₱1,320,683,091	₱1,867,930,061
OTHER COMPREHENSIVE INCOME (LOSS)			
Items that will not be reclassified to profit or loss:			
Actuarial gains (losses) on defined benefit plan (Note 28)	**12,682,775**	27,644,200	(7,698,446)
Tax effect (Note 29)	**443,147**	(2,394,447)	3,594,955
	13,125,922	25,249,753	(4,103,491)
Net changes in fair values of equity investments designated at FVOCI (Note 13)	**(6,456,683)**	16,695,982	(5,565,778)
	6,669,239	41,945,735	(9,669,269)
Items that will be reclassified to profit or loss:			
Translation adjustments	**26,037,973**	16,439,296	(11,716,374)
TOTAL OTHER COMPREHENSIVE INCOME (LOSS), NET OF TAX	**32,707,212**	58,385,031	(21,385,643)
TOTAL COMPREHENSIVE INCOME	**₱1,907,851,044**	₱1,379,068,122	₱1,846,544,418
Total comprehensive income attributable to:			
Equity holders of the Parent Company	**₱645,924,218**	₱457,756,436	₱309,909,379
Non-controlling interests	**1,261,926,826**	921,311,686	1,536,635,039
	₱1,907,851,044	₱1,379,068,122	₱1,846,544,418

See accompanying Notes to Consolidated Financial Statements.

ALSONS CONSOLIDATED RESOURCES, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

FOR THE YEARS ENDED DECEMBER 31, 2022, 2021 AND 2020

	Attributable to Equity Holders of the Parent Company										
		Equity Reserves									
	Capital Stock (Note 21)	Remeasurement Gains (Losses) on Defined Benefit Plan (Notes 21 and 28)	Unrealized Gains (Losses) on FVOCI (Notes 13 and 21)	Cumulative Translation Adjustments (Note 21)	Other Equity Reserves (Note 21)	Sub-total	Retained Earnings (Note 21) Unappropriated	Retained Earnings (Note 21) Appropriated	Total	Non-controlling Interests (Note 1)	Total Equity
BALANCES AS AT DECEMBER 31, 2019	**₱6,335,683,333**	**(₱7,338,937)**	**(₱41,503,044)**	**₱1,688,543,008**	**₱854,620,762**	**₱2,494,321,789**	**₱1,562,270,564**	**₱1,100,000,000**	**₱11,492,275,686**	**₱3,362,420,875**	**₱14,854,696,561**
Net income	–	–	–	–	–	–	325,106,338	–	325,106,338	1,542,823,723	1,867,930,061
Other comprehensive loss	–	(180,377)	(5,565,778)	(9,450,804)	–	(15,196,959)	–	–	(15,196,959)	(6,188,684)	(21,385,643)
Total comprehensive income (loss)	–	(180,377)	(5,565,778)	(9,450,804)	–	(15,196,959)	325,106,338	–	309,909,379	1,536,635,039	1,846,544,418
Collection of subscriptions receivable	4,400,000	–	–	–	–	–	–	–	4,400,000	–	4,400,000
Cash dividends declaration (Note 21)	–	–	–	–	–	–	(130,230,000)	–	(130,230,000)	(871,000,000)	(1,001,230,000)
BALANCES AS AT DECEMBER 31, 2020	**6,340,083,333**	**(7,519,314)**	**(47,068,822)**	**1,679,092,204**	**854,620,762**	**2,479,124,830**	**1,757,146,902**	**1,100,000,000**	**11,676,355,065**	**4,028,055,914**	**15,704,410,979**
Net income	–	–	–	–	–	–	404,555,589	–	404,555,589	916,127,502	1,320,683,091
Other comprehensive loss	–	20,124,134	16,695,982	16,380,731	–	53,200,847	–	–	53,200,847	5,184,184	58,385,031
Total comprehensive income (loss)	–	20,124,134	16,695,982	16,380,731	–	53,200,847	404,555,589	–	457,756,436	921,311,686	1,379,068,122
Collection of subscriptions receivable	4,400,000	–	–	–	–	–	–	–	4,400,000	–	4,400,000
Conversion of advances to equity by non-controlling interest (Notes 1 and 16)	–	–	–	–	–	–	–	–	–	1,879,463,700	1,879,463,700
Cash dividends declaration (Note 21)	–	–	–	–	–	–	(130,230,000)	–	(130,230,000)	(884,999,985)	(1,015,229,985)
BALANCES AS AT DECEMBER 31, 2021	**6,344,483,333**	**12,604,820**	**(30,372,840)**	**1,695,472,935**	**854,620,762**	**2,532,325,677**	**2,031,472,491**	**1,100,000,000**	**12,008,281,501**	**5,943,831,315**	**17,952,112,816**
Net income	–	–	–	–	–	–	617,343,193	–	617,343,193	1,257,800,639	1,875,143,832
Other comprehensive income	–	8,999,735	(6,456,683)	26,037,973	–	28,581,025	–	–	28,581,025	4,126,187	32,707,212
Total comprehensive income	–	8,999,735	(6,456,683)	26,037,973	–	28,581,025	617,343,193	–	645,924,218	1,261,926,826	1,907,851,044
Collection of subscriptions receivable	2,016,667	–	–	–	–	–	–	–	2,016,667	–	2,016,667
Cash dividends declaration (Note 21)	–	–	–	–	–	–	(130,230,000)	–	(130,230,000)	(822,500,000)	(952,730,000)
BALANCES AS AT DECEMBER 31, 2022	**₱6,346,500,000**	**₱21,604,555**	**(₱36,829,523)**	**₱1,721,510,908**	**₱854,620,762**	**₱2,560,906,702**	**₱2,518,585,684**	**₱1,100,000,000**	**₱12,525,992,386**	**₱6,383,258,141**	**₱18,909,250,527**

See accompanying Notes to Consolidated Financial Statements.

ALSONS CONSOLIDATED RESOURCES, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS

	Years Ended December 31		
	2022	2021	2020
CASH FLOWS FROM OPERATING ACTIVITIES			
Income before income tax	**₱2,220,298,054**	₱1,486,319,578	₱2,161,265,848
Adjustments for:			
Finance charges (Note 26)	**1,650,401,744**	1,716,943,551	2,110,565,816
Depreciation and amortization (Note 25)	**1,442,958,108**	1,522,032,734	1,717,075,162
Impairment of goodwill (Notes 14 and 23)	**165,000,000**	–	114,500,000
Equity in net earnings of associates (Note 11)	**(54,720,253)**	(72,357,699)	(63,584,408)
Interest income (Notes 7 and 18)	**(24,781,780)**	(16,473,016)	(41,965,781)
Movements in net retirement assets and retirement benefits liabilities (Notes 24 and 28)	**5,673,142**	(7,434,561)	26,035,778
Unrealized foreign exchange gain - net	**(3,625,652)**	(6,513,998)	(246,007)
Gain on sale of property, plant and equipment (Note 27)	**(705,124)**	(2,975,284)	(252,403)
Provision for decommissioning liabilities (Notes 19 and 27)	**–**	–	4,173,144
Operating income before working capital changes	**5,400,498,239**	4,619,541,305	6,027,567,149
Decrease (increase) in:			
Trade and other receivables	**(457,330,996)**	(829,477,544)	(483,980,045)
Contract assets	**9,296,921**	199,994,639	(400,661,501)
Real estate inventories	**9,230,173**	–	–
Inventories	**480,184,197**	(678,667,903)	(195,718,056)
Prepaid expenses and other current assets	**566,385,969**	(121,509,536)	119,934,900
Increase (decrease) in accounts payable and other current liabilities	**(1,140,667,744)**	725,157,949	476,242,857
Cash generated from operations	**4,867,596,759**	3,915,038,910	5,543,385,304
Income taxes paid including creditable withholding taxes	**(438,169,492)**	(141,388,071)	(272,374,980)
Net cash flows from operating activities	**4,429,427,267**	3,773,650,839	5,271,010,324
CASH FLOWS FROM INVESTING ACTIVITIES			
Additions to:			
Property, plant and equipment, including advances to contractors (Notes 12 and 35)	**(1,397,819,955)**	(493,496,209)	(1,638,975,875)
Computer software	**(661,289)**	(2,627,220)	(660,000)
Investments in real estate (Note 10)	**(5,127,010)**	(208,811,239)	–
Proceeds from government grant (Note 33)	**126,177,904**	168,848,386	–
Dividends received from associate (Note 11)	**24,900,000**	24,900,000	33,200,018
Interest received	**24,781,780**	16,473,016	41,965,781
Withdrawal of (additions to) short-term cash investments (Note 7)	**(11,289,978)**	(6,561,015)	75,758,527
Proceeds from disposals of property, plant and equipment	**2,725,076**	3,884,598	1,179,501
Advances made to related parties	**(631,231,851)**	(441,330,914)	(295,000,866)
Additions to other noncurrent assets	**(105,738,206)**	(37,508,953)	–
Net cash flows used in investing activities	**(1,973,283,529)**	(976,229,550)	(1,782,532,914)

(Forward)

	Years Ended December 31		
	2022	2021	2020
CASH FLOWS FROM FINANCING ACTIVITIES			
Availment of loans and long-term debts (Notes 17, 18 and 35)	**₱7,379,099,417**	₱3,378,400,000	₱9,901,316,612
Payments of:			
Loans and long-term debts (Note 35)	**(6,707,426,710)**	(3,617,686,550)	(10,665,064,107)
Interest expense (Notes 30 and 35)	**(1,522,627,562)**	(1,660,106,861)	(2,010,047,427)
Dividends (Notes 21 and 35)	**(1,520,674,997)**	(740,829,990)	(660,830,010)
Debt issue costs (Note 18)	**(19,563,313)**	–	(94,827,513)
Principal portion of lease liabilities (Note 30)	**(9,927,571)**	(13,945,715)	(10,275,720)
Proceeds from receipt of (additions to) debt reserve account (Notes 15 and 18)	**(126,429,485)**	11,581,510	(60,169,254)
Net cash flows used in financing activities	**(2,527,550,221)**	(2,642,587,606)	(3,599,897,419)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	**(71,406,483)**	154,833,683	(111,420,009)
EFFECT OF FOREIGN EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS	**3,497,124**	6,461,517	(245,724)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	**2,864,190,106**	2,702,894,906	2,814,560,639
CASH AND CASH EQUIVALENTS AT END OF YEAR (Note 7)	**₱2,796,280,747**	₱2,864,190,106	₱2,702,894,906

See accompanying Notes to Consolidated Financial Statements.

ALSONS CONSOLIDATED RESOURCES, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1. General Information

Corporate Information
Alsons Consolidated Resources, Inc. (ACR or Parent Company) is a stock corporation organized on December 24, 1974 as Victoria Gold Mining Corporation to engage in the business of exploration of oil, petroleum and other mineral products. The corporate name was changed to Terra Grande Resources, Inc. in March 1995 and to Alsons Consolidated Resources, Inc. in June 1995 to mark the entry of the Alcantara Group. ACR's primary purpose was consequently changed to that of an investment holding company and oil exploration was relegated as a secondary purpose.

ACR's ultimate parent company is Alsons Corporation (AC), a company incorporated in the Philippines.

The registered office address of ACR is Alsons Building, 2286 Chino Roces Avenue, Makati City, Metro Manila, Philippines.

The consolidated financial statements include the accounts of ACR and the subsidiaries (collectively referred to as "the Group") listed in the table below:

		Percentage of Ownership			
		2022		2021	
Subsidiaries	Nature of business	Direct	Indirect	Direct	Indirect
Alsons Thermal Energy Corporation (ATEC)	Investment holding	**50.00***		50.00*	–
Sarangani Energy Corporation (Sarangani)	Power generation	–	**37.50**	–	37.50
ACES Technical Services Corporation (ACES)	Management services	–	**50.00**	–	50.00
San Ramon Power Inc. (SRPI)	Power generation	–	**50.00**	–	50.00
Conal Holdings Corporation (CHC)	Investment holding	**100.00**	–	100.00	–
Alsing Power Holdings, Inc. (APHI)	Investment holding	**20.00**	**80.00**	20.00	80.00
Western Mindanao Power Corporation (WMPC)	Power generation	–	**55.00**	–	55.00
Southern Philippines Power Corporation (SPPC)	Power generation	–	**55.00**	–	55.00
Mapalad Power Corporation (MPC)	Power generation	–	**100.00**	–	100.00
Alto Power Management Corporation (APMC)	Management services	–	**60.00**	–	60.00
APMC International Limited (AIL)	Management services	–	**100.00**	–	100.00
Alsons Renewable Energy Corporation (AREC)	Investment holding	**80.00**	–	80.00	–
Siguil Hydro Power Corporation (Siguil)	Power generation	–	**80.00**	–	80.00
Kalaong Power Corporation (Kalaong)	Power generation	–	**80.00**	–	80.00
Bago Hydro Resources Corporation (Bago)	Power generation	–	**80.00**	–	80.00
Sindangan Zambo-River Power Corp. (Sindangan)	Power generation	–	**80.00**	–	80.00
Alsons Power International Limited (APIL)	Power generation	**100.00**	–	100.00	–
Alsons Land Corporation (ALC)	Real estate	**99.55**	–	99.55	–
MADE (Markets Developers), Inc. (MADE)	Distribution	**80.44**	–	80.44	–
Kamanga Agro-Industrial Ecozone Development Corporation (KAED)	Real estate	**100.00**	–	100.00	–
Alsons Power Supply Corporation (APSC)	Customer service	**100.00**	–	100.00	–

**50% ownership interest plus 1 share of the voting and total outstanding capital stock.*

Except for AIL and APIL, which are incorporated in the British Virgin Islands (BVI), all of the subsidiaries are incorporated in the Philippines.

Power and Energy

ATEC and Subsidiaries

ATEC. On November 23, 2015, ACR organized ATEC primarily to develop and invest in energy projects, including but not limited to the exploration, development and utilization of renewable energy resources with total capital infusion amounting to ₱1 million.

On October 13, 2016, ACR and ATEC executed an assignment of share agreement wherein the Parent Company assigned and transferred its ownership interests in ACES to ATEC for a total consideration of ₱20 million. Accordingly, ACES became wholly owned subsidiary of ATEC.

On May 24, 2017, ACR and ATEC executed an assignment of share agreement wherein ACR assigned and transferred its ownership interests in SRPI to ATEC amounting to ₱1.2 million for a total consideration of ₱0.3 million, net of subscriptions payable amounting to ₱0.9 million. Accordingly, SRPI became a wholly owned subsidiary of ATEC. Subsequently, on May 31, 2017, ACR and ATEC executed a deed of assignment of advances wherein ACR assigned to ATEC its advances to SRPI totaling to ₱231 million.

On November 27, 2017, the Parent Company sold its 50% ownership interest less 1 share of the voting and total outstanding capital stock in ATEC equivalent to 14,952,678 common shares to Global Business Power Corporation (GBPC) for a total consideration amounting to ₱2,378 million, inclusive of retention receivable amounting to ₱100 million to be received upon issuance by the Bureau of Internal Revenue (BIR) of the Certificate of Authorizing Registration. The Parent Company recognized a gain amounting to ₱709 million, net of transaction costs totaling to ₱169 million (see Note 21). Subsequently, on December 1, 2017, the Parent Company, GBPC and ATEC executed a deed of assignment of advances wherein the Parent Company assigned and transferred to GBPC its right to collect 50% of its advances to ATEC amounting to ₱1,879 million (see Note 16). The Parent Company has determined that it has retained control over ATEC since it has the power to direct the relevant activities of ATEC by virtue of a contractual agreement.

On June 1, 2021, the Parent Company and GBPC subscribed to additional common shares amounting to ₱1,879 million each, which was settled through the conversion of advances to ATEC.

Sarangani. CHC organized Sarangani on October 15, 2010 as a wholly owned subsidiary to construct, commission and operate power generating plant facilities of electricity in Maasim, Sarangani Province. On June 27, 2011, ACR acquired full control of Sarangani through an agreement with CHC, wherein CHC assigned all its shares to ACR. On December 10, 2012, ACR entered into a shareholders agreement with Toyota Tsusho Corporation (TTC), a company incorporated in Japan, wherein TTC subscribed and paid ₱355 million worth of Sarangani shares representing 25% of the total equity of Sarangani. In accordance with the shareholders agreement, ACR increased its investment in Sarangani to 75% of the total equity of Sarangani by converting its advances and additional cash infusion.

The construction of the Sarangani's SM200 project is in two phases. Construction of Phase 1 (105 MW) of the Project commenced in January 2013 and was completed in April 2016. The construction of Phase 2 (105 MW) commenced in January 2017 and was completed in October 2019.

In 2015, ACR made additional cash infusion and conversion of advances totaling to ₱572 million, primarily to meet the funding requirements of Sarangani's SM200 project.

On April 20, 2016, ACR subscribed to ATEC's increase in authorized capital stock to the amount of ₱2,989 million worth of shares of stock. The subscription was paid by way of ACR's investment in Sarangani and cash amounting to ₱14 million.

On February 6, 2017, ATEC's Board of Directors (BOD) authorized the conversion its advances to Sarangani amounting to ₱3,375 million into equity by way of subscription to the increase in authorized capital stock of Sarangani. The Philippine SEC approved Sarangani's increase in authorized capital stock on March 20, 2017. Also, TTC subscribed to additional common shares amounting to ₱1,125 million which was settled through cash infusion. As at December 31, 2022 and 2021, Sarangani is 75% owned by ATEC.

SRPI. ACR organized and incorporated SRPI on July 22, 2011 as a wholly owned subsidiary. SRPI was incorporated primarily to acquire, construct, commission, operate and maintain power-generating plants and related facilities for the generation of electricity. SRPI has obtained its Environmental Compliance Certificate (ECC) on March 20, 2012 for the planned 105 MW coal fired power plant to be located in Zamboanga Ecozone. As at March 23, 2023, the Company has not started the construction of the ZAM 100 power plant. The proposals for the Engineering, Procurement and Construction (EPC) rebidding were submitted on August 30, 2018. The selected EPC contractor remains committed to the implementation of the SRPI Project, with regular updating of project requirements to maintain readiness for implementation upon execution of the EPC contract and issuance of NTP (Notice to Proceed).The issuance of the NTP is expected in the fourth quarter of 2024, corresponding to a Commercial Operations Date (COD) in March 2027.

ACES. ACR organized and incorporated ACES on July 7, 2011 primarily to provide operations and maintenance services to the Group's coal power plants.

CHC and Subsidiaries. The BOD of Northern Mindanao Power Corporation (NMPC), a subsidiary under CHC, approved on April 25, 2008 the amendments to NMPC's Articles of Incorporation to shorten its corporate life up to November 15, 2009. After November 15, 2009, NMPC was dissolved. Consequently, NMPC's remaining assets and liabilities have all been transferred to CHC's books as at December 31, 2009. CHC is responsible for the final liquidation of NMPC's net assets and the payment to the non-controlling shareholders. In 2013, CHC has fully liquidated the net distributable assets of NMPC and paid the non-controlling shareholders.

CHC organized and incorporated MPC on July 13, 2010 as a wholly owned subsidiary to rehabilitate and operate the 103 mega-watts (MW) Bunker-Fired Iligan Diesel Power Plants (IDPPs) I and II located in Iligan City. On June 27, 2011, ACR acquired full control of MPC through an agreement with CHC, wherein CHC assigned all shares to ACR. The deed of sale of IDPP with Iligan City Government was signed on February 27, 2013. On August 1, 2013, ACR transferred MPC to CHC for a total consideration of ₱0.3 million. MPC entered into Power Supply Agreements (PSAs) with various distribution utilities and electric cooperatives (see Note 33). On September 6, 2013, MPC started operating 98 MW of the 103 MW Bunker-Fired IDPPs. MPC completed the rehabilitation and operated the balance of 5 MW in 2014.

On the other hand, SPPC and WMPC are bunker C-fired diesel generator power plants.

AREC and Subsidiaries
AREC. On September 18, 2014, ACR organized AREC primarily to develop and invest in energy projects including but not limited to the exploration, development and utilization of renewable energy resources with total capital infusion amounting to ₱31 million.

On July 10, 2015, ACR and AREC executed an assignment of share agreement wherein ACR assigned and transferred its ownership interests in Siguil and Kalaong to AREC. Accordingly, Siguil and Kalaong became subsidiaries of AREC. Also, ACR sold its 20% interest to ACIL, Inc., an entity under common control. Accordingly, ACR's interest in AREC was reduced from 100% to 80%.

Siguil and Kalaong. ACR organized and incorporated Siguil and Kalaong on July 22, 2011 as wholly owned subsidiaries. Siguil and Kalaong were incorporated primarily to develop and invest in energy projects including but not limited to the exploration, development and utilization of renewable energy resources. Siguil's 15 MW Hydro Power Project is in Maasim, Sarangani while Kalaong's 22 MW Hydro Power Project is in Bago, Negros Oriental. These projects are expected to augment power supply in the cities of General Santos and Bacolod, respectively, once they are completed. In July 2019, Siguil has commenced its construction and expected to be completed in the fourth quarter of 2023. As at March 23, 2023, Siguil and Kalaong have not yet started commercial operations.

Bago and Sindangan. AREC organized and incorporated Bago and Sindangan on February 26, 2018 and August 31, 2018, respectively, as wholly owned subsidiaries of AREC. Bago and Sindangan were incorporated primarily to develop and invest in energy projects including but not limited to the exploration, development and utilization of renewable energy resources. Bago's 42 MW Hydro Power Project is in Negros Occidental while Sindangan's 20 MW Hydro Power Project is in Siayan and Duminag, Zamboanga Del Norte. These projects are expected to augment power supply in the provinces of Negros Occidental and Zamboanga Del Norte, respectively, once they are completed. As at March 23, 2023, Bago and Sindangan have not yet started commercial operations.

Property Development

ALC. On November 25, 1994, ACR incorporated ALC to acquire, develop, sell and hold for investment or otherwise, real estate of all kinds, sublease office spaces and manufacture door and house frames.

KAED. On September 3, 2010, ACR incorporated KAED to establish, develop, operate and maintain an agro-industrial economic zone and provides the required infrastructure facilities and utilities such as power and water supply and distribution system, sewerage and drainage system, waste management system, pollution control device, communication facilities and other facilities as may be required for an agro-industrial economic zone.

Other Investments

MADE. MADE, which is in the distribution business, has incurred significant losses in prior years resulting in capital deficiency. Because of the recurring losses, MADE decided to cease operations effective April 30, 2006 and terminated its employees. These factors indicate the existence of a material uncertainty which may cast significant doubt on the MADE's ability to continue as a going concern. As at March 23, 2023, MADE has no plans to liquidate but new business initiatives are being pursued which will justify resumption of its trading operations.

APSC. ACR organized and incorporated APSC on October 13, 2016 primarily to provide services necessary or appropriate in relation to the supply and delivery of electricity.

Approval and Authorization for the Issuance of the Consolidated Financial Statements

The consolidated financial statements were authorized for issuance by the BOD on March 23, 2023, upon the recommendation for approval by the Audit Committee.

2. Basis of Preparation and Statement of Compliance

Basis of Preparation

The consolidated financial statements of the Group have been prepared on a historical cost basis, except for equity investments designated at fair value through other comprehensive income (FVOCI) that have been measured at fair value. The consolidated financial statements are presented in Philippine peso, the functional and presentation currency of the Parent Company. All amounts are rounded to the nearest peso, except as otherwise indicated.

The accompanying consolidated financial statements have been prepared under the going concern assumption. The Group believes that its businesses would remain relevant despite challenges posed by the rising inflations, ongoing pandemic and geopolitical uncertainties. Despite the adverse impact of these challenges on short-term business results, long-term prospects remain attractive.

Statement of Compliance
The consolidated financial statements of the Group have been prepared in compliance with Philippine Financial Reporting Standards (PFRSs).

Basis of Consolidation
The consolidated financial statements comprise the financial statements of the Parent Company and its subsidiaries as at December 31 of each year (see Note 1).

The Group controls an investee if and only if the Group has:

- power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee),
- exposure, or rights, to variable returns from its involvement with the investee, and
- the ability to use its power over the investee to affect its returns.

When the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- the contractual arrangement with the other vote holders of the investee
- rights arising from other contractual arrangements
- the Group's voting rights and potential voting rights

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income (OCI) are attributable to equity holders of the parent of the Group and to non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

The financial statements of subsidiaries are prepared for the same reporting year using uniform accounting policies as those of the Parent Company.

A change in ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

If the Group loses control over a subsidiary, it derecognizes the related assets (including goodwill), liabilities, non-controlling interest and other components of equity while any resultant gain or loss is recognized in profit or loss. Any investment retained is recognized at fair value.

Non-controlling interests represent the portion of profits or losses and net assets of subsidiaries not held by the equity holders of the Parent Company and are presented separately in the consolidated statement of income and consolidated statement of comprehensive income and within equity in the consolidated statement of financial position, separately from equity attributable to the equity holders of the Parent Company.

Material Partly-Owned Subsidiaries

The tables below show details of materially partly-owned subsidiaries of ACR either directly or indirectly:

Name of Subsidiary	Place of Incorporation and Operation	Principal Activity	Proportion Ownership Interest and Voting Rights Held by Non-controlling Interests		
			2022	2021	2020
ATEC	Philippines	Holding	**50.0%**	50.0%	50.0%
Sarangani	Philippines	Power generation	**62.5%**	62.5%	62.5%
ACES	Philippines	Management services	**50.0%**	50.0%	50.0%
SRPI	Philippines	Power generation	**50.0%**	50.0%	50.0%

Accumulated balances of material non-controlling interests:

	2022	2021
	Amounts in Thousands	
Accumulated balances	**₱6,618,651**	₱6,132,115

Total comprehensive income and dividends declared of material non-controlling interests:

	2022	2021	2020
		Amounts in Thousands	
Total comprehensive income	**₱1,174,036**	₱908,494	₱1,487,214
Dividends declared	**(687,500)**	(758,300)	(740,000)

The summarized financial information in respect of the subsidiaries that have material non-controlling interests (before intra-group eliminations) is set out below.

Summarized statements of financial position of ATEC, including its subsidiaries as at December 31 are as follows:

	2022	2021
	Amounts in Thousands	
Current assets	**₱4,300,451**	₱5,615,349
Noncurrent assets	**25,313,395**	26,356,311
Current liabilities	**(4,426,085)**	(5,610,843)
Noncurrent liabilities	**(11,550,850)**	(13,483,101)
Equity	**₱13,636,911**	₱12,877,716

Summarized statements of comprehensive income of ATEC, including its subsidiaries for the years ended December 31 are as follows:

	2022	2021	2020
	Amounts in Thousands		
Revenue and other income	**₱8,752,775**	₱6,872,757	₱6,383,464
Expenses	**(6,663,762)**	(5,246,321)	(3,829,879)
Income tax	**(245,556)**	(185,021)	(171,354)
Net income	**1,843,457**	1,441,415	2,382,231
Other comprehensive income (loss)	**15,738**	15,888	(6,906)
Total comprehensive income	**₱1,859,195**	₱1,457,303	₱2,375,325

Summarized statements of cash flows of ATEC, including its subsidiaries for the years ended December 31 are as follows:

	2022	2021	2020
	Amounts in Thousands		
Operating	**₱3,522,513**	₱3,825,154	₱5,047,568
Investing	**(155,496)**	(85,629)	(989,078)
Financing	**(3,970,870)**	(3,598,620)	(4,058,851)
Net increase (decrease) in cash and cash equivalents	**(₱603,533)**	₱140,905	(₱361)

There are no significant restrictions on the subsidiaries to transfer funds to the Parent Company in the form of dividends, payment of advances, among others.

3. Changes in Accounting Policies and Disclosures

New Standards Effective Starting January 1, 2022

The accounting policies adopted are consistent with those of the previous financial year, except that the Group has adopted the following new pronouncements starting January 1, 2022. Adoption of these pronouncements did not have any significant impact on the Group's financial position or performance, unless otherwise indicated.

- 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, *Business Combinations* 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 Group adopted the amendments beginning January 1, 2022. The amendments did not have a material impact on the Group.

- 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 Group adopted the amendments beginning January 1, 2022. The amendments did not have a material impact on the Group.

- Amendments to PAS 37, *Onerous Contracts - Costs 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 Group adopted the amendments beginning January 1, 2022. The amendments did not have a material impact on the Group.

- *Annual Improvements to PFRSs* 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 in the parent's consolidated financial statements, based on the parent's date of transition to PFRS, if no adjustments were made for consolidation procedures and for the effects of the business combination in which the parent acquired the subsidiary. This amendment is also applied to an associate or joint venture that elects to apply paragraph D16(a) of PFRS 1.

    The Group adopted the amendments beginning January 1, 2022. The amendments did not have a material impact on the Group.

  - Amendments to PFRS 9, *Financial Instruments, Fees in the '10 per cent' 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.

  - 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.

The Group adopted the amendments beginning January 1, 2022. The amendments did not have a material impact on the Group.

Future Changes in Accounting Policies
Pronouncements issued but not yet effective are listed below. Unless otherwise indicated, the Group does not expect that the future adoption of the said pronouncements will have a significant impact on the consolidated financial statements. The Group intends to adopt the following pronouncements when they become effective.

Effective beginning on or after January 1, 2023

- 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 Group is currently assessing the impact of the amendment on the consolidated financial statements.

- 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 on the Group.

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

Effective beginning on or after January 1, 2024

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

  The amendments clarify:

  - That only covenants with which an entity must comply on or before reporting date will affect a liability's classification as current or non-current.
  - 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, 2024 and must be applied retrospectively. The amendments are not expected to have a material impact on the Group.

- Amendments to PFRS 16, *Lease Liability in a Sale and Leaseback*

  The amendments specify how a seller-lessee measures the lease liability arising in a sale and leaseback transaction in a way that it does not recognize any amount of the gain or loss that relates to the right of use retained.

  The amendments are effective for annual reporting periods beginning on or after January 1, 2024 and must be applied retrospectively. Earlier adoption is permitted and that fact must be disclosed. The amendments are not expected to have a material impact on the Group.

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

    On December 15, 2021, the 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 adoption will not materially affect the Group.

Deferred effectivity

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

  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. 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 and Sustainability 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.

4. Summary of Significant Accounting and Financial Reporting Policies

Current versus Noncurrent Classification

The Group presents assets and liabilities in the consolidated statements of financial position based on current or noncurrent classification.

An asset is current when it is:

- expected to be realized or intended to be sold or consumed in the normal operating cycle;
- held primarily for the purpose of trading;
- expected to be realized within twelve months after the reporting period; or
- cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as noncurrent.

A liability is current when it is:

- expected to be settled in the normal operating cycle;
- held primarily for the purpose of trading;
- expected to be settled within twelve months after the reporting period; or
- there is no unconditional right to defer settlement of the liability for at least twelve months after the reporting period.

The Group classifies all other liabilities as noncurrent.

Deferred tax assets and liabilities and retirement benefits assets and liabilities are classified as noncurrent assets and liabilities, respectively.

Fair Value Measurement
The Group measures financial instruments, such as derivatives, at fair value at each statement of financial position date. Also, fair values of financial and non-financial instruments are disclosed in Note 32.

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 by the Group.

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

A fair value measurement of a nonfinancial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

Assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level of 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 of input that is significant to the fair value measurement is directly or indirectly observable; and
- Level 3 - Valuation techniques for which the lowest level of input that is significant to the fair value measurement is unobservable.

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

The Group determines the policies and procedures for both recurring and non-recurring fair value measurements. For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy.

Cash and Cash Equivalents
Cash include cash on hand and in banks. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash with original maturities of three months or less from dates of acquisitions and are subject to an insignificant risk of changes in value.

Short-term Cash Investments
Short-term cash investments are short-term, highly liquid investments that are convertible to known amounts of cash with original maturities of more than three months but less than one year from the date of acquisition and that are subject to an insignificant risk of change in value.

Financial Instrument
A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity investments of another entity.

Financial Assets
Initial recognition and measurement of financial assets
Financial assets are classified, at initial recognition, as subsequently measured at amortized cost, FVOCI and fair value through profit or loss (FVPL). The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them.

In order for a financial asset to be classified and measured at amortized cost or FVOCI, it needs to give rise to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Subsequent measurement of financial assets
For purposes of subsequent measurement, financial assets are classified in four categories:

- Financial assets at amortized cost (debt instruments)
- Financial assets at FVOCI with recycling of cumulative gains and losses (debt instruments)
- Financial assets designated at FVOCI with no recycling of cumulative gains and losses upon derecognition (equity investments)
- Financial assets at FVPL

The Group has financial instruments classified as financial assets at FVOCI but has no financial assets at FVPL.

Financial assets at amortized cost
This category is the most relevant to the Group. The Group 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 SPPI on the principal amount outstanding.

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

The Group's financial assets at amortized cost include cash and cash equivalents, short-term cash investments, receivables, debt reserve accounts, due from related parties, contract assets and retention receivable.

Financial assets designated at FVOCI (equity investments). Upon initial recognition, the Group can elect to classify irrevocably its equity investments as equity investments designated at FVOCI when they meet the definition of equity under PAS 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 profit or loss when the right of payment has been established, except when the Group 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 investments designated at FVOCI are not subject to impairment assessment.

The Group elected to classify irrevocably its quoted and unquoted equity investments under this category.

Financial Liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at FVPL, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognized initially at fair value and, in the case of other financial liabilities, net of directly attributable transaction costs.

The Group's financial liabilities include accounts payables and other current liabilities (excluding statutory payables), loans payable, short-term notes payable, long-term debt and lease liabilities.

Subsequent measurement

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the effective interest method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as interest expense in profit or loss.

Impairment of Financial Assets

The Group recognizes an allowance for expected credit losses (ECLs) for all debt instruments not held at FVPL. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group 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. (a) 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 12 months (a 12-month ECL). (b) 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 timing of the default (a lifetime ECL).

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

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

For cash and cash equivalents, short-term cash investments and debt reserve accounts, the Group applies the low credit risk simplification. The probability of default and loss given defaults are publicly available and are considered to be low credit risk investments. It is the Group's policy to measure ECLs on such instruments on a 12-month basis. However, when there has been a significant increase in credit risk since origination, the allowance will be based on the lifetime ECL. To estimate the ECL, the Group uses the ratings published by a reputable rating agency.

For other financial assets such as due from related parties and retention receivables, 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 expected 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 remaining life of the exposure, irrespective of the timing of default (a lifetime ECL).

<u>Derecognition of Financial Assets and Liabilities</u>
Financial assets
A financial asset (or, where applicable a part of a financial asset or part of a group of similar financial assets) is derecognized when:

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

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

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

Modification of Financial Assets
The Group derecognizes a financial asset when the terms and conditions have been renegotiated to the extent that, substantially, it becomes a new asset, with the difference between its carrying amount and the fair value of the new asset recognized as a derecognition gain or loss in profit or loss, to the extent that an impairment loss has not already been recorded.

The Group considers both qualitative and quantitative factors in assessing whether a modification of financial asset is substantial or not. When assessing whether a modification is substantial, the Group considers the following factors, among others:

- Change in currency
- Introduction of an equity feature
- Change in counterparty
- If the modification results in the asset no longer considered SPPI

The Group also performs a quantitative assessment similar to that being performed for modification of financial liabilities. In performing the quantitative assessment, the Group considers the new terms of a financial asset to be substantially different if the present value of the cash flows under the new terms, including any fees paid net of any fees received and discounted using the original effective interest rate, is at least 10% different from the present value of the remaining cash flows of the original financial asset.

When the contractual cash flows of a financial asset are renegotiated or otherwise modified and the renegotiation or modification does not result in the derecognition of that financial asset, the Group recalculates the gross carrying amount of the financial asset as the present value of the renegotiated or modified contractual cash flows discounted at the original EIR (or credit-adjusted EIR for purchased or originated credit-impaired financial assets) and recognizes a modification gain or loss in the consolidated statement of income.

When the modification of a financial asset results in the derecognition of the existing financial asset and the subsequent recognition of a new financial asset, the modified asset is considered a 'new' financial asset. Accordingly, the date of the modification shall be treated as the date of initial recognition of that financial asset when applying the impairment requirements to the modified financial asset. The newly recognized financial asset is classified as Stage 1 for ECL measurement purposes, unless the new financial asset is deemed to be originated as credit impaired (POCI).

Financial liabilities
A financial liability (or a part of a financial liability) is derecognized when the obligation under the liability is discharged, cancelled or has expired. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability or a part of it are substantially modified, such an exchange or modification is treated as a derecognition of the original financial liability and the recognition of a new financial liability, and the difference in the respective carrying amounts is recognized in the statement of income.

Exchange or modification of financial liabilities
The Group considers both qualitative and quantitative factors in assessing whether a modification of financial liabilities is substantial or not. The terms are considered substantially different if the present value of the cash flows under the new terms, including any fees paid net of any fees received and discounted using the original effective interest rate, is at least 10% different from the present value of the remaining cash flows of the original financial liability. However, under certain circumstances, modification or exchange of a financial liability may still be considered substantial, even where the present value of the cash flows under the new terms is less than 10% different from the present value of the remaining cash flows of the original financial liability. There may be situations where the modification of the financial liability is so fundamental that immediate derecognition of the original financial liability is appropriate (e.g., restructuring a financial liability to include an embedded equity component).

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability. The difference between the carrying value of the original financial liability and the fair value of the new liability is recognized in profit or loss.

When the exchange or modification of the existing financial liability is not considered as substantial, the Group recalculates the gross carrying amount of the financial liability as the present value of the renegotiated or modified contractual cash flows discounted at the original EIR and recognizes a modification gain or loss in profit or loss.

If modification of terms is accounted for as an extinguishment, any costs or fees incurred are recognized as part of the gain or loss on the extinguishment. If the modification is not accounted for as an extinguishment, any costs or fees incurred adjust the carrying amount of the financial instrument and are amortized over the remaining term of the modified financial instrument.

Offsetting of Financial Instruments
Financial assets and financial liabilities are offset and the net amount is reported in the consolidated statement of financial position if there is a currently enforceable legal right to set off the recognized amounts and there is intention to settle on a net basis, or to realize the asset and settle the liability simultaneously. The Group assesses that it has a currently enforceable right of offset if the right is not contingent on a future event, and is legally enforceable in the normal course of business, event of default, and event of insolvency or bankruptcy of the Group and all of the counterparties.

Derivative Financial Instrument
A derivative is a financial instrument or other contract with all three of the following characteristics:

a. its value changes in response to the change in a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index, or other variable, provided in the case of a nonfinancial variable that the variable is not specific to a party to the contract (sometimes called the "underlying");
b. it requires no initial net investment or an initial net investment that is smaller than would be required for other types of contracts that would be expected to have a similar response to changes in market factors; and,
c. it is settled at a future date.

Derivative instruments (including bifurcated embedded derivatives) are initially recognized at fair value on the date in which a derivative transaction in entered into or bifurcated, and are subsequently re-measured at fair value. Changes in fair value of derivative instruments not accounted for as hedges are recognized immediately in the consolidated statement of income. Derivatives are carried as assets when the fair value is positive and as liabilities when the fair value is negative.

Embedded derivatives
The Group assesses whether embedded derivatives are required to be separated from host contracts when the Group first becomes party to the contract. Reassessment only occurs if there is a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required. An embedded derivative is separated from the host contract and accounted for as a derivative if all of the following conditions are met: (a) the economic characteristics and risks of the embedded derivative are not closely related to the economic characteristics and risks of the host contract; (b) a separate instrument with the same terms as the embedded derivative would meet the definition of a derivative; and (c) the hybrid or combined instrument is not measured at fair value with changes in fair value reported in the consolidated statement of income. Subsequent reassessment is prohibited unless there is a change in the terms of the contract that significantly modifies the cash flows that otherwise would be required under the contract, in which case reassessment is required. The Group determines whether a modification to cash flows is significant by considering the extent to which the expected future cash flows associated with the embedded, the host contract or both have changed and whether the change is significant relative to the previously expected cash flows on the contract.

The Group has no embedded derivatives which are required to be bifurcated.

<u>Classification of Financial Instruments between Debt and Equity</u>
A financial instrument is classified as debt if it provides for a contractual obligation to:

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

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

<u>Inventories</u>
These consist of coal, fuel and other inventories which are valued at the lower of cost and net realizable value (NRV). Cost of inventories is determined using the moving-average method for coal and fuel inventory and first-in, first-out (FIFO) cost method for other inventories. NRV is the current replacement cost.

When the circumstances that previously caused the inventories to be written down below cost no longer exist, or when there is clear evidences of an increase in NRV because of changes in economic circumstances, the amount of write-down is reversed. The reversal cannot be greater than the amount of the original write-down.

Real Estate Inventories
Real estate inventories representing real estate (residential lots) opened up for sale are carried at the lower of cost and NRV. The cost includes acquisition cost of the land, direct development cost incurred, including borrowing costs and any other directly attributable costs of bringing the assets to its intended use. NRV is the estimated selling price in the ordinary course of business, less estimated cost to sell. A write-down of inventories is recognized in consolidated statement of income when the cost of the real estate inventories exceeds its NRV.

Investments in Real Estate
Investments in real estate comprise land, building and improvements which are not occupied substantially for use by, or in operations of the Group, nor for sale in the ordinary course of business, but are held primarily to earn rental income and for capital appreciation. Cost includes acquisition cost of the land and any other directly attributable costs of bringing the asset to its intended use.

Subsequent to initial recognition, investments in real estate, except land, are measured at cost less accumulated depreciation and impairment loss. Land is carried at cost less any impairment in value.

Building and improvements are depreciated using the straight-line method over the estimated useful life of five (5) years to fifteen (15) years.

Investments in real estate are derecognized when either these have been disposed of or when the investment in real estate is permanently withdrawn from use and no future economic benefit is expected from its disposal. Any gains or losses on the retirement or disposal of an investment in real estate are recognized in the consolidated statement of income in the year of retirement or disposal.

Transfers are made to investments in real estate when, and only when, there is a change in use, evidenced by ending of owner-occupation or commencement of an operating lease to another party. Transfers are made from investments in real estate when, and only when, there is a change in use, evidenced by commencement of owner-occupation or commencement of development with a view to sale. These transfers are recorded using the carrying amount of the investments in real estate at the date of change in use.

Investments in Associates
An associate is an entity in which the Group has significant influence and which is neither a subsidiary nor a joint venture. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over these policies.

The consideration made in determining significant influence is similar to those necessary to determine control over subsidiaries.

The Group's investments in associates are accounted for under the equity method of accounting. Under the equity method, the investments in associates are carried in the consolidated statement of financial position at cost plus post-acquisition changes in the Group's share of net assets of the associates, less any impairment in value. Goodwill relating to an associate is included in the carrying amount of the investment and is not amortized. After application of the equity method, the Group determines whether it is necessary to recognize any additional impairment loss with respect to the Group's net investment in the associate. The consolidated statement of income reflects the Group's share of the financial performance of the associates. Unrealized gains and losses from transactions with the associates are eliminated to the extent of the Group's interest in the associates. The reporting dates of the associates and the Group are identical and the associates' accounting policies conform to those used by the Group for like transactions and events in similar circumstances.

An investment in an associate is accounted for using the equity method from the date when it becomes an associate. On acquisition of the investment, any difference between the cost of the investment and the investor's share in the net fair value of the associate's identifiable assets, liabilities and contingent liabilities is accounted for as follows:

a. Goodwill relating to an associate is included in the carrying amount of the investment. However, amortization of that goodwill is not permitted and is therefore not included in the determination of the Group's share in the associate's profit or losses.
b. Any excess of the Group's share in the fair value of the associate's identifiable assets, liabilities, and contingent liabilities over the cost of the investment is included as income in the determination of the investor's share of the associate's profit or loss in the period in which the investment is acquired.

Also, appropriate adjustments to the Group's share of the associate's profit or loss after acquisition are made to account , if any, for the depreciation of the depreciable assets based on their fair values at the acquisition date and for impairment losses recognized by the associate, such as for goodwill or property, plant and equipment.

When the Group's interest in an investment in associate is reduced to zero, additional losses are provided only to the extent that the Group has incurred obligations or made payments on behalf of the associate to satisfy obligations of the investee that the Group has guaranteed or otherwise committed. If the associate subsequently reports profits, the Group resumes recognizing its share of the profits if it equals the share of net losses not recognized.

The Group discontinues the use of the equity method from the date when it ceases to have significant influence over an associate and accounts for the investment in accordance with PFRS 9 from that date, provided the associate does not become subsidiary or a joint venture. Upon loss of significant influence over the associate, the Group measures and recognizes any retained investment at its fair value. Any difference between the carrying amount of the associate upon loss of significant influence and the fair value of the retained investment and proceeds from disposal is recognized in the consolidated statement of income.

Property, Plant and Equipment
The Group's property, plant and equipment consist of land, buildings, leasehold improvements, machinery and equipment, construction in progress and right-of-use asset that do not qualify as investment properties.

Property, plant and equipment, except for land, are carried at cost less accumulated depreciation and accumulated impairment losses, if any. Land is carried at cost less any impairment in value. The initial cost of property, plant and equipment comprises its construction cost or purchase price and any directly attributable costs of bringing the asset to its working condition and location for its intended use, including borrowing costs. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the property, plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in the consolidated statement of income as incurred. The present value of the expected cost for the decommissioning of the asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

Land is carried at cost less any impairment losses.

Depreciation of an item of property, plant and equipment begins when it becomes available for use, i.e., when it is in the location and condition necessary for it to be capable of operating in the manner intended by management. Depreciation ceases at the earlier of the date that the item is classified as held for sale (or included in a disposal group that is classified as held for sale) and the date the item is derecognized.

Property, plant and equipment are depreciated using the straight-line method over their expected economic useful lives. Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately.

The components of the power plant complex and their related estimated useful lives are as follows:

	Number of Years
Main engine, transmission lines and sub-station	12 - 28
Plant mechanical, electrical, switchyard and desulfurization equipment	28
Plant structures and others	28

Other property, plant and equipment are depreciated using the straight-line method over the following estimated useful lives:

	Number of Years
Buildings	10
Leasehold improvements	5 or term of the lease, whichever period is shorter
Machinery and other equipment:	
Machinery and equipment	5 - 10
Office furniture, fixtures and equipment	3 - 5
Transportation equipment	3 - 5

Construction in progress represents properties under construction and is stated at cost. Cost includes cost of construction and other direct costs. Construction in progress is depreciated when the asset is available for use.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising from derecognition of the property, plant and equipment (difference between the net disposal proceeds and carrying amount of the asset) is included in the consolidated statement of income in the period the property, plant and equipment is derecognized.

The assets' residual values, useful lives and methods of depreciation are reviewed at each financial year-end, and adjusted prospectively if appropriate.

Fully depreciated assets are retained in the accounts until these are no longer in use.

Government Grant

Government grants are recognized as deferred credit where there is reasonable assurance that the grant will be received, and all attached conditions will be complied with. With the grant relates to an expense item, it is recognized as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognized as income in profit or loss within the depreciation and amortization on a straight-line basis over expected useful life of the related asset.

When the Group receives grants of non-monetary assets, the asset and the grant are recorded at nominal amounts and released to profit or loss over the expected useful life of the asset, based on the pattern of consumption of the benefits of the underlying asset by equal annual instalments.

Business Combinations and Goodwill

Business combinations are accounted for using the acquisition method.

Initial measurement

The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value and the amount of any non-controlling interest in the acquiree. For each business combination, the Group elects to measure the non-controlling interest in the acquiree either at fair value or at the proportionate share of the acquiree's identifiable net assets.

Acquisition-related costs incurred such as finder's fees; advisory, legal, accounting, valuation and other professional or consulting fees; general administrative costs, including the costs of maintaining an internal acquisitions department or business development offices are expensed and included as part of "General and administrative expenses" account in the consolidated statement of income.

When the Group acquires a business, it assesses the financial assets acquired and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree. If the business combination is achieved in stages, the previously held equity interest in the acquiree is remeasured at its acquisition date fair value and any resulting gain or loss is recognized in the consolidated statement of income.

Any contingent consideration to be transferred by the acquirer will be recognized at fair value at the acquisition date. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of PFRS 9 is measured at fair value with the changes in fair value recognized either in the consolidated statement of income. If the contingent consideration is not within the scope of PFRS 39, it is measured in accordance with appropriate PFRSs. Contingent consideration that is classified as equity is not remeasured until it is finally settled within equity.

Goodwill is initially measured at cost being the excess of the aggregate of the consideration transferred and the amount recognized for non-controlling interest over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognized at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognized in the consolidated statement of income.

If the initial accounting for business combination can be determined only provisionally by the end of the period by which the combination is effected because either the fair values to be assigned to the acquiree's identifiable assets, liabilities or contingent liabilities or the cost of the combination can be determined only provisionally, the Group accounts for the combination using provisional values. Adjustments to these provisional values because of completing the initial accounting shall be made within 12 months from the acquisition date. The carrying amount of an identifiable asset, liability or contingent liability that is recognized as a result of completing the initial accounting shall be calculated as if the asset, liability or contingent liability's fair value at the acquisition date had been recognized from that date. Goodwill or any gain recognized shall be adjusted from the acquisition date by an amount equal to the adjustment to the fair value at the acquisition date of the identifiable asset, liability or contingent liability being recognized or adjusted.

Subsequent measurement
Following initial recognition, goodwill is measured at cost less any accumulated impairment losses. For purposes of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units (CGUs), or groups of CGUs, that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the Group are assigned to those units or group of units. Each unit or group of units to which the goodwill is allocated:

- represents the lowest level within the Group at which the goodwill is monitored for internal management purposes; and
- is not larger than a segment based on the Group's format determined in accordance with PFRS 8, *Operating Segments*.

Where goodwill forms part of a CGU or group of CGUs and part of the operation within that unit is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on disposal of the operation. Goodwill disposed of in this circumstance is measured based on the relative values of the operation disposed of and the portion of the cash-generating unit retained.

When subsidiaries are sold, the difference between the selling price and the net assets plus cumulative translation differences and goodwill is recognized as income or loss in the consolidated statement of income.

Goodwill is reviewed for impairment, annually or more frequently if events or changes in circumstances indicate that the carrying value may be impaired.

Impairment is determined for goodwill by assessing the recoverable amount of the CGU or group of CGUs to which the goodwill relates. Where the recoverable amount of the CGU or group of CGUs is less than the carrying amount of the CGU or group of CGUs to which goodwill has been allocated, an impairment loss is recognized. Impairment losses relating to goodwill cannot be reversed in future periods. The Group performs its impairment test of goodwill annually every December 31.

Computer Software
Computer software (included as part of "Other noncurrent assets" account) is initially recognized at cost. Following initial recognition, computer software is carried at cost less accumulated amortization and accumulated impairment losses, if any.

The software cost is amortized on a straight-line basis over its useful economic life of three (3) years and assessed for impairment whenever there is an indicator that the computer software may be impaired. The amortization commences when the computer software is available for use. The amortization period and method for the computer software are reviewed at each reporting date.

Changes in the expected useful life is accounted for by changing the amortization period as appropriate, and treated as changes in accounting estimates. The amortization expense is recognized in the consolidated statement of income.

Impairment of Nonfinancial Assets
The Group assesses at each reporting date whether there is an indication that a nonfinancial asset may be impaired. If any such indication exists and when annual impairment testing for an asset is required, the Group makes an estimate of the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's cash-generating unit's fair value less cost to sell or its value-in-use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value-in-use, the estimated future cash flows are discounted to their present value using a pretax discount rate that reflects current market assessment of the time value of money and the risks specific to the asset. In determining fair value less cost to sell, recent market transactions are taken into account, if available. If no such transaction can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples and other available fair value indicators. Any impairment loss is recognized in the consolidated statement of income in those expense categories consistent with the function of the impaired asset.

An assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the Group makes an estimate of recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognized. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increased amount cannot exceed the carrying amount that would have been determined, net of depreciation and amortization, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the consolidated statement of income unless the asset is carried at revalued amount, in which case the reversal is treated as a revaluation increase.

The Group determines whether it is necessary to recognize an additional impairment loss on the Group's investments in associates after application of the equity method. The Group determines at each statement of financial position date whether there is any objective evidence that the investments in associates are impaired. If this is the case, the Group calculates the amount of impairment as being the difference between the fair value of the investment in associate and the acquisition cost (adjusted for post-acquisition changes in the Group's share of the financial performance of the associates) and recognizes the difference in the consolidated statement of income.

Capital Stock
Capital stock is measured at par value for all shares issued. Incremental costs incurred directly attributable to the issuance of new shares are shown in equity as deduction from proceeds, net of tax. Proceeds and/or fair value of considerations received in excess of par value, if any, are recognized as additional paid-in capital.

Redeemable Preferred Shares
In determining whether a preferred share is a financial liability or an equity investment, the Group assesses the particular rights attaching to the share to determine whether it exhibits the fundamental characteristic of a financial liability. A preferred share that provides for mandatory redemption by the Group for a fixed or determinable amount at a fixed or determinable future date, or gives the holder the right to require the Group to redeem the instrument at or after a particular date for a fixed or determinable amount, is a financial liability. Redeemable preferred shares is presented as equity when the option for redeeming the redeemable preferred shares is at the issuer's discretion and the price of redemption is to be decided by the BOD.

Retained Earnings
Retained earnings include accumulated profits attributable to the equity holders of the Parent Company reduced by dividends declared. Retained earnings may also include effect of changes in accounting policy as may be required by the standard's transitional provisions. When the retained earnings account has a debit balance, it is called "deficit". A deficit is not an asset but a deduction from equity.

Unappropriated retained earnings represent that portion which is free and can be declared as dividends to stockholders. Appropriated retained earnings are restricted for specific purposes that are approved by the BOD and are not available for dividend distributions.

Cash Dividend and Non-cash Distribution to Equity Holders of the Parent Company
The Parent Company recognizes a liability to make cash or non-cash distributions to equity holders of the Parent Company when the distribution is authorized and the distribution is no longer at the discretion of the Parent Company. A distribution is authorized when it is approved by the BOD. A corresponding amount is recognized directly in equity.

Non-cash distributions are measured at the fair value of the assets to be distributed with fair value re-measurement recognized directly in equity. Upon distribution of non-cash assets, any difference between the carrying amount of the liability and the carrying amount of the assets distributed is recognized in the consolidated statement of income.

Revenue Recognition
Revenue from contracts with customers is recognized when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. The Group has concluded that it is the principal in its revenue arrangements because it controls the goods or services before transferring them to the customer.

Energy sales. Revenue from contracts with customers is recognized whenever the Group's power generation capacity is contracted and/or the electricity generated by the Group is transmitted through the transmission line designated by the buyer for a consideration. The Group has concluded that it is acting as a principal in all its revenue arrangements since it is the primary obligor in all the revenue arrangements, has pricing latitude and is also exposed to credit risks.

The contracted capacity as agreed in the PSA and the energy delivered to customers are separately identified. These two performance obligations are combined and considered as one performance obligation since these are not distinct within the context of PFRS 15 as the buyer cannot benefit from the contracted capacity without the corresponding energy and the buyer cannot obtain energy without contracting a capacity. The combined performance obligation qualifies as a series of distinct goods or services that are substantially the same and have the same pattern of transfer since the delivery of energy every month are distinct services which are all recognized over time and have the same measure of progress.

Meanwhile, revenue from sale of electricity through ancillary services to the National Grid Corporation of the Philippines (NGCP) is recognized monthly based on the capacity scheduled and/or dispatched and provided.

Real estate sales. The Group derives its real estate sales from sale of lots. Revenue from the sale of these real estate projects under pre-completion stage are recognized over time during the construction period (or percentage of completion) since based on the terms and conditions of its contract with the buyers, the Group's performance does not create an asset with an alternative use and the Group has an enforceable right to payment for performance completed to date.

Contract balances
Receivables. A receivable represents the Group's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due).

Contract assets. Contract assets pertain to the Group's conditional right over the consideration for the completed performance for which revenue was already recognized but not yet billed to the customers. The amounts recognized as contract assets from energy sales will be reduced gradually at the time the related amount billed, billable and/or collected from the customers under the contract is greater than the revenue earned and recognized.

Contract liabilities. A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognized when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognized as revenue when the Group performs its obligations under the contract. The contract liabilities also include payments received by the Group from the customers for which revenue recognition has not yet commenced.

Cost to obtain a contract. The Group pays sales commission and transportation to its marketing agents on the sale of real estate units. The Group has elected to apply the optional practical expedient for costs to obtain a contract which allows the Group to immediately expense sales commissions (included under "Operating expenses") because the amortization period of the asset that the Group otherwise would have used is one (1) year or less.

Costs and Expenses
Costs and expenses are recognized in the consolidated statement of income when a decrease in future economic benefit related to a decrease of an asset or an increase of a liability has arisen that can be measured reliably. Costs and expenses are recognized in the consolidated statement of income 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 immediately when expenditure produces no future economic benefits or when, and to the extent that, future economic benefits do not qualify, cease to qualify, for recognition in the consolidated statement of financial position as an asset.

Retirement Benefits
The Group, excluding SPPC, WMPC, APMC, APSC and Sarangani, has an unfunded, noncontributory defined benefit retirement plan covering all qualified employees. SPPC, WMPC, APMC, APSC and Sarangani have a funded, noncontributory defined benefit retirement plan covering all qualified employees. The Group's obligation and costs of retirement benefits are actuarially computed by professionally qualified independent actuary using the projected unit credit method. Actuarial gains and losses are recognized in full in the period in which these occur in OCI.

Defined benefit costs comprise the following:

- Service cost
- Net interest on the net retirement benefits obligation or asset
- Remeasurements on the net retirement benefits obligation or asset

Service costs which include current service costs, past service costs and gains or losses on non-routine settlements are recognized as expense in the consolidated statement of income. Past service costs are recognized when plan amendment or curtailment occurs. These amounts are calculated periodically by independent qualified actuaries.

Net interest on the net defined benefit liability or asset is the change during the period in the net defined benefit liability or asset that arises from the passage of time which is determined by applying the discount rate based on government bonds to the net defined benefit liability or asset. Net interest on the net defined benefit liability or asset is recognized as part of retirement cost in the consolidated statement of income.

Remeasurements comprising actuarial gains and losses, return on plan assets and any change in the effect of the asset ceiling (excluding net interest on defined benefit liability) are recognized immediately in other comprehensive income in the period in which they arise. Remeasurements are not reclassified to profit or loss in subsequent periods.

The net defined benefit liability or asset is the aggregate of the present value of the defined benefit obligation at the end of the reporting period reduced by the fair value of plan assets (if any), adjusted for any effect of limiting a net defined benefit asset to the asset ceiling. The asset ceiling is the present value of any economic benefits available in the form of refunds from the plan or reductions in future contributions to the plan.

Plan assets are assets that are held by a long-term employee benefit fund. Plan assets are not available to the creditors of the Group, nor can they be paid directly to the Group. Fair value of plan assets is based on market price information. When no market price is available, the fair value of plan assets is estimated by discounting expected future cash flows using a discount rate that reflects both the risk associated with the plan assets and the maturity or expected disposal date of those assets (or, if they have no maturity, the expected period until the settlement of the related obligations). If the fair value of the plan assets is higher than the present value of the defined benefit obligation, the measurement of the resulting defined benefit asset is limited to the present value of economic benefits available in the form of refunds from the plan or reductions in future contributions to the plan.

The Group's right to be reimbursed of some or all of the expenditure required to settle a defined benefit obligation is recognized as a separate asset at fair value when and only when reimbursement is virtually certain.

Actuarial valuations are made with sufficient regularity that the amounts recognized in the consolidated financial statements do not differ materially from the amounts that would be determined at the statement of financial position date.

Leases

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognizes lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Group as a lessee

Except for short-term leases and leases of low-value assets, the Group recognizes lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Right-of-use assets

The Group recognizes right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are initially measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The initial cost of right-of-use assets includes the amount of lease liabilities recognized, initial direct costs incurred, lease payments made at or before the commencement date less any lease incentives received and estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease, unless those costs are incurred to produce inventories. Unless the Group is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognized right-of-use assets are depreciated on a straight-line basis over the shorter of their estimated useful life and lease term as follows.

Lease Asset	Useful Life (Lease Term in years)
Building	5
Port	10
Land	3-50

Right-of-use assets are subject to impairment under the policy "Impairment of nonfinancial assets".

Lease liabilities
At the commencement date of the lease, the Group recognizes lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating a lease, if the lease term reflects the Group exercising the option to terminate. The variable lease payments that do not depend on an index or a rate are recognized as expense in the period on which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liability is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the in-substance fixed lease payments or a change in the assessment to purchase the underlying asset.

Short-term leases and leases of low-value assets
The Group applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the leases of low-value assets recognition exemption to leases of office equipment that are considered of low value (i.e., below ₱250,000). Lease payments on short-term leases and leases of low-value assets are recognized as expense on a straight-line basis over the lease term.

Group as a lessor
Leases in which the Group does not transfer substantially all the risks and rewards incidental to the ownership of an asset are classified as operating leases. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognized over the lease term on the same basis as rental income.

Rental income is recognized on a straight-line method over the term of the lease agreements. Contingent rents are recognized as revenue in the period in which they are earned.

On the other hand, if the Group transfers substantially all the risks and rewards incidental to the ownership of an asset, the lease is classified as finance lease. Factors that would, individually, or in combination, would normally lead to a lease being classified as a finance lease:

- The lease transfers ownership of the asset to the lessee by the end of the lease term
- The lessee has the option to purchase the asset at a price that is expected to be sufficiently lower than the fair value at the date the option becomes exercisable for it to be reasonably certain, at the inception date, that the option will be exercised
- The lease term is for the major part of the economic life of the asset even if title is not transferred
- At the inception date, the present value of the lease payments amounts to at least substantially all of the fair value of the asset
- The asset is of such a specialised nature that only the lessee can use it without major modifications

The Group recognizes net investment in the lease representing lease payments not yet received at commencement date, including any residual value guarantees provided by the lessee, exercise price of option if the lessee is reasonably certain to exercise that option and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease. The Group derecognizes the carrying amount of the underlying leased asset and recognizes in profit or loss any difference between the fair value of the leased asset, or, if lower, at the present value of minimum lease payments accruing to the Group and the cost or carrying amount, if different, of the leased item.

Foreign Currency-denominated Transactions and Translations

Transactions denominated in foreign currency are recorded in Philippine peso by applying to the foreign currency amount the exchange rate between the Philippine peso and the foreign currency at the date of transaction. Monetary assets and liabilities denominated in foreign currencies are restated using the closing rate of exchange at the statement of financial position date. Nonmonetary items denominated in foreign currency are translated using the exchange rates as at the date of initial transaction. All exchange rate differences are taken to the consolidated statement of income.

Borrowing Costs

Borrowing costs are capitalized if they are directly attributable to the acquisition or construction of a qualifying asset. Capitalization of borrowing costs commences when the activities to prepare the asset are in progress and expenditures and borrowing costs are being incurred. Borrowing costs are capitalized until the assets are substantially ready for their intended use. If the carrying amount of the asset exceeds its recoverable amount, an impairment loss is recorded. Borrowing costs consist of interest and other costs that the Group incurs in connection with the borrowing of funds.

Borrowing costs not qualified for capitalization are expensed as incurred.

Taxes

Current income tax

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the tax authority. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the statement of financial position date. Current income tax for current and prior periods shall, to the extent unpaid, be recognized as a liability and is presented as "Income tax payable" in the consolidated statement of financial position. If the amount already paid in respect of current and prior periods exceeds the amount due for those periods, the excess shall be recognized as an asset and is presented as part of "Other current assets" in the consolidated statement of financial position.

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

Deferred income tax liabilities are recognized for all taxable temporary differences, except:

- When the deferred income tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of transaction, affects neither the accounting profit nor taxable income; or
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred income tax assets are recognized for all deductible temporary differences, carryforward benefits of unused tax credits from excess minimum corporate income tax (MCIT) over regular corporate income tax (RCIT) [excess MCIT] and net operating loss carryover (NOLCO).

Deferred income tax assets are recognized to the extent that it is probable that taxable income will be available against which the deductible temporary differences and carryforward benefits of excess MCIT and NOLCO can be utilized, except as summarized below.

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

The carrying amount of deferred income tax assets is reviewed at the end of each statement of financial position date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax assets to be utilized.

Unrecognized deferred income tax assets are reassessed at each statement of financial position date and are recognized to the extent that it has become probable that future taxable income will allow the deferred tax assets to be recovered.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realized or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the end of the reporting period.

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

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

Value-added tax
Revenues, expenses, and assets are recognized net of the amount of value-added tax (VAT), if applicable.

When VAT from sales of goods and/or services (output VAT) exceeds VAT passed on from purchases of goods or services (input VAT), the excess is recognized as payable in the consolidated statement of financial position. When VAT passed on from purchases of goods or services (input VAT) exceeds VAT from sales of goods and/or services (output VAT), the excess is recognized as an asset in the consolidated statement of financial position to the extent of the recoverable amount.

Provisions
General
Provisions are recognized when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. When the Group expects some or all of provision to be reimbursed, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the consolidated statement of income, net of any reimbursement. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability.

Where discounting is used, the increase in the provisions due to the passage of time is recognized as an interest expense.

Decommissioning liabilities
The decommissioning liabilities arose from the WMPC's, SPPC's and Sarangani's obligations, under the ECC, to decommission or dismantle their power plant complexes at the end of their operating lives. A corresponding asset is recognized as part of property, plant and equipment. Decommissioning costs are provided at the present value of expected costs to settle the obligation using estimated cash flows. The cash flows are discounted at a current pre-tax rate that reflects the risks specific to the decommissioning liabilities. The unwinding of the discount is expensed as incurred and recognized in the consolidated statement of income as an interest expense. The estimated future costs of decommissioning are reviewed annually and adjusted prospectively. Changes in the estimated future costs or in the discount rate applied are added or deducted from the cost of the power plant complex. The amount deducted from the cost of the power plant complex, shall not exceed its carrying amount. If the decrease in the liability exceeds the carrying amount of the asset, the excess shall be recognized immediately in the consolidated statement of income.

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

Basic/Diluted Earnings Per Share
Basic/diluted earnings per share (EPS) is determined by dividing net income by the weighted average number of shares issued and outstanding after giving retroactive adjustment for any stock dividends and stock splits declared during the period. The Group has no financial instrument or other contract that may entitle its holder to common shares that would result to diluted EPS.

Business Segments
Operating segments are components of the Group: (a) that engage in business activities from which the Group may earn revenues and incur losses and expenses (including revenues and expenses relating to transactions with other components of the Group); (b) whose operating results are regularly reviewed by the Group's chief operating decision maker (CODM) to make decisions about resources to be allocated to the segment and assess its performance; and (c) for which discrete financial information is available. The Group's CODM is the Parent Company's BOD. The Parent Company's BOD regularly reviews the operating results of the business units to make decisions on resource allocation and assess performance.

The Group conducts its business activities into two main business segments: (1) Power and Energy and (2) Property Development. The Group's other activities consisting of product distribution and investment holding activities are shown in aggregate as "Other Investments".

Segment assets and liabilities
Segment assets include all operating assets used by a segment and consist principally of operating cash and cash equivalents, short-term cash investments, trade and other receivables, investments in real estate and real estate inventories, and property, plant and equipment, net of allowances and provision. Segment liabilities include all operating liabilities and consist principally of accounts payable and other liabilities. Segment assets and liabilities do not include deferred income taxes, investments and advances, and borrowings.

Inter-segment transactions
Segment revenue, segment expenses and segment performance include transfers among business segments. The transfers, if any, are accounted for at competitive market prices charged to unaffiliated customers for similar products. Such transfers are eliminated in consolidation.

Events After the End of Reporting Period
Events after the end of the reporting period that provide additional information about the Group's financial position at the end of the reporting period (adjusting events) are reflected in the consolidated financial statements. Events after the end of the reporting period that are not adjusting events are disclosed in the notes to consolidated financial statements when material.

5. Significant Judgments, Accounting Estimates and Assumptions

The preparation of the consolidated financial statements requires management to make judgments, accounting estimates and assumptions that affect the reported amounts of revenue, expenses, assets and liabilities, and the disclosure of contingent liabilities, at the reporting date. However, uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability affected in the future.

Management believes the following represent a summary of these significant judgments, estimates and assumptions and related impact and associated risks in the consolidated financial statements.

Judgments
In the process of applying the Group's accounting policies, management has made the following judgments, apart from those involving estimations, which has the most significant effect on the amounts recognized in the consolidated financial statements.

Evaluating revenue from contracts with customers
The Group applied the following judgements in the determination of the amount and timing of revenue recognition:

- *Identifying performance obligations*
  Under PFRS 15, for energy sales, the contracted capacity as agreed in the PSA and the energy delivered to customers are separately identified. These two performance obligations are combined and considered as one performance obligation since these are not distinct within the context of PFRS 15 as the buyer cannot benefit from the contracted capacity without the corresponding energy and the buyer cannot obtain energy without contracting a capacity. The combined performance obligation qualifies as a series of distinct goods or services that are substantially the same and have the same pattern of transfer since the delivery of energy every month are distinct services which are all recognized over time and have the same measure of progress.

- *Determining method to estimate variable consideration and assessing the constraint*
  Some contracts with customers provide unspecified quantity of energy, provisional Energy Regulatory Commission (ERC) rates, volume or prompt payment discounts and foreign exchange and consumer price index (CPI) adjustments in the monthly billing. Under PFRS 15, such provisions give rise to variable consideration. In estimating the variable consideration, the Group is required to use either the expected value method or the most likely amount method based on which method better predicts the amount of consideration to which it will be entitled. The expected value method of estimation takes into account a range of possible outcomes while the most likely amount is used when the outcome is binary. The variable consideration is estimated at contract inception and constrained until the associated uncertainty is subsequently resolved.

  For prompt payment discount, the Group determined that the most likely method is the appropriate method to use in estimating the variable consideration given that there are few possible outcomes.

  Foreign exchange adjustments in monthly fixed/variable overhead and fee for actual energy delivered (fuel cost, subject to consumer price index and forex adjustments) will be constrained since the amount of consideration is highly susceptible to factors outside the Group's influence (e.g., market movements for forex and consumer price index, and actual demand of the customer for energy) and the contract has a large number and broad range of possible consideration amounts. Reassessment will be made as the contract progresses.

  Amount for the variable consideration will be included in the specific month the adjustments had occurred.

- *Allocation of variable consideration*
  Variable consideration may be attributable to the entire contract or to a specific part of the contract. Revenue streams which are considered as series of distinct goods or services that are substantially the same and have the same pattern of transfer, the Group allocates the variable amount that is no longer subject to constraint to the satisfied portion (i.e., month) which forms part of the single performance obligation.

- *Timing of revenue recognition*
  The Group concluded that revenue from energy sales is to be recognized over time because the customers simultaneously receives and consumes the benefits as the Group supplies power.

- *Identifying methods for measuring progress of revenue recognized over time*
  The Group determined that the output method is the best method in measuring progress as actual electricity is supplied to customers. The Group recognizes revenue based on:

  a. For fixed capacity payments, the Group allocates the transaction price on a straight-line basis over the contract term; and
  b. For the variable energy payment, actual kilowatt hours consumed which are billed on a monthly basis.

Distinction between real estate inventories and investments in real estate
The Group determines whether a property will be classified as real estate inventories or investments in real estate as follows:

- Real estate inventory comprises property that is held for sale in the ordinary course of business. Principally, this is residential property that the Group develops and intends to sell before or on completion of construction.
- Investments in real estate comprise land and building which are not occupied substantially for use by, or in the operations of the Group, nor for sale in the ordinary course of business, but are held primarily to earn rental income and for capital appreciation.

The total carrying values of the Group's investments in real estate and real estate inventories as of December 31, 2022 and 2021 are disclosed in Note 10.

Assessment of leases where the Group is a lessor
The Group has various lease agreements as a lessor. The Group assesses whether it retains all the significant risks and rewards of ownership of the leased properties and thus, accounted for the lease agreements as operating leases at inception of the lease. However, if the Group has determined that the lessee has obtained all the significant risks and rewards of ownership of the leased properties, the Group accounted the lease agreement as finance lease at inception of the lease. The following factors were considered when the Group has transferred all the significant risks and rewards incidental to the ownership of the leased properties - (a) the lessee has the option to purchase the asset at a price that is expected to be sufficiently lower than the fair value at the date the option becomes exercisable for it to be reasonably certain, at the inception date, that the option will be exercised; and (b) at the inception date, the present value of the lease payments amounts to at least substantially all of the fair value of the asset, among others (see Note 30).

Accounting for contingent assets
The Group evaluates contingent assets that arise from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group.

Contingent assets are assessed continually to ensure that developments are appropriately reflected in the consolidated financial statements. If it has become virtually certain that an inflow of economic benefits will arise, the asset and the related income are recognized in the consolidated financial statements of the period in which the change occurs. If an inflow of economic benefits has become probable, an entity discloses the contingent assets.

As of December 31, 2022 and 2021, management believes that the Group's claim from National Power Corporation (NPC) is not yet virtually certain as it requires further resolution as to whether the claim will be included in the obligations assumed by another government agency, including the appropriation of funds to settle the amount of the claim.

Hence, the contingent asset has not yet been recognized but only disclosed as of December 31, 2022 and 2021 (see Note 8).

Estimates and Assumptions
The key assumptions concerning the future and other key sources of estimation uncertainty at the statement of financial position date, that have a significant risk causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Provision for expected credit losses on trade receivables and contract assets
The Group uses a provision matrix to calculate ECLs for trade receivables and contract assets. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns. The provision matrix is initially based on the Group's historical observed default rates. The Group calibrates the matrix to adjust the historical credit loss experience with forward-looking information. At every reporting date, the historical observed default rates are updated and changes in forward-looking estimates are analyzed.

The assessment of the correlation between observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of the customer's actual default in the future. The carrying values of trade receivables and contract assets as of December 31, 2022 and 2021 are disclosed in Note 8.

Assessment of expected credit losses on other financial assets at amortized cost
The Group determines the allowance for ECLs using general approach based on the probability-weighted estimate of the present value of all cash shortfalls over the expected life of financial assets at amortized cost. ECL is provided for credit losses that result from possible default events within the next 12 months unless there has been a significant increase in credit risk since initial recognition in which case ECL is provided based on lifetime ECL.

When determining if there has been a significant increase in credit risk, the Group considers reasonable and supportable information that is available without undue cost or effort and that is relevant for the particular financial instrument being assessed such as, but not limited to, the following factors:

- actual or expected external and internal credit rating downgrade;
- existing or forecasted adverse changes in business, financial or economic conditions; and
- actual or expected significant adverse changes in the operating results of the borrower.

The Group also considers financial assets at day one to be the latest point at which lifetime ECL should be recognized unless it can demonstrate that this does not represent a significant risk in credit risk such as when non-payment was an administrative oversight rather than resulting from financial difficulty of the borrower.

The Group has assessed that the ECL on other financial assets at amortized cost is not material because the transactions with respect to these financial assets were entered into by the Group only with reputable banks and companies with good credit standing and relatively low risk of defaults. Accordingly, no provision for ECL on other financial assets at amortized cost was recognized as of December 31, 2022 and 2021. The carrying amounts of other financial assets at amortized cost, such as cash and cash equivalents, short-term cash investments, due from related parties, retention and other receivables and debt reserve accounts as of December 31, 2022 and 2021 are disclosed in Notes 7, 8, 15, 20 and 31.

Estimation of NRV of inventories
Inventories are valued at the lower of cost and NRV. For inventories, allowance for inventory obsolescence and losses are maintained at a level considered adequate to provide for potentially nonvaluable items. The level of allowance is based on the turnover/movement of specific inventories and other physical factors affecting usefulness of specific inventories.

For coal, fuel, chemicals and other inventories, the actual cost of inventories used are fully reimbursable based on the Group's agreements with the customers.

For real estate inventories, determining the net realizable value requires the determination of cash flows from the expected sale of the asset less cost of marketing. The determination of net realizable value requires the Group to make estimates and assumptions that may materially affect the consolidated financial statements such as the estimated selling prices of the real estate inventories and estimated cost of marketing. Future events could cause the Group to conclude that these assets are impaired. Any resulting additional impairment loss could have a material impact on the Group's financial position and performance.

The carrying values of inventories as at December 31, 2022 and 2021 are disclosed in Note 9 while the carrying values of real estate inventories as at December 31, 2022 and 2021 are disclosed in Note 10.

Estimation of useful lives of property, plant and equipment and investments in real estate
The useful lives of the property, plant and equipment and investments in real estate are estimated based on the period over which the property, plant and equipment are expected to be available for use and on the collective assessment of industry practice, internal technical evaluation and experience with similar assets.

The estimated useful lives of property, plant and equipment and investments in real estate are reviewed periodically and updated if expectations differ materially from previous estimates due to physical wear and tear, technical or commercial obsolescence and legal or other limits on the use of the property, plant and equipment and investments in real estate. It is possible that future financial performance could be materially affected by changes in the estimates brought about by changes in factors mentioned above. The amounts and timing of recording of expenses for any period would be affected by changes in these factors and circumstances. A reduction in the estimated useful lives of the property, plant and equipment and investments in real estate would increase the recorded expenses and decrease the carrying values of the property, plant and equipment and investments in real estate.

The total carrying values of depreciable property, plant and equipment and investments in real estate (excluding land and construction in progress) as at December 31, 2022 and 2021 are disclosed in Notes 10 and 12.

Impairment of nonfinancial assets (except goodwill)
An impairment review is performed on the Group's nonfinancial assets such as property, plant and equipment (including advances to contractors), investments in real estate and investments in associates, when certain impairment indicators are present. These factors include, among others:

- Significant underperformance relative to the future sales performance and projected operating results; and
- Significant negative industry or market trends.
- Market capitalization is lower than carrying value of the Group's equity.

Impairment exists when the carrying value exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value-in-use.

The Group is required to make estimates and assumptions that can materially affect the consolidated financial statements when determining the value-in-use of nonfinancial assets, which require the determination of future cash flows expected to be generated from the continued use and ultimate disposition of such assets. Future events could cause the Group to conclude that such financial assets are impaired. Any resulting impairment loss could have a material adverse impact on the Group's financial position and performance.

Based on management's evaluation as of December 31, 2022 and 2021, the Group's nonfinancial assets are not impaired. The carrying values of these nonfinancial assets are disclosed in Note 10, 11 and 12.

Impairment of goodwill
The Group determines whether goodwill is impaired at least on an annual basis, or more frequently, if events or changes in circumstances indicate that it may be impaired. This requires an estimation of the value-in-use of the cash-generating units to which the goodwill is allocated. Estimating the value-in-use requires the Group to make an estimate of the expected future cash flows from the cash-generating unit and also to choose a suitable discount rate in order to calculate the present value of those cash flows.

The Group recognized impairment loss amounting to ₱165 million in 2022 and ₱115 million in 2020 (nil in 2021) due to the decline in the recoverable amount of goodwill attributable to the cash-generating units. The carrying amount of goodwill as at December 31, 2022 and 2021 is disclosed in Note 14.

Valuation of unquoted equity investments designated as financial assets at FVOCI
In valuing the Group's unquoted investments at FVOCI especially the Group's investment in Aldevinco in compliance with PFRS 9, management applied judgment in selecting the valuation technique and used assumptions in estimating the fair value of its equity investments considering the information available to the Group. The carrying amount of the Group's unquoted equity investment in Aldevinco, including its key assumptions used in the valuation are disclosed in Notes 13 and 32.

Estimation of retirement benefits cost and obligation
The determination of the retirement benefits cost and obligation is dependent on the selection of certain assumptions used by the actuary in calculating such amounts. Those assumptions, which include among others, discount rates and future salary increase, are described in Note 28. While the Group believes that the assumptions are reasonable and appropriate, significant differences in the actual experience or significant changes in the assumptions may materially affect the retirement obligations.

Total carrying values of the total net retirement assets of the Group and total net retirement liabilities of the Group as at December 31, 2022 and 2021 are disclosed in Note 28.

Estimation of decommissioning liabilities
The decommissioning liabilities arose from WMPC's, SPPC's and Sarangani's obligations, under the ECC, to decommission or dismantle the power plant complexes at the end of their operating lives. Assumptions and estimates are made in relation to discount rates, the expected cost to dismantle and remove the power plant complexes from the sites and the expected timing of these costs. Changes in the estimated future costs or in the discount rate applied are added or deducted from the costs of the power plant complexes. The carrying amounts of decommissioning liabilities as at December 31, 2022 and 2021 are disclosed in Note 19.

Estimation and recognition of deferred income tax assets and liability
The Group's assessment on the recognition of deferred income tax assets on deductible temporary differences is based on the forecasted taxable income of the following year. This forecast is based on the Group's past results and future expectations on revenues and expenses.

The carrying amounts of deferred income tax assets are disclosed in Note 29. Also, the Group has unrecognized NOLCO, excess MCIT and deductible temporary differences as at December 31, 2022 and 2021 as disclosed in Note 29.

The deferred income tax liability on cumulative translation adjustments was not recognized because the Parent Company is able to control the timing of the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

Legal contingencies
The Group is involved in certain legal proceedings. The estimate of the probable costs for the assessment and resolution of these possible claims has been developed in consultation with outside counsel handling the defense in these matters and is based upon thorough analysis of potential results. There are no provisions for probable losses arising from contingencies recognized in the Group's consolidated financial statements as management believes that the resolution will not materially affect the Group's financial position and performance (see Note 34).

6. Segment Information

Segment Information
For management purposes, the Group organized its business activities in two main business segments: (1) Power and Energy segment, which consists of development and investment in energy projects, mainly coal, diesel and renewable projects; and (2) Property Development segment, which consists of investments in real estate developments. The Group's other activities consisting mainly of investment holding activities are shown in aggregate as "Other investments".

The Parent Company's BOD is the Group's CODM and monitors the operating results of its business segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the consolidated financial statements.

Inter-segment revenues are eliminated upon consolidated and reflected in the "Adjustments and eliminations" column. All other adjustments and eliminations are part of detailed reconciliations presented further in the tables below.

Information with regard to the Group's significant business segments are shown below:

	2021					
	Power And Energy	Property Development	Other Investments	Total	Adjustments and Eliminations	Consolidated
	(Amounts in Thousands)					
Earnings Information						
Revenues						
External customer	₱12,168,157	₱25,118	₱–	₱12,193,275	(₱204,043)	₱11,989,232
Inter-segment	–	4,092	499,034	503,126	(503,126)	–
Total revenues	12,168,157	29,210	499,034	12,696,401	(707,169)	11,989,232
Interest income	16,544	1,013	7,225	24,782	–	24,782
Finance charges	1,291,070	–	359,332	1,650,402	–	1,650,402
Provision for income tax	341,194	21,198	1,355	363,747	(18,593)	345,154
Segment profit (loss)	1,879,488	390,468	153,344	2,423,300	(548,156)	1,875,144
Other Information						
Investments in associates and due from related parties	₱192,184	₱939,821	₱8,049,896	₱9,181,901	(₱3,794,260)	₱5,387,641
Segment assets	37,618,717	2,432,755	18,056,469	58,107,941	(10,311,453)	47,796,488
Segment liabilities	21,239,717	334,627	10,529,919	32,104,263	(3,217,026)	28,887,237
Depreciation and amortization	1,396,046	530	1,844	1,398,420	44,538	1,442,958
Income from finance leases	–	417,129	–	417,129	–	417,129
Income from operating leases	–	10,283	–	10,283	–	10,283
Impairment of goodwill	(165,000)	–	–	(165,000)	–	(165,000)
Equity in net earnings of associates	–	–	–	54,720	–	54,720
Capital expenditures	(1,397,820)	–	–	(1,397,820)	–	(1,397,820)
Cash Flow Information						
Net cash flows from (used in):						
Operating activities	4,482,606	(48,247)	(1,279,684)	3,154,675	1,379,528	4,534,203
Investing activities	(681,579)	107,908	915,032	341,361	(2,419,818)	(2,078,457)
Financing activities	(3,717,085)	–	372,064	(3,345,021)	817,868	(2,527,153)

	2021					
	Power And Energy	Property Development	Other Investments	Total	Adjustments and Eliminations	Consolidated
	(Amounts in Thousands)					
Earnings Information						
Revenues						
External customer	₱10,092,494	₱3,137	₱–	₱10,095,631	(₱48,777)	₱10,046,854
Inter-segment	–	193	628,212	628,405	(628,405)	–
Total revenues	10,092,494	3,330	628,212	10,724,036	(677,182)	10,046,854
Interest income	9,681	2,234	4,558	16,473	–	16,473
Finance charges	(1,386,640)	–	(330,304)	(1,716,944)	–	(1,716,944)
Provision for income tax	(248,813)	23,423	(2,101)	(227,491)	61,855	(165,636)
Segment profit (loss)	1,640,283	(6,967)	215,933	1,849,249	(528,566)	1,320,683
Other Information						
Investments in associates and due from related parties	468,879	1,051,266	7,396,492	8,916,637	(4,190,048)	4,726,589
Segment assets	38,476,104	2,554,264	17,154,447	58,184,815	(10,428,357)	47,756,458
Segment liabilities	(23,046,955)	(842,821)	(9,644,506)	(33,534,282)	3,729,936	(29,804,346)
Depreciation and amortization	1,474,961	496	2,038	1,477,495	44,538	1,522,033
Income from operating leases	–	7,657	–	7,657	–	7,657
Equity in net earnings of associates	–	–	72,358	72,358	–	72,358
Capital expenditures	(493,496)	–	–	(493,496)	–	(493,496)
Cash Flow Information						
Net cash flows from (used in):						
Operating activities	4,230,416	(22,670)	(1,109,507)	3,098,239	675,412	3,773,651
Investing activities	(774,325)	(116,345)	443,763	(446,907)	(529,323)	(976,230)
Financing activities	(3,272,721)	25	770,194	(2,502,502)	(140,086)	(2,642,588)

	2020					
	Power And Energy	Property Development	Other Investments	Total	Adjustments and Eliminations	Consolidated
	(Amounts in Thousands)					
Earnings Information						
Revenues						
External customer	₱9,509,894	₱3,362	₱–	₱9,513,256	(₱48,804)	₱9,464,452
Inter-segment	–	1,161	733,929	735,090	(735,090)	–
Total revenues	9,509,894	4,523	733,929	10,248,346	(783,894)	9,464,452
Interest income	30,166	707	11,561	42,434	(468)	41,966
Finance charges	(1,550,847)	–	(534,274)	(2,085,121)	(25,445)	(2,110,566)
Provision for income tax	(293,424)	–	(3,177)	(296,601)	3,265	(293,336)
Segment profit (loss)	2,475,054	(21,366)	122,387	2,576,075	(708,145)	1,867,930
Other Information						
Investments in associates and due from related parties	420,344	902,040	7,876,006	9,198,390	(5,275,120)	3,923,270
Segment assets	37,689,926	2,404,891	15,837,636	55,932,453	(9,517,706)	46,414,747
Segment liabilities	(26,337,574)	(699,382)	(8,421,939)	(35,458,895)	4,748,559	(30,710,336)
Depreciation and amortization	1,669,929	670	1,916	1,672,515	44,560	1,717,075
Income from operating leases	–	6,337	–	6,337	–	6,337
Impairment of goodwill	(114,500)	–	–	(114,500)	–	(114,500)
Equity in net earnings of associates	–	–	63,584	63,584	–	63,584
Capital expenditures	(1,638,976)	–	–	(1,638,976)	–	(1,638,976)
Cash Flow Information						
Net cash flows from (used in):						
Operating activities	5,373,879	289,183	(1,433,380)	4,229,682	1,041,328	5,271,010
Investing activities	(1,773,497)	(95,128)	407,052	(1,461,573)	(320,960)	(1,782,533)
Financing activities	(3,365,175)	(1,175)	492,311	(2,874,039)	(725,858)	(3,599,897)

The following illustrate the reconciliations of reportable segment profit (loss) to the Group's corresponding amounts shown in the consolidated financial statements:

	2022	2021	2020
	(Amounts in Thousands)		
Segment profit (loss)	**₱2,423,300**	₱1,849,249	₱2,576,075
Adjustments and eliminations	**(548,156)**	(528,566)	(708,145)
Consolidated profit or loss	**₱1,875,144**	₱1,320,683	₱1,867,930

The following illustrate the reconciliations of reportable segment assets and liabilities to the Group's corresponding amounts shown in the consolidated financial statements:

	2022	2021	2020
	(Amounts in Thousands)		
Assets			
Total assets for reportable segments	**₱48,926,040**	₱49,268,178	₱46,734,062
Investments in shares of stock of subsidiaries and associates and due from related parties	**9,181,901**	8,916,637	9,198,391
Eliminations	**(10,311,453)**	(10,428,357)	(9,517,706)
Consolidated assets	**₱47,796,488**	₱47,756,458	₱46,414,747
Liabilities			
Total liabilities for reportable segments	**₱5,706,871**	₱7,772,700	₱4,740,069
Long-term debts	**20,055,016**	20,587,209	21,993,282
Due to related parties	**2,420,603**	1,843,414	6,667,151
Loans payable	**3,194,099**	1,570,535	1,382,668
Deferred income tax liabilities - net	**346,148**	503,584	777,462
Income tax payable	**69,658**	60,228	73,559
Interest payable	**311,868**	274,995	303,119
Eliminations	**(3,217,025)**	(2,808,319)	(5,226,974)
Consolidated liabilities	**₱28,887,238**	₱29,804,346	₱30,710,336

The Group operates and derives principally all of its revenues from domestic operations. Thus, geographical business information relating to revenue from external customers and non-current assets are not presented.

Revenue from two major customers amounted to ₱3,729,688 in 2022, ₱2,990,199 in 2021 and ₱3,435,999 in 2020 for the first major customer and ₱1,203,020 in 2022, ₱1,277,164 in 2021, and ₱786,574 in 2020 for the second major customer, respectively, arising both from "Power and Energy segment".

7. Cash and Cash Equivalents and Short-term Cash Investments

	2022	2021
Cash on hand	**₱535,739**	₱537,126
Cash in banks	**2,319,040,951**	2,295,314,393
Cash equivalents	**476,704,057**	568,338,587
	₱2,796,280,747	₱2,864,190,106

Cash in banks earn interest at the respective bank deposit rates. Cash equivalents are made for varying periods of up to three months, depending on the immediate cash requirements of the Group, and earn interest at the respective short-term deposit rates.

Short-term cash investments amounting to ₱124 million and ₱112 million as at December 31, 2022 and 2021, respectively, consist of money market placements with maturities of more than three months but less than one year with interest rates ranging 3.00% to 4.10% in 2022 and 2021. Interest income from cash and cash equivalents and short-term cash investments amounted to ₱20 million, ₱11 million and ₱25 million in 2022, 2021 and 2020, respectively.

8. Trade and Other Receivables

	2022	2021
Trade:		
Power	**₱2,715,503,375**	₱2,213,099,407
Real estate	**90,889,133**	81,126,457
Product distribution and others	**31,730,458**	31,730,458
Contract assets (Note 33)	**1,773,555,974**	1,782,852,895
Retention receivable	**14,655,481**	14,655,481
Due from related parties and others (Note 20)	**3,190,005,549**	2,551,160,264
	7,816,339,970	6,674,624,962
Less noncurrent portion of:		
Trade receivables	**(3,323,416)**	(3,511,969)
Contract assets	**(1,684,163,954)**	(1,732,320,376)
	(1,687,487,370)	(1,735,832,345)
	6,128,852,600	4,938,792,617
Allowance for expected credit loss	**(142,384,521)**	(104,931,938)
	₱5,986,468,079	₱4,833,860,679

Power
These receivables are noninterest-bearing and are generally on 30 days term.

In 2021, the Group has provided financial reliefs to certain electric cooperatives and distribution utilities as a response to the effect of the COVID-19 pandemic. These relief measures included restructuring of existing receivables and extension of payment terms. The modifications in the contractual cash flows as a result of the reliefs did not have significant impact on the consolidated financial statements.

Claim from NPC
SPPC has a claim from NPC pertaining to the portion of accounts that was disputed by NPC and was eventually decided by the Supreme Court in 2016 in favor of SPPC, holding NPC liable to pay SPPC for the additional 5 MW from 2005 to 2010. The claim consists of long-outstanding receivable amounting to ₱89 million and unrecognized receivable of $6 million (₱322 million) and ₱69 million as at December 31, 2022 and 2021.

On October 14, 2020, SPPC filed a Motion to Resolve with the Commission on Audit (COA) requesting COA to immediately resolve the Petition for Money Claim.

On February 11, 2022, the COA issued its decision granting SPPC's Petition for Money Claim as against the NPC. In addition, the parties to submit a memorandum or comment on whether or not the obligation of NPC under the Energy Conversion Agreement is among the obligations assumed by PSALM, which remains pending as of to date.

Accordingly, SPPC has not yet recognized the claim from NPC since management believes that the claim is not yet virtually certain as it requires further resolution, including the appropriation of funds to settle the amount of the claim.

Real Estate
These pertain to receivables from venturers and customers from the sale of residential and commercial lots and units. Real estate receivables are generally noninterest-bearing and have terms of less than one year, except for installment receivables amounting to ₱63 million and ₱52 million as at December 31, 2022 and 2021, respectively, which are collectible in monthly installment over a period of two (2) to ten (10) years and bear interest rates ranging from 18% to 21% computed on the outstanding balance of the principal. Title on the lots sold is passed on to the buyer only upon full settlement of the contract price. The noncurrent portion of the installment receivables amounted to ₱3 million and ₱4 million as at December 31, 2022 and 2021, respectively.

Real estate receivables include the Group's share on the sale of the developed residential and commercial lots and golf club shares in the Eagle Ridge Golf and Residential Estates jointly developed with Sta. Lucia Realty and Development, Inc. (SLRDI) (see Notes 10 and 33).

Product Distribution and Others
These pertain to receivables from the supply of goods and merchandise to customers. Product distribution and other receivables are noninterest-bearing and generally have a term of less than one year. Outstanding receivables amounting to ₱32 million were fully provided with allowance for expected credit losses as at December 31, 2022 and 2021.

Retention Receivables
Retention receivables pertain to the outstanding balances from Aboitiz Land, Inc. (Aboitiz) for the sale of Lima Land Inc. (LLI), which will be collected upon accomplishment of certain milestones.

Due from Related Parties and Other Receivables

Terms and conditions of the "Due from related parties" are disclosed in Note 20. Other receivables primarily include advances to employees, receivables from contractors, receivables from insurance claims and receivables from venturers.

Allowance for Expected Credit Loss

Composition of allowance for expected credit loss is as follows (see Note 31):

	Power	Real Estate	Product Distribution	Others	Total
Balances as at December 31, 2020	₱33,467,626	₱13,163,091	₱31,730,458	₱5,074,645	₱83,435,820
Provisions (Note 23)	21,496,118	–	–	–	21,496,118
Balances as at December 31, 2021	54,963,744	13,163,091	31,730,458	5,074,645	104,931,938
Provisions (Note 23)	37,452,583	–	–	–	37,452,583
Balances as at December 31, 2022	**₱92,416,327**	**₱13,163,091**	**₱31,730,458**	**₱5,074,645**	**₱142,384,521**

9. Inventories - at Cost

	2022	2021
Coal	**₱477,814,305**	₱879,308,974
Spare parts	**440,570,159**	527,187,701
Fuel	**75,196,075**	67,665,470
Oil, lubricants and chemicals	**27,909,004**	33,358,028
Operating supplies, consumables and others	**15,652,110**	9,805,677
	₱1,037,141,653	₱1,517,325,850

Cost of inventories used amounted to ₱5,389 million in 2022, ₱3,882 million in 2021 and ₱2,417 million in 2020 (see Note 22).

10. Real Estate Inventories and Investments in Real Estate

Real Estate Inventories - at cost

	2022	2021
Eagle Ridge Project (General Trias, Cavite) (Note 33)	**₱607,656,947**	₱616,887,120
Campo Verde Project (Lipa and Malvar, Batangas) (Note 33)	**15,183,519**	15,183,519
	₱622,840,466	₱632,070,639

The movements in real estate inventories held for sale are as follows:

As at December 31, 2022:

	Eagle Ridge Project	**Campo Verde Project**	**Total**
Balances at beginning of year	**₱616,887,120**	**₱15,183,519**	**₱632,070,639**
Cost of real estate sales	**(9,230,173)**	–	**(9,230,173)**
Balances at end of year	**₱607,656,947**	**₱15,183,519**	**₱622,840,466**

As at December 31, 2021:

	Eagle Ridge Project	Campo Verde Project	Total
Balances at beginning and end of year	₱616,887,120	₱15,183,519	₱632,070,639

Investments in Real Estate

	2022	2021
KAED Property (Maasim, Sarangani)	**₱214,189,968**	₱322,176,574
ALC Property (Pasong Tamo, Makati)	**139,251,985**	134,222,728
Batangas Project (Lipa and Malvar, Batangas)	**52,787,031**	52,787,031
Laguna Project (Cabuyao, Laguna)	**4,685,937**	4,685,937
	₱410,914,921	₱513,872,270

A summary of the movements in investments in real estate is set out below:

	December 31, 2022		
	Land	**Building and Improvements**	**Total**
Cost			
Balances at beginning of year	**₱504,649,547**	**₱33,851,968**	**₱538,501,515**
Additions	–	**5,127,010**	**5,127,010**
Derecognition (Note 30)	**(107,986,606)**	–	**(107,986,606)**
Balances at end of year	**396,662,941**	**38,978,978**	**435,641,919**
Accumulated Depreciation			
Balances at beginning of year	–	**24,629,245**	**24,629,245**
Depreciation (Note 25)	–	**97,753**	**97,753**
Balances at end of year	–	**24,726,998**	**24,726,998**
Net Book Value	**₱396,662,941**	**₱14,251,980**	**₱410,914,921**

	December 31, 2021		
	Land	Building and Improvements	Total
Cost			
Balances at beginning of year	₱296,249,501	₱33,440,775	₱329,690,276
Additions	208,400,046	411,193	208,811,239
Balances at end of year	504,649,547	33,851,968	538,501,515
Accumulated Depreciation			
Balances at beginning of year	–	24,575,168	24,575,168
Depreciation (Note 25)	–	54,077	54,077
Balances at end of year	–	24,629,245	24,629,245
Net Book Value	₱504,649,547	₱9,222,723	₱513,872,270

Fair Value
The fair values of investments in real estate amounting to ₱1,477 million and ₱1,814 million as of December 31, 2022 and 2021, respectively, are based on the appraisal report prepared by an SEC-accredited and independent appraiser company. The basis of fair values are as follows:

	Amount (in millions)	Approach	Significant unobservable input
Land	**2022: ₱1,446** 2021: ₱1,783	Market approach - Under this approach, a property's fair value is estimated based upon prices paid in actual market transactions and current listings. Listings and sold properties are compared to the subject in key units of comparison. Appropriate adjustments are made for differences between the subject and comparable property listings, resulting in adjusted sales values for each of the comparable property listings.	**2022: ₱1,137 - ₱200,000 per square meter** 2021: ₱1,167 - ₱200,000 per square meter
Buildings	**2022: ₱31** 2021: ₱31	Cost approach - Under this approach, calculation of the current replacement or reproduction cost of a property and making deductions for physical deterioration and all other relevant forms of obsolescence is made	**2022: ₱6,305 per square meter** 2021: ₱6,305 per square meter

Significant increases (decreases) in the estimated price per square meter in isolation would result in a significantly higher (lower) fair value. The Group has determined that the highest and best use of these properties is its current use.

Rental income on investment properties relating to operating leases amounted to ₱10 million in 2022, ₱8 million in 2021 and ₱6 million in 2020. Direct operating expenses consisting of taxes and licenses, utilities and maintenance arising from investments in real estate that generated rental income amounted to ₱3 million in 2022, ₱3 million in 2021, and ₱2 million in 2020. Direct operating expenses consisting mostly of taxes and licenses arising from investments in real estate that did not generate rental income amounted to ₱1 million in 2022, 2021 and 2020. Additions to investments in real estate are intended for capital appreciation.

11. Investments in Associates

	Percentage of Ownership			
	2022	2021	**2022**	2021
At equity:				
Acquisition costs:				
Indophil Resources Philippines, Inc. (IRPI)	**2.00**	2.00	**₱1,216,310,412**	₱1,216,310,412
Aviana Development Corporation (Aviana)	**34.00**	34.00	**963,311,802**	963,311,802
RCPHI	**31.24**	31.24	**80,851,701**	80,851,701
T'boli Agro-Industrial Development, Inc.	**22.32**	22.32	**66,193,299**	66,193,299
			2,326,667,214	2,326,667,214
Accumulated equity in net earnings:				
Balances at beginning of year			**96,360,719**	48,903,020
Share in net earnings for the year			**54,720,253**	72,357,699
Dividends declared for the year			**(24,900,000)**	(24,900,000)
Balances at end of year			**126,180,972**	96,360,719
Accumulated impairment loss at beginning and end of the year			**(147,045,000)**	(147,045,000)
			₱2,305,803,186	₱2,275,982,933

IRNL and IRPI
The Parent Company purchased 29,149,000 shares of IRNL in the amount of ₱1,316 million in 2010. Together with the ownership interests of APIC and AC through a series of subscription agreements, the Alcantara Group was the largest shareholder of IRNL at 19.99%. By virtue of the Agreement for the Joint Voting of IRNL shares with APIC and AC, the Parent Company has concluded that it has significant influence over IRNL through its representation in the BOD of IRNL. Accordingly, the Parent Company treated its investment in IRNL as part of "Investments in associates" using the equity method in the 2014 consolidated financial statements. The Parent Company had determined that the acquisition cost of IRNL includes goodwill amounting to ₱785 million.

On January 23, 2015, IRNL implemented the Scheme of Arrangement between APIC and IRNL shareholders wherein APIC acquired all of the remaining outstanding shares from existing shareholders of IRNL. Accordingly, IRNL became a subsidiary of APIC starting January 2015.

In July 2015, APIC was no longer part of the Alcantara Group as it was bought by a third party. Accordingly, the Joint Voting Agreement of IRNL shares between the Parent Company, APIC and AC was deemed terminated.

On December 11, 2015, the Parent Company and AC entered into Deed of Assignment of Shares (share swap) agreements with APIC, whereby the Parent Company and AC assigned and transferred to APIC all their interests in IRNL in exchange for ownership interests in IRPI. Accordingly, the Parent Company recognized the investment in IRPI amounting to ₱1,213 million representing the carrying value of the investment at the date of the share swap agreement.

The transfer of the Parent Company's investment in IRNL to investment in IRPI resulted in the Parent Company still exercising significant influence over IRPI due to its representation in the BOD of IRPI and representation in the BOD and Operating Committee of the operating subsidiary of IRPI. Accordingly, ACR treats its investment in IRPI as part of "Investments in associates" using the equity method in the consolidated financial statements.

On September 30, 2019, the Parent company increased its investment in IRPI amounting to ₱3 million to maintain its percentage of share over IRPI of 2% as the latter increased its authorized capital stock.

Aviana
On March 21, 2013, Aldevinco and ACIL, Inc. (collectively referred to as "AG") and Ayala Land, Inc. (Ayala Land) entered into a joint venture agreement, where Ayala Land shall own 60% and AG shall own 40% of the outstanding capital stock of Aviana to undertake the development of the Lanang property of the Parent Company in Davao City. On September 17, 2013, Aviana was incorporated as a joint venture corporation. The Parent Company subscribed to the 296 preferred shares and 32 common shares for 32.8% ownership in Aviana. In December 2015, the Parent Company subscribed to additional 332,200 preferred shares and 35,800 common shares of Aviana through the conversion of the Parent Company's advances amounting to ₱36 million. In August 2015, the Parent Company subscribed to additional 261,450 preferred shares and 29,050 common shares of Aviana for ₱22 million. The additional subscription to shares of Aviana in 2015 increased the Parent Company's interest in Aviana to 34%.

Summarized Financial Information
Shown in the table below are the financial information of the following material associates as at December 31 and the reconciliation with the carrying amount of the investments in the consolidated financial statements.

	IRPI			Aviana		
	2022	2021	2020	2022	2021	2020
Current assets	**₱3,592,002**	₱3,228,244	₱2,773,302	**₱2,639,921**	₱3,026,422	₱2,567,199
Noncurrent assets	**18,836,087**	18,836,087	18,836,087	**2,133,382**	2,087,367	2,307,902
Current liabilities	**(241,569)**	(241,625)	(241,691)	**(2,145,432)**	(2,500,446)	(2,380,787)
Noncurrent liabilities	**(402,402)**	(395,567)	–	**(337,256)**	(410,413)	(423,259)
Equity	**21,784,118**	21,427,139	21,367,698	**2,290,615**	2,202,930	2,071,055
Equity interests of the Parent Company	**2%**	2%	2%	**34%**	34%	34%
Share in net assets of the acquiree	**₱435,682**	₱428,543	₱427,354	**₱778,809**	₱748,996	₱704,159
Goodwill, translation adjustments and others	**780,035**	787,767	788,956	**311,277**	310,677	308,056
Carrying value of investments	**₱1,215,717**	₱1,216,310	₱1,216,310	**₱1,090,086**	₱1,059,673	₱1,012,215
Revenue and other income	**₱1,476**	₱2,681	₱907	**₱1,009,659**	₱ 1,716,887	₱1,242,362
Net income (loss)	**(29,642)**	1,482	(236)	**162,686**	212,817	187,013
Total comprehensive income (loss)	**(29,642)**	1,482	(236)	**162,686**	212,817	187,013
Share in net earnings (losses)	**(592)**	–	(5)	**55,312**	72,358	63,584
Dividends received	**–**	–	–	**24,900**	24,900	38,100

There are no significant restrictions on the ability of the associates to transfer funds to the Parent Company in the form of dividends, payment of advances, among others.

The financial information of the other immaterial associates was not presented since these are dormant entities and the related investments were fully provided with allowance.

12. Property, Plant and Equipment

As at December 31, 2022:

	Land (Note 18)	Buildings and Leasehold Improvements	Main Engine, Plant Structures and Others	Plant Mechanical, Electrical, Switchyard and Desulfurization Equipment	Machinery and Other Equipment (Note 18)	Construction in Progress	Right-of-use Assets - (Note 30)	Total
Cost								
Balances at beginning of year	₱376,182,019	₱199,579,185	₱30,911,973,871	₱7,270,736,802	₱1,461,410,724	₱2,673,299,998	₱48,953,104	₱42,942,135,703
Additions	–	1,864,569	92,198,158	5,767,088	148,144,834	836,692,834	53,092,474	1,137,759,957
Disposals	(100,000)	–	–	(395,553)	(17,324,220)	–	(19,430,584)	(37,250,357)
Capitalized depreciation	–	–	–	–	–	6,359,852	–	6,359,852
Adjustment to decommissioning liability (Note 19)	–	–	(45,863,679)	(3,387,062)	–	–	–	(49,250,741)
Balances at end of year	376,082,019	201,443,754	30,958,308,350	7,272,721,275	1,592,231,338	3,516,352,684	82,614,994	43,983,280,327
Accumulated Depreciation								
Balances at beginning of year	–	189,576,063	9,666,911,807	4,074,944,767	868,909,590	–	46,956,409	14,847,298,636
Depreciation for the year (Note 25)								
Expensed	–	625,136	1,170,760,982	176,945,119	79,875,745	–	11,205,239	1,439,412,221
Capitalized	–	–	–	–	–	–	6,359,852	6,359,852
Disposals	–	–	–	–	(15,799,821)	–	(19,430,584)	(35,230,405)
Balances at end of year	–	190,201,199	10,837,672,789	4,251,889,886	932,985,514	–	45,090,916	16,257,840,304
Net Book Value	₱376,082,019	₱11,242,555	₱20,120,635,561	₱3,020,831,389	₱659,245,824	₱3,516,352,684	₱37,524,078	₱27,741,914,110

As at December 31, 2021:

	Land (Note 18)	Buildings and Leasehold Improvements	Main Engine, Plant Structures and Others	Plant Mechanical, Electrical, Switchyard and Desulfurization Equipment	Machinery and Other Equipment (Note 18)	Construction in Progress	Right-of-use Assets (Note 30)	Total
Cost								
Balances at beginning of year	₱376,182,019	₱199,073,194	₱30,770,855,218	₱7,244,960,502	₱1,427,079,573	₱2,065,408,796	₱35,274,144	₱42,118,833,446
Additions	–	803,103	114,769,001	25,776,300	40,738,933	595,618,162	15,003,137	792,708,636
Disposals	–	(297,112)	–	–	(6,407,782)	–	(1,324,177)	(8,029,071)
Capitalized depreciation	–	–	–	–	–	12,273,040	–	12,273,040
Adjustment to decommissioning liability (Note 19)	–	–	26,349,652	–	–	–	–	26,349,652
Balances at end of year	376,182,019	199,579,185	30,911,973,871	7,270,736,802	1,461,410,724	2,673,299,998	48,953,104	42,942,135,703
Accumulated Depreciation								
Balances at beginning of year	–	189,376,438	8,460,965,005	3,906,981,690	742,556,150	–	23,182,154	13,323,061,437
Depreciation for the year (Note 25)								
Expensed	–	199,625	1,205,946,802	167,963,077	132,149,020	–	12,825,392	1,519,083,916
Capitalized	–	–	–	–	–	–	12,273,040	12,273,040
Disposals	–	–	–	–	(5,795,580)	–	(1,324,177)	(7,119,757)
Balances at end of year	–	189,576,063	9,666,911,807	4,074,944,767	868,909,590	–	46,956,409	14,847,298,636
Net Book Value	₱376,182,019	₱10,003,122	₱21,245,062,064	₱3,195,792,035	₱592,501,134	₱2,673,299,998	₱1,996,695	₱28,094,837,067

As at December 31, 2022 and 2021, the cost of fully depreciated property, plant and equipment that are still in use amounted to ₱1,924 million and ₱1,822 million, respectively.

Certain property and equipment are held as collaterals for long-term debt (see Note 18).

Construction-in-Progress
Included in construction in progress as at December 31, 2022 and 2021 are the capitalized costs related to the 15 MW run-of-river hydro power plant project of Siguil located at Sitio Siguil, Brgy. Tinoto, Maasim, Sarangani. The costs include project site preparation, legal fees and other direct costs attributable to bringing the asset to the condition necessary for it to be capable of operating in the manner intended by management. Total project costs expected to be incurred amounted to ₱1,019 million and US$13 million. The project is expected to be completed in the fourth quarter of 2023.

Capitalized Borrowing Costs
Capitalized borrowing costs relating to plant structure amounted to ₱167 million in 2022, ₱139 million in 2021 and ₱65 million in 2020 for specific borrowings (see Note 18).

The rates used to determine the amount of borrowing costs eligible for capitalization are 8.09% to 8.66% in 2022 and 5.02% to 9.16% in 2021, which are the effective interest rates of the specific borrowings.

13. Equity Investments Designated at FVOCI

As of December 31, this account consists of:

	2022	2021
Quoted		
Balance at beginning of year	**₱139,627,658**	₱122,931,676
Fair value gain (loss) during the year	**(6,456,683)**	16,695,982
Balance at end of year	**133,170,975**	139,627,658
Unquoted		
Balance at beginning and end of year	**2,222,168,768**	2,222,168,768
	₱2,355,339,743	₱2,361,796,426

The investment in unquoted securities consists of investment in 22 million preferred shares of Aldevinco amounting to ₱2,200 million as of December 31, 2022 and 2021. The fair value of the investment in unquoted equity securities was based on the adjusted net asset value (NAV) approach. Under the NAV approach, the fair value was derived by determining the fair value of each identifiable assets and liabilities of the investee company. Significant assumptions included in the NAV calculation are as follows:

- Fair values of real estate inventories against estimated selling prices less cost to sell;
- Fair values of real estate properties against appraisal reports;
- Fair values of listed equity securities against quoted prices;
- Fair values of unlisted equity securities against adjusted net asset values of the investee companies; and
- Discount for lack of control and lack of marketability.

The movements in net unrealized losses on equity investments designated at FVOCI follows:

	2022	2021
Balance at beginning of year	**₱30,372,840**	₱47,068,822
Fair value loss (gain)	**6,456,683**	(16,695,982)
Balance at end of year	**₱36,829,523**	₱30,372,840

14. **Goodwill**

Goodwill acquired through business combinations has been allocated to the power generation CGUs consisting of the operations of SPPC and WMPC. As at December 31, 2022 and 2021, the carrying amount of goodwill attributable to WMPC amounted to ₱527 million and ₱577 million, respectively, while the goodwill attributable to SPPC amounted to nil and ₱115 million, respectively.

The Group recognized impairment loss amounting to ₱165 million in 2022 and ₱115 million in 2020 due to the decline in the recoverable amounts allocated to the CGU as there were reductions in dispatchable reserves forecast and increase in discount rates (see Note 23). No impairment loss was recognized in 2021.

Key assumptions used in value-in-use calculations
The calculation of value-in-use for both CGUs are most sensitive to the following assumptions:

Contracted and dispatchable capacities. Contracted capacity reflects the agreed capacity with electric cooperatives and distribution utility customers based on PSA and other relevant agreements while dispatchable capacity reflects management's estimate of actual energy to be delivered during the forecast periods, which include the contract period and assumed renewals. Contracted and dispatchable capacities over the forecast periods are based on historical performance of the CGUs, industry/market outlook and other relevant external data, taking into consideration the impact associated with the coronavirus pandemic. The contracted and dispatchable capacities used in the value-in-use computation are shown below.

	2022		2021	
	Contracted Capacity	**Dispatchable Capacity**	Contracted Capacity	Dispatchable Capacity
WMPC	**51MW**	**39MW-45MW**	51MW	46MW
SPPC	**–**	**–**	83MW	83MW

Tariff rates. Tariff rates, comprising capital recovery fee, fixed and variable operation and maintenance fee, actual fuel cost and other variable energy fees, pertain to the rates used in determining the amount of energy fees to be billed to electric cooperatives and distribution utilities. The tariff rates used in the value-in-use computation are based on management's forecast, and provisionally approved PSAs, agreed Ancillary Services Procurement Agreement (ASPA) and other relevant agreements.

Discount rates. Discount rates reflect management's estimate of the risks specific to the CGUs. The discount rates used for the CGUs are based on weighted average cost of capital. This rate was further adjusted to reflect the market assessment of any risk specific to the generating unit for which estimates of cash flows have not been adjusted. The pre-tax discount rate is 21.94% in 2022 and 12.9% to 16.0% in 2021, respectively.

Sensitivity to Changes in Assumptions
Management believes that the value-in-use is most sensitive to WMPC's non-renewal of ASPA contract after its expiration since this would result in further impairment (see Note 33).

15. Prepaid Expenses and Other Current Assets

	2022	2021
Debt reserve accounts (Note 18)	**₱403,844,969**	₱896,985,111
Prepayments and deposits	**204,510,760**	279,615,899
Creditable withholding taxes	**65,268,847**	46,011,072
Input VAT	**23,563,150**	21,703,838
	₱697,187,726	₱1,244,315,920

Debt reserve account and short-term investments earn interest at prevailing short-term deposit rates.

Interest income earned from debt reserve account and short-term investments amounting to ₱5 million, ₱5 million and ₱17 million in 2022, 2021 and 2020, respectively.

16. Accounts Payable and Other Current Liabilities

	2022	2021
Accounts payable	**₱1,009,141,245**	₱1,671,933,818
Accrued expenses (Note 28)	**528,466,985**	537,217,861
Interest payable (Note 18)	**311,868,413**	274,995,147
Output tax and withholding tax payable	**278,791,415**	249,091,451
Dividends payable (Notes 21 and 35)	**180,038,321**	749,999,985
Nontrade payables	**74,489,665**	668,010,685
Current portion of lease liabilities (Note 30)	**10,070,821**	2,130,447
Other current liabilities	**187,800,719**	177,580,878
	₱2,580,667,584	₱4,330,960,272

Accounts payable are noninterest-bearing and are normally on a 60 to 75 days term.

Accrued expenses represent accruals for vacation and sick leaves, overhead fees and utilities. Accrued expenses are normally settled within a year.

Nontrade payables pertains to retention payables to contractors which will be paid upon completion of documentary requirements, advances from customers and deposits from third parties.

Interest payable is normally settled semi-annually throughout the financial year.

Other current liabilities include statutory payables, such as SSS, HDMF and PhilHealth premiums, and other liabilities to the government. Other current liabilities are noninterest-bearing and have an average term of 30 days.

17. Loans Payable and Short-term Notes Payable

Loans Payable

Parent Company

In 2022 and 2021, the Parent Company availed of unsecured short-term loans from local banks totalling ₱2,794 million and ₱1,378 million, respectively. These loans are subject to annual fixed interest rates ranging from 1.75% to 3.00% per annum and are payable on various dates within one year. As at December 31, 2022 and 2021, outstanding short-term loans amounted to ₱2,794 million and ₱1,571 million, respectively.

Sarangani

In 2022, Sarangani availed of short-term debts from local banks totalling ₱1,500 million to be used as working capital, with nominal interest rate ranging from 2.875% to 6.20%. As at December 31, 2022, outstanding short-term loans amounted to ₱400 million.

Interest expense from short-term loans amounted to ₱76 million in 2022, ₱65 million in 2021 and ₱31 million in 2020 (see Note 26). Interest payable amounted to ₱20 million and ₱5 million as of December 31, 2022 and 2021, respectively (see Note 16).

Short-term Notes Payable

Parent Company

In 2022, the Parent Company has listed a total of ₱1,885 million worth of commercial papers with a tenor of 182 to 364 days. These were issued at discounted amounts with net proceeds amounting to ₱1,796 million.

In 2021, the Parent Company has listed a total of ₱2,000 million worth of commercial papers with a tenor of 182 to 364 days. These were issued at discounted amounts with net proceeds amounting to ₱1,944 million.

In 2020, the Parent Company has listed a total of ₱2,394 million worth of commercial papers with a tenor of 182 to 364 days.

Outstanding balance from the commercial papers amounted to ₱1,577 million and ₱1,943 million as at December 31, 2022 and 2021, respectively.

Interest expense from short-term notes payable amounted to ₱106 million in 2022, ₱48 million in 2021 and ₱148 million in 2020 (see Note 26).

18. Long-term Debts

This account consists of Philippine peso-denominated obligations as follows:

	2022	2021
Parent Company		
Peso-denominated fixed rate corporate note	**₱5,162,850,000**	₱5,188,925,000
Peso-denominated fixed rate corporate note	**777,150,000**	781,075,000
Sarangani		
Peso-denominated floating rate debt	**4,561,496,000**	5,500,006,000
Peso-denominated floating rate debt	**8,628,900,000**	9,445,800,000

(Forward)

	2022	2021
Siguil		
Peso-denominated floating rate debt	**₱1,200,000,000**	₱–
	20,330,396,000	20,915,806,000
Less unamortized transaction costs	**(275,380,020)**	(328,596,511)
	20,055,015,980	20,587,209,489
Less current portion	**(2,367,618,137)**	(1,713,027,825)
Noncurrent portion	**₱17,687,397,843**	₱18,874,181,664

Movement in the unamortized transaction costs are as follows:

	2022	2021
Balances at beginning of year	**₱328,596,511**	₱399,992,258
Additions	**19,563,313**	–
Amortization (Note 26)	**(72,779,804)**	(71,395,747)
Balances at end of year	**₱275,380,020**	₱328,596,511

Parent Company
The loans of the Parent Company consist of the following:

Omnibus Notes Facility and Security Agreement (ONFSA) - On November 23, 2020, ACR entered into a facility agreement with various noteholders with aggregate principal amount of ₱6,000 million divided into two (2) tranches: (a) Tranche A with principal amount of ₱5,215 million, subject to fixed interest rate of 5% and payable within five (5) years from the drawdown date and (b) Tranche B with principal amount of ₱785 million, subject to fixed interest rate of 6% and are payable semi-annually based on graduated rates of 0.5% of the principal in the first year, 22.5% in the 2nd to 6th year and 77% of the principal in the year of maturity, which is on the 7th year. Proceeds of the loan shall be used to prepay ACR's fixed rate corporate notes facility, partly finance the investments in renewable energy projects and for general corporate purposes. ACR had drawn the entire loan facility amounting to ₱6,000 million in 2020.

ACR shall maintain certain financial ratios such as debt-to-equity ratio of not more than 3.0 on the first and 2nd year, 2.75 on the 3rd year, 2.5 on the 4th year and 2.33 on the 5th year and until maturity, and debt service coverage ratio of not less than 1.1 at all times during the duration of the loan. As at December 31, 2021, ACR is in compliance with the debt covenants. Throughout the term of the loan, ACR is required to maintain a debt service reserve account with a balance of not less than the aggregate amount of principal and interest falling due and payable under the agreement on the immediately succeeding repayment date. As at December 31, 2022 and 2021, the remaining balance of debt reserve account amounted to ₱404 million and ₱175 million, respectively (see Note 15). Interest income earned from debt reserve account amounted to ₱5 million, ₱5 million and ₱4 million in 2022, 2021 and 2020, respectively.

The ONFSA is collateralized through the Share Collateral Security Agreement. Share collateral means (i) the share certificates, (ii) the shares legally and/or beneficially owned or to be owned by ACR in CHC, APHI and AREC, and any additional shares that shall be acquired in the future by ACR, (iii) the deposits for future subscription paid by ACR in CHC, APHI and AREC, and (iv) all the rights, title and interest of ACR to the share collateral.

Details of the Parent Company's long-term debts are as follows:

	2022	2021
Long term debts	**₱5,940,000,000**	₱5,970,000,000
Less unamortized debt issue costs	**(55,992,604)**	(75,156,202)
	5,884,007,396	5,894,843,798
Less current portion of long-term debt	**(465,485,366)**	(10,836,402)
Balances at end of year	**₱5,418,522,030**	₱5,884,007,396

Movement in the unamortized transaction costs of the long-term debts as follows:

	2022	2021
Balances at beginning of year	**₱75,156,202**	₱93,428,435
Amortization of transaction costs (Note 26)	**(19,163,598)**	(18,272,233)
Balances at end of year	**₱55,992,604**	₱75,156,202

Interest expense recognized amounted to ₱162 million in 2022, ₱210 million in 2021 and ₱377 million in 2020 (see Note 26). Interest payable amounted to ₱24 million and ₱24 million as at December 31, 2022 and 2021, respectively (see Note 16).

Sarangani
The loans of Sarangani consist of the following:

a. *Phase 1 of SM 200 project*

   On December 12, 2012, Sarangani obtained a financing facility consisting of a syndicated term loan in the aggregate principal amount of ₱9,300 million broken down as follows: (1) Series 1 Loan in the principal amount of up to ₱8,600 million for the construction of the Phase 1 105-MW coal-fired power plant and its common or shared areas and facilities; and (2) Series 2 Loan in the principal amount of up to ₱700 million for the construction of the transmission line. The loans are payable based on graduated rates of the total principal over a thirteen-year period after a three-year grace period. Sarangani should pay interest semi-annually at the rate equal to the higher of (a) Philippine Dealing System Treasury Fixing (PDST - F) benchmark bid yield for five-year treasury securities plus 3.5% spread per annum, or (b) 7.5% floor rate, for the first five (5)-year period commencing from the date of initial borrowing; and thereafter, to be adjusted based on the higher of (a) interpolated PDST-F benchmark bid yield for eight and one-half (8-$^1/_2$)-year treasury securities plus 2.75% spread per annum, or (b) interest rate applicable on the initial borrowing.

   Under the Omnibus Loan and Security Agreement, Sarangani shall create and constitute in favor of the collateral trustee real estate mortgage, which includes nine parcels of land registered in the name of Sarangani. The nine parcels of land have an aggregate area of 297,000 square meters and comprise the plant site of the Project amounted to ₱84.70 million (see Note 12). Further, chattel mortgage shall consist of machinery, office and transportation equipment with a cost of ₱736 million as at December 31, 2022 and 2021 (see Note 12).

   Sarangani is subject to certain negative covenants which require prior approval of the creditors for specified corporate acts, such as change of business or scope of Phase 1, change of ownership or management, dividend declarations, issuance of shares, amendment of articles of incorporation and by-laws and quasi-reorganization, incurrence of additional debt and sale or disposal of a substantial portion of their assets, among others. As at December 31, 2022 and 2021, Sarangani is in compliance with the loan covenants.

Sarangani shall also maintain certain financial ratios such as debt-to-equity ratio of not more than 2.33 and debt service coverage ratio of at least 1.10. As at December 31, 2022 and 2021, Sarangani was able to meet the required financial ratios (see Note 31).

The OLSA contains an embedded prepayment option where Sarangani may prepay the loan in whole or in part provided certain conditions are met. Sarangani assessed that the prepayment option is not required to be separated from the host contract.

In addition to the collaterals, the shares of stock in Sarangani registered under the names of ATEC and TTC representing 100% of the outstanding capital stock of Sarangani have been pledged in favor of the collateral trustee.

Details of the Sarangani's long-term debts related to Phase 1 of the Project are as follows:

As at December 31, 2022:

	Series I	**Series II**	**Total**
Long-term debts	**₱4,261,686,000**	**₱299,810,000**	**₱4,561,496,000**
Less unamortized debt issue costs	**(33,487,202)**	**(2,752,287)**	**(36,239,489)**
	4,228,198,798	**297,057,713**	**4,525,256,511**
Less current portion of long-term debt - net of unamortized transaction costs	**(944,039,363)**	**(66,609,793)**	**(1,010,649,156)**
	₱3,284,159,435	**₱230,447,920**	**₱3,514,607,355**

As at December 31, 2021:

	Series I	Series II	Total
Long-term debts	₱5,136,846,000	₱363,160,000	₱5,500,006,000
Less unamortized debt issue costs	(49,403,562)	(3,952,424)	(53,355,986)
	5,087,442,438	359,207,576	5,446,650,014
Less current portion of long-term debt - net of unamortized transaction costs	(859,238,099)	(62,155,403)	(921,393,502)
	₱4,228,204,339	₱297,052,173	₱4,525,256,512

Interest incurred and amortized debt issue cost are as follows:

	2022	2021	2020
Interest expense (Note 26)	**₱473,404,758**	₱537,071,612	₱609,512,629
Amortization of debt issue costs (Note 26)	**17,116,497**	18,144,611	22,606,472
	₱490,521,255	₱555,216,223	₱632,119,101

Interest payable as at December 31, 2022 and 2021 amounted to ₱83 million and ₱100 million, respectively (see Note 16).

b. *Phase 2 of SM200 project*

On April 4, 2017, Sarangani obtained a financing facility consisting of a syndicated term loan in the aggregate principal amount of ₱10,500.00 million broken down as follows: (1) Series 1 Loan in the principal amount of up to ₱8,500.00 million for the construction of the 105-MW coal-fired power plant; and (2) Series 2 Loan in the principal amount of up to ₱2,000.00 million for the construction of the transmission lines. The loans are payable based on graduated rates of the total principal over a ten-year period. Sarangani should pay interest semi-annually at the rate equal to the higher of (a) PDST-R2 benchmark bid yield for five-year treasury securities plus applicable spread equal to 2.75% per annum divided by 0.99 for the first three-and-a-half years, thereafter, to be adjusted to 2.25% per annum divided by 0.99, or (b) 6% floor rate, for the first five (5)-year period commencing from the date of initial borrowing; and thereafter, the higher of (a) interest rate applicable on the initial borrowing, or (b) PDST-R2 benchmark bid yield for five-year treasury securities plus applicable spread on banking day prior to the first day of the 11th interest period.

Under the OLSA, Sarangani shall create and constitute in favor of the collateral trustee real estate mortgage, which includes 14 parcels of land registered in the name of Sarangani with an aggregate area of 515,314 square meters and comprise the plant site of the Phase 2 and the common and administration facilities of Sarangani amounted to ₱147 million (see Note 12). Further, chattel mortgage shall consist of machinery and transportation equipment with a cost of ₱315 million as at December 31, 2022 and 2021 (see Note 12).

In addition to the collaterals, the shares of stock in Sarangani registered under the names of ATEC and TTC representing 100% of the outstanding capital stock of Sarangani have been pledged in favor of the collateral trustee.

Sarangani is subject to certain negative covenants which require prior approval of the creditors for specified corporate acts, such as change of business or scope of Phase 2, change of ownership or management, dividend declarations, issuance of shares, amendment of articles of incorporation and by-laws and quasi-reorganization, incurrence of additional debt and sale or disposal of a substantial portion of their assets, among others, among others. As at December 31, 2022 and 2021, Sarangani is in compliance with the loan covenants.

Sarangani shall also maintain certain financial ratios such as debt-to-equity ratio of not more than 2.33 and debt service coverage ratio of at least 1.10, provided that prior to dividend declarations, debt service coverage ratio is at least 1.25. As at December 31, 2022 and 2021, Sarangani was able to meet the required financial ratios (see Note 31).

The OLSA contains an embedded prepayment option where Sarangani may prepay the loan in whole or in part provided certain conditions are met. Sarangani assessed that the prepayment option is not required to be separated from the host contract.

Details of the Sarangani's long-term debts related to Phase 2 of the Project are as follows:

As at December 31, 2022:

	Series I	**Series II**	**Total**
Long-term debts	**₱6,985,300,000**	**₱1,643,600,000**	**₱8,628,900,000**
Less unamortized debt issue costs	**(141,900,470)**	**(22,081,773)**	**(163,982,243)**
	6,843,399,530	**1,621,518,227**	**8,464,917,757**
Less current portion of long-term debt - net of unamortized transaction costs	**(718,259,868)**	**(171,390,187)**	**(889,650,055)**
	₱6,125,139,662	**₱1,450,128,040**	**₱7,575,267,702**

As at December 31, 2021:

	Series I	Series II	Total
Long-term debts	₱7,646,600,000	₱1,799,200,000	₱9,445,800,000
Less unamortized debt issue costs	(173,899,582)	(26,184,741)	(200,084,323)
	7,472,700,418	1,773,015,259	9,245,715,677
Less current portion of long-term debt - net of unamortized transaction costs	(629,950,880)	(150,847,041)	(780,797,921)
	₱6,842,749,538	₱1,622,168,218	₱8,464,917,756

Interest expense and amortized debt issue cost of Phase 2 recorded as expense are as follows:

	2022	2021	2020
Interest expense (Note 26)	**₱737,069,364**	₱781,658,813	₱855,506,220
Amortization of debt issue costs (Note 26)	**36,102,080**	34,978,903	35,167,634
	₱773,171,444	₱816,637,716	₱890,673,854

Interest payable as at December 31, 2022 and 2021 amounted to ₱166 million and ₱146 million, respectively (see Note 16).

Throughout the term of the loan, the debt service reserve account is required to have a balance of not less than the required debt service reserve account balance as determined by the facility agent plus the sum of the principal and interest payments on the loan falling due on the next principal repayment or interest payment date. As at December 31, 2021, the balance of debt service reserve account amounted to ₱722 million (nil as at December 31, 2022) [see Note 15]. Starting 2022, Sarangani obtained standby letter of credit from a local bank, thus is no longer required to maintain a debt service reserve account.

Siguil

On June 8, 2022, Siguil entered into an Omnibus Loan and Security Agreement (OLSA) with a local bank in the aggregate principal amount of ₱3,300 million broken down as follows: (1) first tranche in the principal amount of up to ₱1,700 million for the construction of the 15 MW run-of-river hydro power plant project in Maasim, Sarangani Province, Southern Mindanao (Project); and (2) second tranche in the principal amount of up to ₱1,600 million upon completion of the project, for the reimbursement of the amount spent on top of the required equity to bring the Project debt-equity ratio to 75:25 based on the total Project cost as validated by the Lender's Technical Advisor (LTA).

The loans are payable at 3.5% of the principal from the end of the fifth semester up to end of the 18th semester, then 4% from the end of the 19th semester up to the end of the 27th semester, then 5% from the end of 28th semester up to the end 30th semester.

Siguil should pay interest semi-annually in arrears starting on the first interest payment date at the rate higher between (a) the benchmark rate plus 1.75% per annum spread determined on the date of each advance; or (b) 5.75% per annum, subject to adjustment by the lender at such rate as it may determine at the end of the fifth (5th) and tenth (10th) year after the date of initial borrowing using the same formula, with a rate not lower than the rate prior to adjustment.

The OLSA contains an embedded prepayment option where Siguil may prepay the loan in whole or in part provided certain conditions are met. Siguil assessed that the prepayment option is not required to be separated from the host contract.

Siguil is subject to certain negative covenants which require prior approval of the creditors for specified corporate acts, such as change in business or scope of Project, change of ownership or management, act as surety, dividend declarations or payments, incurrence of additional debt and sale or disposal of a substantial portion of their assets, among others.

Siguil shall also maintain certain financial ratios such as debt-to-equity ratio of not more than 3.0, current ratio of not less than 1.0 and debt service coverage ratio of at least 1.10. As at December 31, 2022, Siguil was able to meet the required financial ratios particularly the debt-to-equity ratio and the current ratio (see Note 16). As agreed with the lender, Siguil is not yet subject to the debt service coverage ratio since it is not yet in operations as of December 31, 2022.

The OLSA is collateralized through the (a) Share Charge and Control Agreement relating to present shares and after-acquired shares; (b) Security Agreement for Intangible Assets relating to assigned collaterals such as project receivables, project accounts, project contracts, project documents, performance guarantee, rights, titles, government permits and approvals to the extent allowed by law and each insurance policy; (c) Deed of Trust over movable assets of Siguil; (d) Assignment of Leasehold Rights and (e) Real Estate Mortgage relating to properties, with all the buildings and other pertinent improvements thereon, now existing or which hereafter exist to the extent applicable.

Details of Siguil's long-term debt related to the Project as of December 31, 2022 are as follows:

	Tranche I
Long-term debts	₱1,200,000,000
Less unamortized debt issue costs	(19,165,684)
	₱1,180,834,316

Interest expense and amortized debt issue cost of Tranche 1 recorded as capitalized borrowing costs in 2022 are as follows:

Interest expense	₱19,572,382
Amortization of debt issue costs	397,629
	₱19,970,011

Interest payable as at December 31, 2022 amounted to ₱20 million (see Note 16).

The loan agreement requires Siguil to maintain debt service reserve account. As at December 31, 2022, the balance of debt service reserve account amounted to ₱126 million, which is included under "Other noncurrent assets" in the consolidated statement of financial position. During the grace period or up to the obtainment of the acceptable offtake arrangements, whichever comes later, the debt service reserve requirement shall be an amount equivalent to two semi-annual amortizations for interest on the loan. After the grace period or the obtainment of the acceptable offtake arrangements, whichever comes later, the debt service reserve requirement shall be an amount equivalent to one semi-annual amortization (principal and interest) for the loan.

19. Decommissioning Liabilities

Under their ECC, SPPC, WMPC and Sarangani have obligations to decommission or dismantle its power plant complexes at the end of the useful lives of the power plant assets. In this regard, SPPC, WMPC and Sarangani established provision to recognize their estimated liabilities for the dismantlement of their power plant complexes.

Movements in decommissioning liabilities are as follows:

	2022	2021
Balances at beginning of year	**₱425,824,476**	₱385,909,929
Accretion (Note 26)	**18,518,741**	13,564,895
Effects of changes in estimated future decommissioning costs and discount rate, recognized as adjustment to property, plant and equipment (Note 12)	**(49,250,741)**	26,349,652
Balances at end of year	**₱395,092,476**	₱425,824,476

The actual decommissioning cost could vary substantially from the above estimate because of new regulatory requirements, changes in technology, increased cost of labor, materials, and equipment and/or actual time required in completing all decommissioning or dismantling activities.

The provisions recognized represent the best estimate of the expenditures required to settle the present obligations at the current statement of financial position date. Such cost estimates, expressed at current price levels at the date of the estimate, are discounted using the discount rates ranging 7.18% to 7.22% and 5.07% to 5.09% at December 31, 2022 and 2021, respectively. The Group assesses the best estimate of cash flows required to settle the obligation annually every end of the year. If the estimated discount rate used in the calculation had been 1% higher than management's estimate, the carrying amount of the provision would be ₱43 million lower.

20. Related Party Transactions

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions. Related parties include (a) enterprises that directly, or indirectly through one or more intermediaries, control or are controlled by, or are under common control with, the Group; (b) associates; and (c) individuals owning, directly or indirectly, an interest in the voting power of the Group that gives them significant influence over the Group and close members of the family of any such individual. In considering each possible related party relationship, attention is directed to the substance of the relationships, and not merely to the legal form.

All related party transactions shall be disclosed to the Group's Audit Committee ("the Committee") of the BOD and all transactions will be reviewed and approved by the Committee to ensure that a conflict of interest does not exist, a proper assessment of such transaction is made, and all necessary information is properly documented. Material related party transaction shall mean any individual related party transaction, or series of related party transactions over twelve (12) months, and with the same related party, amounting to, or exceeding, individually, or in the aggregate, the materiality threshold. Materiality threshold shall mean ten percent (10%) of the total assets of any of the parties to a transaction, based on that party's latest audited financial statements, and if the transaction is a material related party transaction, and one of the related parties is a parent of the other, the total assets shall pertain to the parent's total consolidated assets.

Transactions with related parties pertain mainly to cash advances and reimbursements of expenses.

Outstanding related party balances are generally settled in cash.

The table below shows the details of the Group's transactions with related parties.

Related Party		Advances	Due from Related Parties (Note 8)	Terms	Conditions
Major stockholders	2022	**₱550,655,342**	**₱2,751,831,207**	Payable upon demand,	Unsecured,
	2021	₱405,549,937	₱2,201,175,865	noninterest-bearing	no impairment
Subsidiaries of major stockholders	2022	**–**	**145,943,340**	Payable upon demand,	Unsecured,
	2021	35,780,977	185,814,209	noninterest-bearing	no impairment
Affiliates*	2022	**120,447,378**	**184,063,601**	Payable upon demand,	Unsecured,
	2021	–	63,616,223	noninterest-bearing	no impairment
Total	2022	**₱671,102,720**	**₱3,081,838,148**		
	2021	₱441,330,914	₱2,450,606,297		

**Affiliates are entities with common stockholders or directors.*

Compensation of key management personnel are as follows:

	2022	2021	2020
Short-term employee benefits	**₱95,774,732**	₱91,899,822	₱85,400,564
Post-employment benefits	**5,391,702**	5,142,674	5,597,089
	₱101,166,434	₱97,042,496	₱90,997,653

21. **Equity**

Capital Stock

	2022		2021	
	No. of shares	**Amount**	No. of shares	Amount
Authorized				
Common - ₱1 par value	**11,945,000,000**	**₱11,945,000,000**	11,945,000,000	₱11,945,000,000
Preferred - ₱0.01 par value	**5,500,000,000**	**55,000,000**	5,500,000,000	55,000,000
		₱12,000,000,000		₱12,000,000,000

	2022		2021	
	No. of shares	**Amount**	No. of shares	Amount
Common				
Issued and outstanding	**6,291,500,000**	**₱6,291,500,000**	6,291,500,000	₱6,291,500,000
Preferred				
Subscribed	**5,500,000,000**	**55,000,000**	5,500,000,000	55,000,000
Subscriptions receivable		**–**		(2,016,667)
		₱6,346,500,000		₱6,344,483,333

Capital stock is held by a total of 449 and 453 stockholders as of December 31, 2022 and 2021, respectively.

On May 24, 2011, the Philippine SEC approved the amendment of the Articles of Incorporation of ACR creating a class of preferred shares, by reclassifying 55,000,000 unissued common shares with a par value of ₱1.00 per share into 5,500,000,000 redeemable preferred voting shares with a par value of ₱0.01 per share.

The redeemable preferred shares have the following features:

a. Redeemable preferred shares may only be issued or transferred to Filipino citizens or corporations or associations at least 60% of capital of such corporations or associations is owned by Filipino citizens.

b. Holders of redeemable preferred shares are entitled to receive, out of the unrestricted retained earnings of ACR, cumulative dividends at the rate of 8% per annum of the par value of the preferred shares, before any dividends shall be paid to holders of the common shares. There were no dividend in arrears for 2022 and 2021.

c. ACR may, by resolution of the BOD, redeem the preferred shares at par value. ACR will redeem the preferred shares at par value (i) when the foreign equity limits to which ACR is subject to shall have been removed; and (ii) ACR is not engaged in any other activity likewise reserved exclusively to Filipino citizens, or corporations or associations at least sixty percent (60%) of whose capital is owned by Filipino citizens that would otherwise require ACR to maintain the ownership of the preferred shares by such Filipino citizens. The preferred shares when redeemed will not be retired, and may be reissued upon resolution of the BOD.

d. In the event of dissolution or liquidation, holders of redeemable preferred shares are entitled to be paid in full, or pro-rata insofar as the assets and properties of ACR will permit, the par value of each preferred share before any distribution shall be made to the holders of common shares, and are not entitled to any other distribution.

All common and preferred shares have full voting rights.

On February 4, 2013, AC subscribed to 5,500,000,000 preferred shares with par value of ₱0.01 per share, from the unissued authorized preferred shares of the Parent Company. On the same date, AC paid ₱14 million representing 25% of the subscription price of ₱55 million. As at December 31, 2022 and 2021, subscriptions receivable from AC amounted to nil and ₱2 million, net of the 8% dividends declared for preferred shares in 2022 and 2021, respectively.

The following summarizes the information on the Parent Company's registration of securities under the Securities Regulation Code:

Date of SEC Approval	Activity	Authorized Common Shares	No. of Shares Issued	Issue/Offer Price
1993	Initial Public Offering	12,000,000,000	6,291,500,000	₱1
2011	Conversion of unissued common shares to redeemable preferred shares	(55,000,000)	–	–
		11,945,000,000	6,291,500,000	

<u>Retained Earnings</u>
On May 4, 2012 and March 28, 2014, the BOD approved the appropriation of ₱850 million and ₱850 million of its retained earnings as at December 31, 2011 and December 31, 2013, respectively, for its equity contributions to various projects.

On December 11, 2016, the BOD approved the reversal of appropriation relating to Phase 1 of the Sarangani project amounting to ₱400 million.

On March 22, 2018, the BOD approved the reversal of appropriation relating to Phase 2 of the Sarangani project amounting to ₱200 million.

The appropriated retained earnings as of December 31, 2022 and 2021 pertain to the following projects:

Project Name	Nature/Project Description	Amount (in millions)	Timeline (Year)
Siguil	Hydro-electric power in Maasim, Sarangani	₱370	2023
ZAM100	Construction of 105 MW coal-fired power plant in San Ramon, Zamboanga City	600	2024
Bago	Hydro-electric power in Negros Occidental	130	2025
		₱1,100	

The Parent Company declared the following cash dividends on its common shares:

Year	Date of Declaration	Amount	Per Share	Date of Record	Date of Payment
2022	June 30, 2022	₱125,830,000	₱0.020	June 30, 2022	July 23, 2022
2021	May 20, 2021	125,830,000	0.020	June 30, 2021	July 23, 2021
2020	July 9, 2020	125,830,000	0.020	July 23, 2020	August 4, 2020

Dividends on preferred shares amounting to ₱2.0 million in 2022 and ₱4.4 million in 2021 and 2020 were applied against the Group's subscriptions receivable from AC (see Note 35).

Restriction in dividend distribution
The Group's unappropriated retained earnings attributable to the equity holders of the Parent Company is restricted for dividend declaration to the extent of undistributed earnings of subsidiaries amounting to ₱3,342 million and ₱3,250 million as of December 31, 2022 and 2021, respectively.

Equity Reserves
The composition of the Group's equity reserves are as follows:

	2022	2021
Remeasurement gains on defined benefit plan (Note 21)	**₱21,604,555**	₱12,604,820
Unrealized losses on FVOCI (Note 13)	**(36,829,523)**	(30,372,840)
Cumulative translation adjustments	**1,721,510,908**	1,695,472,935
Other equity reserves	**854,620,762**	854,620,762
Balances at end of year	**₱2,560,906,702**	₱2,532,325,677

Cumulative translation adjustments
This pertains to translation of some subsidiaries whose functional currencies are denominated in US Dollar until 2016, except for APIL, whose functional currency is still denominated in US Dollar as of date.

Acquisition of non-controlling interest
On July 2, 2013, the Parent Company entered into a Share Purchase Agreement to acquire 40% interest in voting shares of CHC, increasing its ownership to 100%. Cash consideration paid on August 1, 2013 amounted to ₱528 million (US$12.16 million). The carrying value of the net assets of CHC was ₱2,456 million (US$38.97 million).

Following is the schedule of additional interest acquired in CHC in 2013:

Carrying value of the additional interest in CHC	₱982,232,166
Cash consideration paid to non-controlling interest	(527,910,397)
Excess of book value of non-controlling interest acquired over acquisition cost	₱454,321,769

The excess of book value of non-controlling interest acquired over acquisition cost was recognized in equity as follows:

Absorbed cumulative translation adjustment from acquired non-controlling interest	₱308,841,072
Included as part of other equity reserves	145,480,697
	₱454,321,769

Disposal of interest in a subsidiary without loss of control
On November 27, 2017, the Parent Company sold its 50% ownership interest less 1 share of the voting and total outstanding capital stock ownership interest in ATEC equivalent to 14,952,678 common shares to GBPC for a total consideration amounting to ₱2,378 million, inclusive of retention receivable to be received upon issuance by BIR of the Certificate Authorizing Registration. The excess of the total consideration over the carrying value of the sold interest in ATEC amounting to ₱709 million (net of transaction cost) was recognized as part of equity reserves.

Basic/diluted earnings per share
Earnings per share attributable to equity holders of the Parent Company is computed as follows:

	2022	2021	2020
Net income attributable to equity holders of the parent*	**₱612,943,193**	₱400,155,589	₱320,706,338
Average number of shares outstanding for the year	**6,291,500,000**	6,291,500,000	6,291,500,000
Basic/diluted earnings per share	**₱0.097**	₱0.064	₱0.051

**net of ₱4.4 million dividends on preferred shares*

22. Cost of Services

The Group's cost of services are as follows:

	2022	2021	2020
Coal, fuel, oil and lubricants	**₱5,388,921,000**	₱3,881,997,519	₱2,416,633,323
Depreciation and amortization (Notes 12 and 25)	**1,378,687,223**	1,454,710,825	1,649,809,019
Repairs and maintenance	**250,428,415**	270,280,628	126,120,507
Insurance expense	**243,321,076**	178,253,529	146,040,820
Personnel costs (Notes 24 and 28)	**203,110,054**	206,456,062	196,749,874
Utilities	**152,419,468**	113,808,468	39,439,662
Taxes and licenses	**39,529,310**	32,489,456	14,543,611
Contracted services	**33,228,626**	36,654,173	30,898,802
Property administration	**2,903,721**	3,327,902	2,403,762
Others	**72,566,659**	77,326,405	65,304,437
	₱7,765,115,552	₱6,255,304,967	₱4,687,943,817

23. General and Administrative Expenses

The Group's general and administrative expenses are as follows:

	2022	2021	2020
Personnel costs (Notes 24 and 28)	**₱267,262,100**	₱259,230,157	₱248,285,976
Impairment of goodwill (Note 14)	**165,000,000**	–	114,500,000
Outside services	**85,907,998**	60,991,647	42,280,846
Taxes and licenses	**78,496,563**	112,545,702	48,888,736
Depreciation and amortization (Notes 12 and 25)	**64,270,885**	67,321,909	67,266,143
Provision for expected credit loss (Note 8)	**37,452,583**	21,496,118	–
Utilities	**30,946,834**	25,226,850	18,420,547
Transportation and travel	**25,843,526**	21,848,871	18,363,346
Management fees	**12,997,524**	25,510,685	22,597,692
Directors and executive fees and bonuses	**8,065,000**	3,300,000	2,955,000
Community relations	**6,415,724**	3,596,217	1,878,658
Supplies	**2,273,672**	2,503,223	1,948,108
Telephone, telegraph and postage	**1,239,101**	1,509,536	5,716,742
Insurance	**1,187,932**	1,238,756	1,084,640
Representation	**703,649**	4,333,541	639,470
Commissions and others (Note 30)	**59,884,625**	67,386,107	55,012,934
	₱847,947,716	₱678,039,319	₱649,838,838

Others include rental expense, costs of freight and brokerage fees, professional license upgrading, reproduction, commissions and supplies of the Group which are not individually material.

24. Personnel Costs

The Group's personnel costs are as follows:

	2022	2021	2020
Cost of services (Note 22)	**₱203,110,054**	₱206,456,062	₱196,749,874
General and administrative expenses (Note 23)	**267,262,100**	259,230,157	248,285,976
	₱470,372,154	₱465,686,219	₱445,035,850
Salaries, wages and bonuses	**₱378,159,811**	₱367,821,769	₱351,849,315
Retirement benefits costs (Note 28)	**25,907,084**	28,027,932	26,035,778
Other employee benefits	**66,305,259**	69,836,518	67,150,757
	₱470,372,154	₱465,686,219	₱445,035,850

25. Depreciation and Amortization

	2022	2021	2020
Cost of services (Note 22)	**₱1,378,687,223**	₱1,454,710,825	₱1,649,809,019
General and administrative expenses (Note 23)	**64,270,885**	67,321,909	67,266,143
	₱1,442,958,108	₱1,522,032,734	₱1,717,075,162

	2022	2021	2020
Property, plant and equipment (Note 12)	**₱1,439,412,221**	₱1,519,083,916	₱1,713,873,512
Amortization of software costs	**3,448,134**	2,894,741	3,146,219
Investments in real estate (Note 10)	**97,753**	54,077	55,431
	₱1,442,958,108	₱1,522,032,734	₱1,717,075,162

26. Finance Charges

	2022	2021	2020
Interest on long-term debts, loans payable and short-term notes payable (Notes 17 and 18)	**₱1,555,134,975**	₱1,624,285,682	₱1,985,072,594
Amortization of transaction costs and debt issue costs (Note 18)	**72,382,175**	71,395,747	95,120,551
Interest on decommissioning liabilities (Note 19)	**18,518,741**	13,564,895	18,546,685
Interest expense on lease liabilities (Note 30)	**3,360,786**	1,235,765	1,754,821
Other finance charges	**1,005,067**	6,461,462	10,071,165
	₱1,650,401,744	₱1,716,943,551	₱2,110,565,816

27. Other Income (Charges) - Net

	2022	2021	2020
Income from leases (Note 30)	**₱427,411,687**	₱7,656,913	₱6,337,348
Bank charges	**(31,309,674)**	(22,260,969)	(13,031,862)
Foreign exchange gain - net	**19,553,904**	14,640,298	10,572,698
Gain on sale of property and equipment	**705,124**	2,975,284	252,403
Others	**7,898,036**	(2,088,650)	35,481,305
	₱424,259,077	₱922,876	₱39,611,892

Others pertain significantly to sales of sludge and reversal of provisions.

28. Employee Benefits

a. Retirement Benefits

The Parent Company, ALC, CHC, SRPI, Siguil and Sindangan have unfunded, noncontributory defined benefit retirement plans while SPPC, WMPC, MPC, APMC, APSC and Sarangani have funded, noncontributory defined benefit retirement plans covering all their qualified employees. Retirement benefits are dependent on the years of service and the respective employee's compensation. The Group's latest actuarial valuation report is as at December 31, 2022.

Under the existing regulatory framework, Republic Act. 7641, otherwise known as the *Retirement Pay Law*, requires a provision for retirement pay to qualified private sector employees in the absence of any retirement plan in the entity, provided, however, that the employee's retirement benefits under any collective bargaining and other agreements shall not be less than those provided under the law. The law does not require minimum funding of the plan.

SPPC, WMPC, MPC, APMC, APSC and Sarangani

The tables below summarize the movements in net retirement liabilities.

As at December 31, 2022:

	Present Value of Defined Benefit Obligation	**Fair Value of Plan Assets**	**Net Retirement Liabilities**
Balances at beginning of year	**₱143,599,438**	**₱102,642,590**	**₱40,956,848**
Retirement benefits cost recognized in profit or loss:			
Current service cost	**18,848,926**	**–**	**18,848,926**
Net interest	**6,410,507**	**4,521,708**	**1,888,799**
	25,259,433	**4,521,708**	**20,737,725**
Transfers to affiliates	**(20,233,942)**	**–**	**(20,233,942)**
Remeasurements losses (gains) recognized in OCI:			
Return on plan assets (excluding amount included in net interest)	**–**	**(5,721,439)**	**5,721,439**
Arising from changes in financial assumptions	**(29,611,505)**	**–**	**(29,611,505)**
Due to experience adjustments	**11,780,116**	**–**	**11,780,116**
	(17,831,389)	**(5,721,439)**	**(12,109,950)**
Benefits paid	**(2,311,504)**	**(2,311,504)**	**–**
Balances at end of year	**₱128,482,036**	**₱99,131,355**	**₱29,350,681**

As at December 31, 2021:

	Present Value of Defined Benefit Obligation	Fair Value of Plan Assets	Net Retirement Liabilities
Balances at beginning of year	₱181,031,014	₱104,348,156	₱76,682,858
Retirement benefits cost recognized in profit or loss:			
Current service cost	24,000,020	–	24,000,020
Net interest	5,821,801	3,045,252	2,776,549
	29,821,821	3,045,252	26,776,569
Transfers to affiliates	(3,808,936)	–	(3,808,936)
Remeasurements losses (gains) recognized in OCI:			
Return on plan assets (excluding amount included in net interest)	–	3,877,191	(3,877,191)

(Forward)

	Present Value of Defined Benefit Obligation	Fair Value of Plan Assets	Net Retirement Liabilities
Arising from changes in financial assumptions	(₱20,049,921)	₱–	(₱20,049,921)
Due to experience adjustments	(3,112,974)	–	(3,112,974)
	(23,162,895)	3,877,191	(27,040,086)
Contributions	–	31,653,557	(31,653,557)
Benefits paid	(40,281,566)	(40,281,566)	–
Balances at end of year	₱143,599,438	₱102,642,590	₱40,956,848

The Group Plan is being maintained by Banco de Oro Unibank, Inc. - Trust and Investments Group (BDO - TIG), a trustee bank.

The components of plan assets of the Group Plan follow:

	2022	2021
Investments in unit investment trust fund (UITF)	**1.00%**	0.90%
Investments in shares of stock	**72.36%**	73.66%
Investments in debt and other securities	**26.06%**	22.61%
Investments in government securities	**0.00%**	2.15%
Others	**0.58%**	0.68%
	100.00%	100.00%

The plan assets of the Group Plan consist of the following:

- Cash and cash equivalents include regular deposit and time deposits which bear interest ranging from 1.75% to 2.00%;
- Investments in UITF are ready-made investments that allow the pooling of funds that are managed by BDO - TIG;
- Investments in shares of stock consist of quoted equity securities;
- Investments in debt and other securities, consisting of both short-term and long-term corporate notes and bonds, bear interest ranging from 4.38% to 8.46% and have maturities until 2024;
- Investments in government securities, consisting of fixed rate treasury notes and retail treasury bonds bear interest ranging from 2.84% to 8.13% and have maturities until 2037; and
- Other financial assets held by the Group Plan consist primarily of interest and dividends receivable.

The Group does not expect to contribute to the fund in 2023.

ACR, ALC, CHC, SRPI, Siguil and Sindangan

The following tables summarize the movements in retirement benefits liabilities:

	2022	2021
Balances at beginning of year	**₱14,031,689**	₱13,384,440
Retirement benefits cost charged in profit or loss:		
Current service cost	**3,880,013**	1,150,455
Interest cost	**1,289,346**	100,908
	5,169,359	1,251,363

(Forward)

	2022	2021
Remeasurements losses (gains) recognized in OCI arising from:		
Changes in financial assumptions	**(₱43,465)**	(₱116,627)
Experience adjustments	**(529,360)**	(487,487)
	(572,825)	(604,114)
Benefits paid	**(545,454)**	–
Balances at end of year	**₱18,082,769**	₱14,031,689

The net retirement assets and liabilities in the consolidated statements of financial position are as follows:

	Net retirement assets		Retirement benefits liabilities	
	2022	2021	**2022**	2021
Funded	**₱22,385,884**	₱20,416,872	**₱51,736,565**	₱61,373,720
Unfunded	**–**	–	**18,082,769**	14,031,689
Total	**₱22,385,884**	₱20,416,872	**₱69,819,334**	₱75,405,409

Actuarial Assumptions
The principal assumptions used in determining retirement benefits obligation are as follows:

SPPC, WMPC, MPC, APMC, APSC and Sarangani:

	December 31, 2022	January 1, 2022	January 1, 2021
Discount rates	**6.93%-7.31%**	4.85%-5.13%	2.92%-4.98%
Future salary increases	**5.00%**	5.00%	5.00%

ACR, ALC, CHC, SRPI, Siguil and Sindangan:

	December 31, 2022	January 1, 2022	January 1, 2021
Discount rates	**5.12%-7.31%**	2.95%-5.20%	2.95%-4.01%
Future salary increases	**5.00%-10.00%**	5.00%-10.00%	5.00%-10.00%

The Group has no specific matching strategies between the retirement plan assets and the defined benefit obligation under the retirement plans.

The sensitivity analysis shown in the next page has been determined based on reasonably possible changes of each significant assumption on the defined benefit obligations, assuming all other assumptions were held constant.

As at December 31, 2022:

	Funded		**Unfunded**	
	Increase (Decrease)	**Amount**	**Increase (Decrease)**	**Amount**
Discount rates	+0.5%	**(₱4,576,088)**	+0.5%	**(₱2,509,074)**
	-0.5%	**5,067,932**	-0.5%	**2,956,443**
Salary increase rates	+1.0%	**10,516,374**	+1.0%	**3,420,145**
	-1.0%	**(8,732,581)**	-1.0%	**(2,939,331)**

As at December 31, 2021:

	Funded		Unfunded	
	Increase (Decrease)	Amount	Increase (Decrease)	Amount
Discount rates	+0.5%	(₱115,611)	+0.5%	(₱5,346,375)
	-0.5%	1,556,587	-0.5%	5,960,598
Salary increase rates	+1.0%	3,021,476	+1.0%	12,096,021
	-1.0%	(2,629,927)	-1.0%	(9,851,397)

Shown below is the maturity analysis of the undiscounted benefit payments:

	2022	2021
Less than 1 year	**₱75,168,044**	₱61,876,779
More than 1 year to 5 years	**65,445,519**	14,326,197
More than 5 years to 10 years	**56,383,235**	56,383,235
More than 10 years to 15 years	**180,810,156**	103,853,009
More than 15 years to 20 years	**294,599,005**	129,584,652
More than 20 years	**1,934,672,279**	1,081,437,065

b. Compensated Absences

All regular employees of certain entities within the Group who have completed 12 months of continuous service are entitled to leave credits. Leave credits granted to each employee vary based on the employee's tenure and can be accumulated up to 60 days. The employee has the option to convert unused leave credits in the succeeding year. Accrued leave credits (recognized under "Accrued expenses" account in "Accounts payable and other current liabilities") amounted to ₱45 million and ₱34 million as of December 31, 2022 and 2021, respectively. Cost of compensation absences amounted to ₱20 million, ₱12 million and ₱16 million in 2022, 2021 and 2020, respectively.

29. Income Taxes

a. Provision for current income tax consists of:

	2022	2021	2020
RCIT	**₱184,995,201**	₱105,122,885	₱139,472,754
Gross income tax	**141,434,756**	85,768,819	137,328,836
MCIT	**468,989**	589,464	677,687
	₱326,898,946	₱191,481,168	₱277,479,277

b. Following is the reconciliation between the statutory tax rate on income before income tax and the effective tax rates:

	2022	2021	2020
Statutory income tax rate	**25.00%**	25.00%	30.00%
Tax effects of:			
Net unrecognized deferred tax assets	**(11.26%)**	(15.61%)	12.50%
Translation adjustments, income of certain subsidiaries enjoying tax holidays and others - net	**1.80%**	(0.27%)	(28.90%)
Effect of change in income tax rates	**–**	2.02%	–
Effective income tax rate	**15.54%**	11.14%	13.60%

CREATE Act

The President of the Republic of the Philippines signed into law on March 26, 2021 the Corporate Recovery and Tax Incentives for Enterprises (CREATE) Act to attract more investments and maintain fiscal prudence and stability in the Philippines. Republic Act (RA) 11534 or the CREATE Act introduces reforms to the corporate income tax and incentives systems. It took effect 15 days after its complete publication in the Official Gazette or in a newspaper of general circulation or April 11, 2021.

The following are the key changes to the Philippine tax law pursuant to the CREATE Act which have an impact on the Group:

- Effective July 1, 2020, regular corporate income tax (RCIT) rate is reduced from 30% to 25% for domestic and resident foreign corporations. For domestic corporations with net taxable income not exceeding ₱5 million and with total assets not exceeding ₱100 million (excluding land on which the business entity's office, plant and equipment are situated) during the taxable year, the RCIT rate is reduced to 20%.
- Minimum corporate income tax (MCIT) rate reduced from 2% to 1% of gross income effective July 1, 2020 to June 30, 2023.

Also, registered business enterprises currently availing of the 5% tax on gross income earned granted prior to this Act shall be allowed to continue availing the said tax incentive at the rate of 5% for 10 years unless the extension will be approved by the government.

The impact of the Act was accounted for prospectively, which resulted in the change of tax rates applied both for current and deferred income taxes. This resulted in reduction in the current income tax due for the taxable year 2020 amounting to ₱13 million for the Group, which were recognized in the 2021 consolidated financial statements as reduction to 2021 income tax expense. The deferred tax assets as of December 31, 2021 were also remeasured using the applicable rates upon the reversal of temporary differences which resulted in net decrease of deferred income tax liabilities by ₱33 million.

There were no tax-related contingent liabilities and contingent assets arising from the changes in the tax rates due to CREATE Act.

c. Deferred income tax assets (liabilities) pertain to the income tax effects of the following:

	2022		2021	
	Net Deferred Income Tax Assets	**Net Deferred Income Tax Liabilities**	Net Deferred Income Tax Assets	Net Deferred Income Tax Liabilities
Deferred Income Tax Assets				
Decommissioning liabilities	**₱–**	**₱64,372,972**	₱–	₱55,952,152
NOLCO	**–**	**10,318,658**	6,819,695	33,232,598
Unrealized intercompany transactions	**10,204,007**	**–**	34,765,173	–
Actuarial loss recognized in equity	**3,736,167**	**–**	2,534,594	–
Net retirement plan liabilities	**910,260**	**4,771,077**	3,186,669	7,842,422
Allowance for impairment loss	**–**	**3,290,407**	–	3,290,407
Unamortized past service cost	**2,020,286**	**451,883**	2,632,203	–
Accrued vacation and sick leaves	**2,032,987**	**2,701,397**	3,102,949	760,346

(Forward)

	2022		2021	
	Net Deferred Income Tax Assets	**Net Deferred Income Tax Liabilities**	Net Deferred Income Tax Assets	Net Deferred Income Tax Liabilities
Lease liabilities	**₱–**	**₱1,168,770**	₱–	₱1,221,886
Unrealized foreign exchange losses	**–**	**239,135**	–	49,225
Impairment losses on projects costs	**–**	**597,846**	–	597,846
Difference between accounting and tax depreciation	**7,220,509**	**–**	13,202,533	–
	26,124,216	**87,912,145**	66,243,816	102,946,882
Deferred Income Tax Liabilities				
Capitalized interest	**₱–**	**(₱289,203,233)**	₱–	(₱299,686,438)
Fair value adjustment on real estate inventories	**–**	**(120,655,424)**	–	(122,807,464)
Contract assets	**–**	**(194,596,444)**	–	(188,626,266)
Difference between financial and tax depreciation	**–**	**(74,801,892)**	–	(73,637,291)
Capitalized decommissioning asset	**–**	**(22,943,636)**	(2,828)	(28,309,471)
Effect of change in functional currency	**–**	**(9,509,351)**	–	(18,508,738)
Retirement plan assets	**–**	**(5,699,687)**	–	(3,688,826)
Unrealized foreign exchange gains	**–**	**(2,661,230)**	(10,226)	(67,560)
Difference between tax and financial amortization of transaction costs	**(2,138,767)**	**–**	(22,518,499)	–
Right-of-use assets	**–**	**(1,040,599)**	–	(1,175,594)
Actuarial gains recognized in equity	**–**	**–**	(691,786)	(861,484)
	(2,138,767)	**(721,111,496)**	(23,223,339)	(737,369,132)
	₱23,985,449	**(₱633,199,351)**	₱43,020,477	(₱634,422,250)

d. The following are the Group's deductible temporary differences and carryforward benefits of NOLCO and excess MCIT for which no deferred income tax assets are recognized in the consolidated financial statements because management believes that it is not probable that taxable income will be available against which the deferred income tax assets can be utilized:

	2022	2021
NOLCO	**₱1,690,985,893**	₱1,842,780,355
Cumulative translation adjustments	**112,313,794**	112,313,794
Allowance for expected credit losses	**90,679,339**	53,226,576
Excess MCIT	**1,736,140**	5,638,469
Impairment losses on property, plant and equipment	**2,100,000**	2,100,000
Others	**15,275,474**	10,729,946

The deferred income tax on cumulative translation adjustment was not recognized because the Parent Company is able to control the timing of the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

Movements of NOLCO and excess MCIT follow:

	2022		2021	
	NOLCO	**Excess MCIT**	NOLCO	Excess MCIT
Balances at beginning of year	**₱2,002,989,527**	**₱5,638,469**	₱2,120,819,370	₱5,145,468
Additions	**440,535,653**	**468,989**	515,251,536	589,464
Utilized	**(24,458,322)**	**–**	(6,834,484)	–
Expired	**(686,806,333)**	**(4,371,318)**	(626,246,895)	(96,463)
Balances at end of year	**₱1,732,260,525**	**₱1,736,140**	₱2,002,989,527	₱5,638,469

As of December 31, 2022, the Group has incurred NOLCO before taxable year 2020 and 2022 which can be claimed as deduction from the regular taxable income for the next three (3) consecutive taxable years, as follows:

Year Incurred	Available Until	Balance as at December 31, 2021	Additions	Utilization	Expiration	**Balance as at December 31, 2022**
2019	2022	₱711,264,655	₱–	(₱24,458,322)	(₱686,806,333)	**₱–**
2022	2025	–	440,535,653	–	–	**440,535,653**
		₱711,264,655	₱440,535,653	(₱24,458,322)	(₱686,806,333)	**₱440,535,653**

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

Year Incurred	Available Until	Balance as at December 31, 2021	Additions	Expiration	**Balance as at December 31, 2022**
2020	2025	₱776,473,336	₱–	₱–	**₱776,473,336**
2021	2026	515,251,536	–	–	**515,251,536**
		₱1,291,724,872	₱–	₱–	**₱1,291,724,872**

The carryforward benefits of excess MCIT over RCIT that can be claimed as deduction from future regular taxable income are as follows:

Year Incurred	Available Until	Balance as at December 31, 2021	Additions	Expiration	**Balance as at December 31, 2022**
2019	2022	₱4,371,318	₱–	(₱4,371,318)	**₱–**
2020	2023	677,687	–	–	**677,687**
2021	2024	589,464	–	–	**589,464**
2022	2025	–	468,989	–	**468,989**
		₱5,638,469	₱468,989	(₱4,371,318)	**₱1,736,140**

30. Lease Commitments

Group as a Lessee

On February 1, 2017, the Group entered into a five (5)-year lease agreement for its office space for five (5) years. In 2021, the Group also entered into several lease agreements for parcels of land to be used in the operations of the hydro power plant. The lease agreements have lease terms of three (3)-50 years. The Group paid in advance the lease rentals for the duration of the lease agreements and were capitalized as part of the right-of-use assets. The depreciation expense on the right-of-use assets was capitalized as part of the construction-in progress. On June 30, 2021, the Group entered into a 10-year lease agreement with a third party for the easement and pier usage for fuel deliveries.

Set out below, are the amounts recognized in the consolidated statements of income:

	2022	2021	2020
Depreciation expense of right-of-use assets	**₱17,565,091**	₱25,098,432	₱11,741,891
Interest expense on lease liabilities	**3,360,786**	1,235,675	1,832,902
Rent expense - short-term leases (Note 23)	**5,177,989**	1,119,138	1,646,892
	₱26,103,866	₱27,453,245	₱15,221,685
Total cash outflow for leases	**₱18,466,346**	₱16,300,528	₱13,755,514

Recoverable deposits related to the lease agreement amounted to ₱5 million as of December 31, 2022 and 2021.

Set out below, is the rollforward analysis of lease liabilities during the years ended December 31:

	2022	2021
Beginning balances	**₱9,938,684**	₱14,723,760
Additions	**28,095,842**	9,160,639
Interest expense on lease liabilities	**3,360,786**	1,235,675
Payments of:		
Principal portion	**(9,927,571)**	(13,945,715)
Interest	**(3,360,786)**	(1,235,675)
Ending balances	**28,106,955**	9,938,684
Less current portion (Note 16)	**(10,070,821)**	(2,130,447)
Noncurrent portion	**₱18,036,134**	₱7,808,237

Set out below, are the amounts of depreciation and carrying value of right-of-use assets by asset class:

		Land	Building	Pier
Depreciation	**2022**	**₱6,359,852**	**₱10,204,734**	**₱1,000,505**
	2021	12,273,040	12,325,139	500,253
Carrying value	**2022**	**11,229,347**	**19,457,945**	**6,836,786**
	2021	1,996,695	–	–

Shown below is the maturity analysis of the undiscounted lease payments:

	2022	2021
Within one year	**₱12,639,627**	₱2,483,608
More than 1 years to 2 years	**12,261,809**	1,412,857
More than 2 years to 3 years	**2,455,867**	1,483,499
More than 3 years	**6,720,859**	8,278,533

Group as a Lessor
The Group entered into operating lease contracts with various third-party lessees. The lease term is for one-year renewable annually.

On July 6, 2022, the Group entered into a long-term lease agreement with a third party for the lease of industrial lots for a period of 50 years, renewable for another 25 years. The lease is accounted for a finance lease since the Group has transferred substantially all the risks and rewards incidental to the ownership of the property to the lessee because the lessee has the option to purchase the property at a price that is expected to be sufficiently lower than the fair value at the date the option becomes exercisable for it to be reasonably certain, at the inception date, that the option will be exercised and at the inception date, the present value of the lease payments amounts to at least substantially all of the fair value of the underlying asset.

Accordingly, the Group derecognized the carrying value of the investment in real estate amounting to ₱108 million (see Note 10) and recognized selling profit of ₱417 million in 2022. The net investment in lease is nil as at December 31, 2022 since there are no payments for the right-to-use the underlying asset during the lease term that are not received at the commencement date. Thus, disclosures of maturity analysis of lease payment receivables were not provided.

Total income from the foregoing operating and finance leases amounted to ₱427 million in 2022, ₱8 million in 2021 and ₱6 million in 2020 (see Note 27).

Future minimum lease receivables under operating lease are as follows:

	2022	2021
Within one year	**₱11,249,132**	₱11,990,481
More than one year but not more than five years	**44,996,527**	47,961,924
	₱56,245,659	₱59,952,405

31. Financial Risk Management Objectives and Policies

The Group's principal financial instruments are composed of cash and cash equivalents, short-term cash investments, equity investments designated at FVOCI, loans payable and long-term debts. The main purpose of these financial instruments is to raise finances for the Group's operations. The Group has various other financial assets and liabilities such as trade and other receivables and accounts payable and other current liabilities which arise directly from its operations. The main risks arising from the Group's financial instruments are credit risk, liquidity risk, and market risk (interest rate risk, equity price risk and foreign currency risk).

Management reviews and the BOD approves policies for managing each of these risks which are summarized below.

Credit Risk
Credit risk is the risk that a counterparty will not meet its obligation under a financial instrument or a customer contract, leading to a financial loss. The Group trades only with recognized and creditworthy third parties. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis with the result that the Group's exposure to bad debts is not significant.

In the Group's real estate business, transfer of the property is executed only upon full payment of the purchase price. There is also a provision in the sales contract which allows forfeiture of the installment/deposits made by the customer in favor of the Group in case of default.
These measures minimize the credit risk exposure or any margin loss from possible default in the payment of installments.

In the Group's power generation business, it is the policy of the Group to ensure that all terms specified in the PSAs and ASPA with its customers, including the credit terms of the billings, are complied with.

The table below shows the gross maximum exposure to credit risk of the Group as at December 31, before considering the effects of collaterals, credit enhancements and other credit risk mitigation techniques.

	2022	2021
Cash and cash equivalents*	**₱2,795,745,008**	₱2,863,652,980
Short-term cash investments	**123,724,552**	112,434,574
Trade and other receivables		
Trade receivables		
Power	**2,623,087,048**	2,158,135,663
Real estate**	**77,726,042**	67,963,366
Contract assets	**1,773,555,974**	1,782,852,895
Retention receivables	**14,655,481**	14,655,481
Due from related parties and others***	**3,171,073,362**	2,525,023,620
Debt reserve accounts	**530,274,454**	896,985,111
	₱11,109,841,921	₱10,421,703,690

**Excludes cash on hand amounting to ₱0.5 million and ₱0.5 million as at December 31, 2022 and 2021, respectively.*
***Includes noncurrent portion of receivables amounting to ₱3 and ₱4 million as at December 31, 2022 and 2021, respectively.*
****Excludes advances for business expenses and advances to employees totaling to ₱19 million and ₱21 million as at December 31, 2022 and 2021, respectively.*

Trade receivables and contract assets. The Group's trade receivables and contract assets are monitored on a regular basis. An impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses. The provision rates are based on days past due of the customer with loss pattern. The calculation reflects the probability-weighted outcome and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions. For trade receivables from real estate sales, expected credit loss is computed using vintage analysis.

The provision matrix is initially based on the Group's historical observed default rates. The Group will calibrate the matrix to adjust the historical credit loss experience with forward-looking information.

For trade receivables from real estate sales, the Group uses the vintage analysis in calculating the ECLs. Vintage analysis calculates the vintage default rate of each period through a ratio of default occurrences of each given point in time in that year to the total number of receivable issuances or occurrences during that period or year. The rates are also determined based on the default occurrences of customer segments that have similar loss patterns (i.e., by payment scheme). The vintage analysis is initially based on the Group's historical observed default rates. The Group will adjust the historical credit loss experience with forward-looking information.

Generally, trade and other receivables from customers and contract assets are written-off when deemed unrecoverable and are not subject to enforcement activity. The maximum credit exposure to credit risk at the reporting date is the carrying value of each class of financial assets, except for receivables from real estate sales that are collateralized by the underlying properties sold.

Due from related parties. The Group considers its due from related parties as high grade due to assured collectability through information from the related parties' sources of funding.

Cash and cash equivalents, short-term investments and debt reserve accounts. Credit risk from balances with banks and financial institutions is managed in accordance with the Group's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. Counterparty limits are reviewed and approved by the BOD, and are updated when necessary. Cash and cash equivalents, short-term cash investments and debt reserve accounts are placed in various banks. Material amounts are held by banks which belong to top five (5) banks in the country. The rest are held by local banks that have good reputation and low probability of insolvency. These are considered to be low credit risk investments.

Concentration of credit risk
The Group has concentration of credit risk due to sales to significant customers. Two customers accounted for approximately 41%, 42% and 45% of its total revenue from contracts with customers in 2022, 2021 and 2020, respectively. The Group's top five customers accounted for approximately 61% of its total revenue from contracts with customers in 2022, 2021 and 2020, respectively.

The carrying amounts of financial assets at amortized cost approximate the Group's maximum exposure to credit risk. No other financial assets carry a significant exposure to credit risk.

The following tables below summarize the credit quality of the Group's financial assets (gross of allowance for impairment losses) as at December 31:

	2022					
	Current			Past Due	Credit	
	Minimal Risk	Average Risk	High Risk	(1-90 Days)	Impaired	Total
Cash and cash equivalents*	₱2,795,745,008	₱–	₱–	₱–	₱–	₱2,795,745,008
Short-term cash investments	123,724,552	–	–	–	–	123,724,552
Trade and other receivables						
Trade receivables						
Power	2,623,087,048	–	–	–	92,416,327	2,715,503,375
Real estate	21,622,019	–	–	56,104,023	13,163,091	90,889,133
Product distribution and others	–		–	–	31,730,458	31,730,458
Contract assets	1,773,555,974	–	–	–	–	1,773,555,974
Retention receivables	14,655,481	–	–	–	–	14,655,481
Due from related parties and others**	3,171,073,362	–	–	–	5,074,645	3,176,148,007
Debt reserve accounts	530,274,454	–	–	–	–	530,274,454
	₱11,053,737,898	₱–	₱–	₱56,104,023	₱142,384,521	₱11,252,226,442

Excludes cash on hand amounting to ₱0.5 million as at December 31, 2022.
***Excludes advances for business expenses and advances to employees totaling to ₱14 million as at December 31, 2022.*

	2021					
	Current			Past Due	Credit	
	Minimal Risk	Average Risk	High Risk	(1-90 Days)	Impaired	Total
Cash and cash equivalents*	₱2,863,652,980	₱–	₱–	₱–	₱–	₱2,863,652,980
Short-term cash investments	112,434,574	–	–	–	–	112,434,574
Trade and other receivables						
Trade receivables						
Power	2,158,135,663	–	–	–	54,963,744	2,213,099,407
Real estate	11,859,343	–	–	56,104,023	13,163,091	81,126,457
Product distribution and others	–	–	–	–	31,730,458	31,730,458
Contract assets	1,782,852,895	–	–	–	–	1,782,852,895
Retention receivables	14,655,481	–	–	–	–	14,655,481
Due from related parties and others**	2,525,023,620	–	–	–	5,074,645	2,530,098,265
Debt reserve accounts	896,985,111	–	–	–	–	896,985,111
	₱10,365,599,667	₱–	₱–	₱56,104,023	₱104,931,938	₱10,526,635,628

**Excludes cash on hand amounting to ₱0.5 million as at December 31, 2021.*

***Excludes advances for business expenses and advances to employees totaling to ₱21 million as at December 31, 2021.*

The Group classifies credit quality risk as follows:

Minimal risk - accounts with a high degree of certainty in collection, where counterparties have consistently displayed prompt settlement practices, and have little to no instance of defaults or discrepancies in payment.

Average risk - active accounts with minimal to regular instances of payment default, due to ordinary/common collection issues, but where the likelihood of collection is still moderate to high as the counterparties are generally responsive to credit actions initiated by the Group.

High risk - accounts with low probability of collection and can be considered impaired based on historical experience, where counterparties exhibit a recurring tendency to default despite constant reminder and communication, or even extended payment terms.

The following tables below summarize the staging considerations (other than trade receivables and contract assets subject to provision matrix) of the Group's financial assets as at December 31:

	2022			
	Stage 1 (12-Month ECL)	Stage 2 (Lifetime ECL)	Stage 3 (Credit Impaired)	Total
Cash and cash equivalents*	₱2,795,745,008	₱–	₱–	₱2,795,745,008
Short-term cash investments	123,724,552	–	–	123,724,552
Other receivables:				
Retention receivables	14,655,481	–	–	14,655,481
Due from related parties and others**	3,171,073,362	–	5,074,645	3,176,148,007
Debt reserve accounts	530,274,454	–	–	530,274,454
	₱6,635,472,857	₱–	₱5,074,645	₱6,640,547,502

**Excludes cash on hand amounting to ₱0.5 million as at December 31, 2022.*

***Excludes advances for business expenses and advances to employees totaling to ₱19 million as at December 31, 2022.*

	2021			
	Stage 1 (12-Month ECL)	Stage 2 (Lifetime ECL)	Stage 3 (Credit Impaired)	Total
Cash and cash equivalents*	₱2,863,652,980	₱–	₱–	₱2,863,652,980
Short-term cash investments	112,434,574	–	–	112,434,574
Other receivables:				
Retention receivables	14,655,481	–	–	14,655,481
Due from related parties and others**	2,525,023,620	–	5,074,645	2,530,098,265
Debt reserve accounts	896,985,111	–	–	896,985,111
	₱6,412,751,766	₱–	₱5,074,645	₱6,417,826,411

**Excludes cash on hand amounting to ₱0.5 million as at December 31, 2021.*

***Excludes advances for business expenses and advances to employees totaling to ₱21 million as at December 31, 2021.*

Set out below is the information about the credit risk exposure on trade receivables and contract assets using a provision matrix as of December 31:

	2022				
	Contract Assets	**Current**	**Days Past Due 1-90 Days**	**Days Past Due > 90 Days**	**Total**
Expected credit loss rate	**0%**	**0%**	**0%**	**0%**	
Estimated total gross carrying amount at default	**₱1,773,555,974**	**₱2,345,987,544**	**₱236,847,021**	**₱40,252,483**	**₱4,396,643,022**
Expected credit loss	–	–	–	–	–
Credit impaired	–	–	–	**124,146,785**	**124,146,785**
Total expected credit loss	**₱–**	**₱–**	**₱–**	**₱124,146,785**	**₱124,146,785**

	2021				
	Contract Assets	Current	Days Past Due 1-90 Days	Days Past Due > 90 Days	Total
Expected credit loss rate	0%	0%	0%	0%	
Estimated total gross carrying amount at default	₱1,782,852,895	₱1,870,801,819	₱199,394,438	₱87,939,406	₱3,940,988,558
Expected credit loss	–	–	–	–	–
Credit impaired	–	–	–	86,694,202	86,694,202
Total expected credit loss	₱–	₱–	₱–	₱86,694,202	₱86,694,202

Set out below is the credit risk exposure on the Group's trade receivables from real estate sales using vintage analysis:

	2022	2021
Expected credit loss rate	**0%**	0%
Estimated total gross carrying amount at default	**₱77,726,042**	₱67,963,366

Credit-impaired trade receivables from real estate sales amounted to ₱13 million as of December 31, 2022 and 2021 which have been fully provided with allowance for expected credit loss.

Liquidity Risk

Liquidity risk arises from the possibility that the Group encounter difficulties in raising funds to meet or settle its obligations at a reasonable price. The Group maintains sufficient cash and cash equivalents to finance its operations. Any excess cash is invested in short-term money market placements. These placements are maintained to meet maturing obligations and pay dividend declarations.

The table below summarizes the maturity profile of the Group's financial liabilities based on contractual undiscounted payments and financial assets (held for liquidity purposes):

	2022						
	Due and Demandable	Less than 3 Months	3-12 Months	More than 1 Year to 4 Years	4-5 Years	5 Years onwards	Total
Financial Liabilities:							
Accounts payable and other current liabilities*	₱1,866,521,864	₱52,078,920	₱17,268,920	₱–	₱–	₱–	₱1,935,869,704
Short-term notes and loans payable**	–	400,955,000	4,433,152,000	–	–	–	4,834,107,000
Long-term debts**	–	16,632,582	4,020,154,116	14,421,400,028	2,531,770,455	5,676,127,528	26,666,084,709
Lease liabilities**	–	3,044,873	9,594,754	14,717,676	1,635,558	5,085,301	34,078,162
	₱1,866,521,864	₱472,711,375	₱8,480,169,790	₱14,436,117,704	₱2,533,406,013	₱5,681,212,829	₱33,470,139,575
Financial Assets:							
Cash and cash equivalents	₱2,796,280,747	₱–	₱–	₱–	₱–	₱–	₱2,796,280,747
Short-term cash investments	–	–	123,724,552	–	–	–	123,724,552
Receivables	707,869,511	1,743,015,074	249,928,505	–	–	–	2,700,813,090
Debt reserve accounts	–	–	403,844,969	126,429,485	–	–	530,274,454
Retention receivable	–	–	14,655,481	–	–	–	14,655,481
Due from related parties and others	3,171,073,362	–	–	–	–	–	3,171,073,362
	₱6,675,223,620	₱1,743,015,074	₱792,153,507	₱126,429,485	₱–	₱–	₱9,336,821,686

* *Excluding accrued interest, payable to government agencies, current portion of lease liabilities and advances from customers totaling to ₱645 million.*
** *Including interest payable computed using prevailing rate as at December 31, 2022.*

	2021						
	Due and Demandable	Less than 3 Months	3-12 Months	More than 1 Year to 4 Years	4-5 Years	5 Years onwards	Total
Financial Liabilities:							
Accounts payable and other current liabilities*	₱2,453,267,396	₱1,069,717,580	₱246,547,967	₱–	₱–	₱–	₱3,769,532,943
Short-term notes and loans payable**	–	678,199,150	2,840,650,191	–	–	–	3,518,849,341
Long-term debts**	–	168,155,000	1,649,959,414	12,043,918,281	7,335,034,278	6,020,592,179	27,217,659,152
Lease liabilities**	–	1,471,645	1,011,963	4,454,030	1,635,558	5,085,301	13,658,497
	₱2,453,267,396	₱1,917,543,375	₱4,738,169,535	₱12,048,372,311	₱7,336,669,836	₱6,025,677,480	₱34,519,699,933
Financial Assets:							
Cash and cash equivalents	₱2,864,190,106	₱–	₱–	₱–	₱–	₱–	₱2,864,190,106
Short-term cash investments	–	–	112,434,574	–	–	–	112,434,574
Receivables	209,187,486	1,895,490,941	117,908,633	3,511,969	–	–	2,226,099,029
Debt reserve accounts	–	–	896,985,111	–	–	–	896,985,111
Retention receivable	–	–	14,655,481	–	–	–	14,655,481
Due from related parties and others	2,525,023,620	–	–	–	–	–	2,525,023,620
	₱5,598,401,212	₱1,895,490,941	₱1,141,983,799	₱3,511,969	₱–	₱–	₱8,639,387,921

* *Excluding accrued interest, payable to government agencies, current portion of lease liabilities and advances from customers totaling to ₱561 million.*
** *Including interest payable computed using prevailing rate as at December 31, 2021.*

Maturing liabilities are expected to be settled using cash to be generated from operations and drawing from existing credit lines. The Group has access to a sufficient variety of sources of funding and debt maturing within 12 months can be rolled over with existing lenders.

Interest Rate Risk

Interest risk is the risk that changes in interest rates will adversely affect the Group's income or value of its financial instruments. The Group's exposure to market risk for changes in interest rates relates primarily to the Group's long-term debts obligations.

Interest on financial instruments classified as floating rate is repriced on a quarterly and semi-annual basis.

The table below demonstrates sensitivity analysis to a reasonably possible change in interest rates on long-term debts, with all other variables held constant, of the Group's income before income tax (through the impact on floating rate interest on borrowings).

	2022		2021	
	Increase in Basis Points	**Decrease in Basis Points**	Increase in Basis Points	Decrease in Basis Points
Change in basis points	**+100**	**-100**	+100	-100
Increase (decrease) in income before income tax	**(₱200,550,160)**	**₱200,550,160**	(₱205,872,095)	₱205,872,095

There is no effect on equity other than those already affecting the consolidated statements of income.

Equity Price Risk
Equity price risk is the risk that the fair value of quoted equity investments decreases as the result of changes in the value of individual stock. The Group's exposure to equity price risk relates primarily to the Group's quoted equity investments. The Group's policy requires it to manage such risk by setting and monitoring objectives and constraints on investments; diversification plan; and limits on investment in each industry or sector. The Group intends to hold these investments indefinitely in response to liquidity requirements or changes in market conditions.

The following table demonstrates the sensitivity to a reasonably possible change in equity price, with all other variables held constant, of the Group's consolidated equity. The reasonably possible change in equity price was based on the year-to-year change of stock market indices. The methods and assumptions used in the analysis remained unchanged over the reporting periods.

Equity price risk of those equity investments designated at FVOCI listed in the Philippine Stock Exchange and secondary or broker market (for golf club shares) is as follows:

	2022		2021	
	Increase in Equity Price	**Decrease in Equity Price**	Increase in Equity Price	Decrease in Equity Price
Change in equity price	**+1%**	**-1%**	+1%	-1%
Increase (decrease) in equity	**₱1,339,310**	**(₱1,339,310)**	₱1,403,877	(₱1,403,877)

Foreign Currency Risk
The Group's exposure to foreign currency risk is limited to monetary assets and liabilities denominated in currencies other than its functional currency. Substantial portion of the U.S. dollar-denominated assets and liabilities is attributable to the Group's power segment in which the functional currency is the U.S. dollar. The Group closely monitors the fluctuations in exchange rates so as to anticipate the impact of foreign currency risk associated with its financial instruments.

In translating the foreign currency-denominated monetary assets and liabilities into peso amounts, the Philippine peso to U.S. dollar exchange rates used was ₱55.76 to US$1.0 and ₱50.99 to US$1.0 for December 31, 2022 and 2021, respectively.

The table below summarizes the Group's exposure to foreign currency risk. Included in the table are the Group's financial assets and liabilities at their carrying amounts.

	2022		2021	
	In U.S. Dollar	**In Philippine Peso**	In U.S. Dollar	In Philippine Peso
Financial assets:				
Cash and cash equivalents	**$2,304,810**	**₱128,516,206**	$421,747	₱21,504,880
Short-term cash investments	**2,219,075**	**123,735,622**	–	–
Trade and other receivables	**2,018,266**	**112,538,512**	2,022,679	103,136,402
	6,542,151	**364,790,340**	2,444,426	124,641,282
Financial liabilities - Trade payables	**(198,896)**	**(11,090,441)**	(20,703,295)	(1,055,661,012)
	$6,343,255	**₱353,699,899**	($18,258,869)	(₱931,019,730)

The table below demonstrates the sensitivity to a reasonably possible change in the U.S. dollar to Philippine peso exchange rate, with all other variables held constant, of the Group's income before income tax. The reasonably possible change in exchange rate was based on forecasted exchange rate change using historical date within the last five years as at the reporting period. The methods and assumptions used remained unchanged over the reporting periods being presented.

	2022		2021	
	Philippine Peso		Philippine Peso	
	Increase	**Decrease**	Increase	Decrease
Change in foreign exchange rate	**+1.0**	**-1.0**	+1.0	-1.0
Increase (decrease) in income before income tax	**₱35,369,990**	**(₱35,369,990)**	(₱93,101,973)	₱93,101,973

The increase in ₱ against US$ means stronger U.S. dollar against peso while the decrease in ₱ against US$ means stronger peso against U.S. dollar. There is no other impact on the Group's equity other those already affecting the consolidated statements of income.

Capital Management

The primary objective of the Group's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its businesses and maximize shareholder's value.

The Group considers its total equity and debt reflected in the consolidated statements of financial position as its capital. The Group manages its capital structure and makes adjustments to it, in the light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares and raise additional. No changes were made in the objectives, policies or processes in 2022, 2021 and 2020.

The Group monitors its capital based on debt-to-equity ratio as required by its loan's agreements with financial institutions. The Group includes debt interest bearing loans and borrowings. Capital includes equity attributable to the equity holders of the parent less the other equity reserves. The Group monitors capital on the basis of the debt-to-equity ratio and interest coverage ratio in compliance for its long-term debts. Debt-to-equity ratio is calculated as total liabilities over total equity, excluding accounts payable and other current liabilities arising from operations and other reserves. Interest coverage ratio is calculated as earnings before interest, taxes, depreciation and amortization over total interest expense.

The Group's strategy, which was unchanged from prior year, was to maintain the debt-to-equity ratio, current ratio and interest coverage ratio at manageable levels.

The Parent Company's debt-to-equity ratio and interest coverage ratio based on the consolidated financial statements as required by its own long-term debt are as follows:

a. Debt-to-equity Ratio:

	2022	2021
Long-term debts	**₱20,055,015,980**	₱20,587,209,489
Equity attributable to equity holders of the Parent Company	**12,525,992,386**	12,008,281,501
Debt-to-equity ratio	**1.60:1**	1.71:1

b. Debt Service Coverage Ratio:

	2022	2021
Income before income tax	**₱2,220,298,054**	₱1,486,319,578
Add depreciation, amortization and interest expense	**3,093,359,852**	3,238,976,285
Add ending cash balance	**2,796,280,747**	2,864,190,106
Total cash available for debt service	**8,109,938,653**	7,589,485,969
Divided by aggregate principal repayment and interest during the next period	**4,036,786,698**	3,266,685,474
	2.01:1	2.32:1

Sarangani
Sarangani's debt-to-equity ratio and debt service coverage ratios calculated using Sarangani's stand-alone financial statements are as follows:

a. Debt-to-equity Ratio:

	2022	2021
Current liabilities	**₱4,352,244,666**	₱5,512,902,428
Noncurrent liabilities	**11,549,772,864**	13,481,975,652
Total liabilities	**15,902,017,530**	18,994,878,080
Equity	**13,179,728,714**	12,509,110,953
Debt-to-equity ratio	**1.21:1**	1.52:1

b. Debt Service Coverage Ratio:

	2022	2021
Income before income tax	**₱1,947,415,589**	₱1,579,835,699
Add depreciation, amortization and interest expense	**2,472,207,805**	2,577,604,598
Total cash available for debt service	**4,419,623,394**	4,157,440,297
Divided by debt service	**2,965,884,122**	2,929,220,286
	1.49:1	1.42:1

Siguil
Siguil separately monitors its debt-to-equity ratio and current ratio of the Project. Siguil's current ratio and debt-to-equity ratio are as follows:

a. Current Ratio:

	2022
Current assets	**₱506,980,177**
Current liabilities*	**87,321,226**
Current ratio	**5.81:1**

**Excluding advances from related parties as provided in OLSA*

b. Debt-to-equity Ratio:

	2022
Total liabilities*	₱1,563,485,465
Equity**	2,975,462,681
Debt-to-equity ratio	0.53:1

**Excluding advances from related parties as provided in OLSA*
***Including advances from related parties as provided in OLSA*

32. Financial and Non-financial Instruments

The Group held the following financial and non-financial instruments that are carried at fair value or where fair value is required to be disclosed:

As at December 31, 2022:

		Fair Value			
	Carrying value	**Total**	**Level 1**	**Level 2**	**Level 3**
Financial Assets					
Measured at fair value -					
Equity investments					
designated as FVOCI	**₱2,355,339,743**	**₱2,355,339,743**	**₱33,060,974**	**₱100,110,000**	**₱2,222,168,769**
Non-financial Assets					
Fair value is disclosed -					
Investments in real estate	**410,914,921**	**1,476,729,536**	**–**	**–**	**1,476,729,536**
	₱2,766,254,664	**₱3,832,069,279**	**₱33,060,974**	**₱100,110,000**	**₱3,698,898,305**
Financial Liabilities					
Fair value is disclosed -					
Long-term debts	**₱20,055,015,980**	**₱24,688,873,798**	**₱–**	**₱–**	**₱24,688,873,798**

As at December 31, 2021:

		Fair Value			
	Carrying value	Total	Level 1	Level 2	Level 3
Financial Assets					
Measured at fair value -					
Equity investments					
designated as FVOCI	₱2,361,796,426	₱2,361,796,426	₱39,517,657	₱100,110,000	₱2,222,168,769
Non-financial Assets					
Fair value is disclosed -					
Investments in real estate	513,872,270	1,814,245,194	–	–	1,814,245,194
	₱2,875,668,696	₱4,176,041,620	₱39,517,657	₱100,110,000	₱4,036,413,963
Financial Liabilities					
Fair value is disclosed -					
Long-term debts	₱20,587,209,489	₱26,347,626,060	₱–	₱–	₱26,347,626,060

During the years ended December 31, 2022 and 2021, there were no transfers between Level 1 and 2 fair value measurements, and no transfers into and out of Level 3 measurements.

The following methods and assumptions are used to estimate the fair value of each class of financial and non-financial instruments:

Cash and cash equivalents, short-term cash investments, and trade and other receivables
The carrying amounts of these financial assets approximate their fair values due to the short-term maturity of those instruments and the effect of discounting the instruments is not material.

Financial assets at FVOCI
The Group's financial assets include investments in quoted and unquoted securities and golf club shares. The fair value of investment in quoted securities is determined based on the closing market rate in PSE as at statement of financial position dates. The fair value of investment in golf club shares which are traded in organized financial markets is determined based on any price within the lower selling quotes and higher buyer quotes at the close of business at reporting date.

As of December 31, 2022 and 2021, the Group's investment in unquoted equity investments is measured at fair value using the adjusted net asset value approach as of December 31, 2022 and 2021, respectively (see Note 13). The significant unobservable inputs used in the fair value measurements categorised within Level 3 of the fair value hierarchy, together with a quantitative sensitivity analysis are shown below:

As at December 31, 2022:

Significant unobservable inputs	Inputs	Increase (Decrease)	Amount (in millions)
Average price per square meter for real estate properties	**₱121,000**	**+1%**	**₱18**
		-1%	**(18)**
Multiplier to arrive at the estimated net realizable value for real estate	**2.22 times**	**+1%**	**74**
inventories		**-1%**	**(74)**
Discount for lack of control and	**10%**	**+5%**	**(235)**
marketability		**-5%**	**254**

As at December 31, 2021:

Significant unobservable inputs	Inputs	Increase (Decrease)	Amount (in millions)
Average price per square meter for real estate properties	₱101,000	+1%	₱15
		-1%	(15)
Multiplier to arrive at the estimated net realizable value for real estate	2.28 times	+1%	53
inventories		-1%	(53)
Discount for lack of control and	10% - 15%	+5%	(244)
marketability		-5%	259

Accounts payable and other current liabilities and loans payable
The carrying amounts of these financial liabilities approximate fair value because of the short-term maturity of these instruments.

Long-term debts
The fair value of long-term debts with variable interest rates approximates its carrying amounts due to quarterly repricing of interest. The fair value of long-term debts with fixed interest rate and long-term debts with variable interest rates subject to semi-annual repricing of interest is determined by discounting the estimated future cash flows using the discount rates applicable for similar types of instruments.

Investments in real estate
Refer to Note 10 for the basis of fair value.

33. Revenue and Significant Agreements and Commitments

Disaggregated Revenue Information
Set out below is the disaggregation of the Group's revenue from contracts with customers for the years ended December 31:

Type of contract	2022	2021	2020
Power supply agreements and ancillary services procurement agreement	**₱11,967,260,712**	₱10,046,853,824	₱9,464,452,238
Contract to sell of residential lots	**21,971,417**	–	–
Total revenue from contracts with customers	**₱11,989,232,129**	₱10,046,853,824	₱9,464,452,238
Income from leases (Notes 27 and 30)	**₱427,411,687**	₱7,656,913	₱6,337,348
	₱12,416,643,816	₱10,054,510,737	₱9,470,789,586

Contract Balances
The Group's receivables as at December 31, 2022 and 2021 are disclosed in Note 8. The Group's contract assets as at December 31, 2022 and 2021 amounted to ₱1,774 million and ₱1,783 million, respectively, representing excess of revenue earned and recognized over the amount billed, billable and/or collected from the customers under the contracts (see Note 8).

The Group's trade receivables and contract assets amounted to ₱1,817 million and ₱1,583 million, respectively, as of January 1, 2021.

Significant Contracts

a. PSAs and ASPA

Sarangani
Sarangani entered into PSAs with the following parties for a period of 25 years.

Phase I of the Project

Contracting Party	Contracted Capacity (in Megawatts)
SOCOTECO II	70
Iligan Light and Power Inc.	15
Agusan del Norte Electric Cooperative	10
Agusan del Sur Electric Cooperative	10
	105

Phase 2 of the Project

Contracting Party	Contracted Capacity (in Megawatts)
Cagayan Electric Power and Light Company, Inc.	20
Davao del Norte Electric Cooperative, Inc.	15
Davao del Sur Electric Cooperative, Inc.	15
Cotabato Electric Cooperative, Inc.	10
South Cotabato I Electric Cooperative, Inc.	10
Zamboanga del Sur I Electric Cooperative Inc.	5
Zamboanga del Norte Electric Cooperative Inc.	5
	80

Revenue amounted to ₱9,973 million in 2022, ₱8,225 million in 2021 and ₱7,892 million in 2020.

CHC and Subsidiaries
WMPC has existing PSAs with electric cooperatives and distribution utilities for a period of 10 years with contracted capacity of 51MW.

On September 25, 2017, CEPALCO requested to suspend its PSA starting October 2017 because based on the current supply-demand condition within its franchise area, CEPALCO will not be requiring the 30 megawatts capacity from WMPC for the meantime. Consequently, on September 26, 2017, WMPC agreed to the requested suspension. The unexpired term of the PSA between WMPC and CEPALCO shall be preserved and will resume upon prior written notice from the latter.

In addition, WMPC has existing ASPA with National Grid Corporation of the Philippines (NGCP) which was provisionally approved by the ERC. On the other hand, MPC has existing PSA with electric cooperative with contracted capacity of 30MW.

Revenue amounted to ₱1,994 million in 2022, ₱1,822 million in 2021 and ₱1,572 million in 2020.

SRPI
In March 2013, SRPI entered into a PSA with ZAMCELCO for a period of 25 years from start of the SRPI's commercial operation. Contracted capacity for the related PSA was 85 MW. On September 15, 2014, the Energy Regulation Commission approved the above PSA. As at March 23, 2023, the SRPI has not started the construction of the ZAM 100 power plant. The proposals for the EPC rebidding were submitted on August 30, 2018. The selected EPC contractor remains committed to the implementation of the SRPI Project, with regular updating of project requirements to maintain readiness for implementation upon execution of the EPC contract and issuance of NTP. The issuance of the NTP is expected in the fourth quarter of 2024, corresponding to a Commercial Operations Date (COD) in March 2027.

b. Joint Venture Agreements

ALC has a Joint Venture Agreement with SLRDI for the development of ALC's parcels of land at General Trias, Cavite into a commercial and residential subdivision with golf courses, known as the Eagle Ridge Golf and Residential Estates (Eagle Ridge). The entire development shall be undertaken by SLRDI which shall receive 60% of the total sales proceeds of the lots of the subdivision, both commercial and residential, and of the golf shares. The remaining balance of 40% shall be for ALC. ALC's 40% share in the proceeds and in the cost of the lots sold is shown as part of "Sales of real estate" and "Cost of real estate sold" accounts, respectively, in the consolidated statements of income. ALC's share in the unsold lots is included under "Real estate inventories" account in the consolidated statements of financial position.

In 2006, ALC entered a joint venture agreement with Sunfields Realty Development Inc., the developer, for the development of ALC's parcels of land at Lipa and Malvar, Batangas into residential house and lots, called as the Campo Verde Subdivision. The entire development costs were shouldered by the developer. In return to their respective contributions to the project, the parties have agreed to assign a number of units of residential house and lots proportionate to their respective contributions computed as specified in the Memorandum of Agreement. The developer was assigned as the exclusive marketing agent and receives 10% of the total contract price, net of value-added tax and discounts, as marketing fee. Sales and cost of lots sold allocated to ALC are shown as part of "Real estate sales" and "Cost of real estate sales" accounts, respectively, in the consolidated statements of income.

On March 21, 2013, Aldevinco and ACIL (collectively referred as "AG") and Ayala Land, Inc. (ALI) entered into a joint venture agreement, where ALI shall own 60% and AG shall own 40% of the outstanding capital stock of the Joint Venture Corporation (JVC), Aviana. On September 17, 2013, Aviana was incorporated as the JVC. ACR has subscribed to 296 preferred shares and 32 common shares for 34% ownership in Aviana.

c. Marketing Agreements

ALC and SLRDI have a Marketing Agreement with Fil-Estate Group of Companies (FEGC) for the latter to maket and sell the individual lots at Eagle Ridge. FEGC is entitled to a marketing commission of 12% of the sales contract price.

d. Registration with Zamboanga City Special Economic Zone Authority (ZAMBOECOZONE) and Kamanga Agro-Industrial Economic Zone

On November 20, 2012, SRPI obtained the certificate of registration and tax exemption issued by ZAMBOECOZONE. As a registered ZAMBOECOZONE enterprise, SRPI shall enjoy incentives and benefits provided for in Republic Act (R.A.) 7903 Sections 4(e) and 4(f) and Sections 43-44, 57-59 and 62 of R.A. 7903 throughout the Lease Agreement with ZAMBOECOZONE.

On June 7, 2011, PEZA approved Sarangani's registration as an Ecozone Utilities Enterprise inside Kamanga Agro-Industrial Economic Zone located at Barangay Kamanga, Maasim, Sarangani Province.

As a power generation registered economic zone enterprises SRPI and Sarangani are entitled to the certain tax incentives.

e. Joint Crediting Mechanism Grant (the JCM Grant) by the Ministry of Environment of Japan (MEJ)

On September 22, 2017, ACR, AREC, Toyota Tsusho Corporation (TTC) and Siguil entered into an International Consortium Agreement (the Consortium Agreement) in order to apply for the JCM grant with Ministry Environment of Japan (MEJ). On October 20, 2017, MEJ approved the grant in relation to the development and implementation of the 15 MW Hydro Power Plant Project in Siguil River in Mindanao.

Siguil together with ACR, AREC, Toyota Tsusho Corporation (TTC) entered into an International Consortium Agreement (the Consortium Agreement) to apply for the JCM grant with Ministry Environment of Japan (MEJ), which was approved by MEJ. The grant amounting to JPY732.25 million, was provided in relation to the development and implementation of the 15

MW Hydro Power Plant Project in Siguil River in Mindanao. The conditions attached to the grant include the delivery of 50% of the issued carbon dioxide credits corresponding to the carbon dioxide emission reduction achieved by the project. In the event of non-compliance, cancellation or termination of the project, Siguil is liable to return the undepreciated amount of the JCM grant to MEJ.

Consequently, the parties entered into a Memorandum of Agreement (MOA) to define its roles and responsibilities under in relation to the JCM grant. Siguil received, through TTC, a portion of the grant amounting to ₱126 million in 2022 and ₱169 million in 2021. This is treated as deferred credit and will be recognized as income over the expected useful life of the related asset.

34. Contingencies

The Group is currently involved in certain regulatory matters of which estimate of the probable costs for its resolution has been developed in consultation with the Group's advisors handling the defense on these matters and is based on the analysis of potential results. Such potential results and estimate of potential liability are not reflected in the consolidated financial statements as management believes that it is not probable that the contingent liabilities will materialize affecting the Group's operations and consolidated financial statements.

35. Notes to Consolidated Statements of Cash Flows

a. The principal noncash investing and financing activities are as follows:

	2022	2021	2020
Financing activities:			
Conversion of advances to equity attributable to non-controlling interests (Note 1)	**₱–**	₱1,879,463,700	₱–
Amortization of debt issue cost (Note 18)	**72,779,804**	71,395,747	95,120,551
Application of dividends to subscriptions receivable (Note 21)	**(2,016,667)**	(4,400,000)	(4,400,000)
Investing activities:			
Noncash additions to property, plant and equipment (reclassifications, unpaid portions, etc.)	**5,591,779**	(69,053,741)	(752,344,557)
Addition to right-of-use assets (Note 12)	**(53,092,474)**	(15,003,137)	–
Share in earnings of associates (Notes 11 and 27)	**(54,720,253)**	(72,357,699)	(63,584,408)

b. Reconciliation of the movement of liabilities arising from financing activities as at and for the years ended December 31, 2022 and 2021 are as follows:

	2022			
	Loans payable	**Short-term notes payable**	**Long-term debts**	**Total**
Beginning balance	**₱1,570,535,030**	**₱1,943,104,063**	**₱20,587,209,489**	**₱24,100,848,582**
Cash movements:				
Availment of additional debt	**4,294,099,417**	**1,885,000,000**	**1,200,000,000**	**7,379,099,417**
Settlement of debt	**(2,670,535,030)**	**(2,251,481,680)**	**(1,785,410,000)**	**(6,707,426,710)**
Payment of debt issue costs	**–**	**–**	**(19,563,313)**	**(19,563,313)**
Noncash movements:				
Amortization of debt issue costs	**–**	**–**	**72,779,804**	**72,779,804**
Ending balance	**₱3,194,099,417**	**₱1,576,622,383**	**₱ 20,055,015,980**	**₱24,825,737,780**

	2021			
	Loans payable	Short-term notes payable	Long-term debts	Total
Beginning balance	₱1,382,667,507	₱892,790,136	₱21,993,281,742	₱24,268,739,385
Cash movements:				
Availment of additional debt	1,378,400,000	2,000,000,000	–	3,378,400,000
Settlement of debt	(1,190,532,477)	(949,686,073)	(1,477,468,000)	(3,617,686,550)
Noncash movements:				
Amortization of debt issue costs	–	–	71,395,747	71,395,747
Ending balance	₱1,570,535,030	₱1,943,104,063	₱20,587,209,489	₱24,100,848,582

	2020			
	Loans payable	Short-term notes payable	Long-term debts	Total
Beginning balance	₱112,291,726	₱1,618,725,542	₱23,299,494,704	₱25,030,511,972
Cash movements:				
Availment of additional debt	1,507,316,612	2,394,000,000	6,000,000,000	9,901,316,612
Settlement of debt	(236,940,831)	(3,121,617,276)	(7,306,506,000)	(10,665,064,107)
Payment of debt issue costs	–	–	(94,827,513)	(94,827,513)
Noncash movements:				
Amortization of discount	–	1,681,870	–	1,681,870
Amortization of debt issue costs	–	–	95,120,551	95,120,551
Ending balance	₱1,382,667,507	₱892,790,136	₱21,993,281,742	₱24,268,739,385

c. Reconciliation of the movement of interest payable arising from financing activities as at and for the years ended December 31, 2022, 2021 and 2020 are as follows:

	2022	2021	2020
Beginning balance	**₱274,995,147**	₱303,119,098	₱316,267,945
Cash movements:			
Payment	**(1,522,627,562)**	(1,660,106,861)	(2,010,047,427)
Noncash movements:			
Interest expense, excluding accretion on decommissioning liabilities and amortization of debt issue costs	**1,559,500,828**	1,631,982,910	1,996,898,580
Ending balance	**₱311,868,413**	₱274,995,147	₱303,119,098

d. Reconciliation of the movement of dividend payable arising from financing activities as at and for the years ended December 31, 2022, 2021 and 2020 are as follows:

	2022	2021	2020
Beginning balance	**₱749,999,985**	₱479,999,990	₱144,000,000
Cash movements:			
Payment	**(1,520,674,997)**	(740,829,990)	(660,830,010)
Noncash movements:			
Declaration	**952,730,000**	1,015,229,985	1,001,230,000
Application of dividends to subscriptions receivable (Note 21)	**(2,016,667)**	(4,400,000)	(4,400,000)
Ending balance	**₱180,038,321**	₱749,999,985	₱479,999,990

36. Other Matters

a. Electric Power Industry Reform Act (EPIRA)

RA No. 9136, the EPIRA of 2001, and the covering Implementing Rules and Regulations (IRR) provide for significant changes in the power sector which include among others:

i. The unbundling of the generation, transmission, distribution and supply and other disposable assets, including its contracts with IPP and electricity rates;
ii. Creation of a Wholesale Electricity Spot Market within one year; and
iii. Open and non-discriminatory access to transmission and distribution systems.

The law also requires public listing of not less than 15% of common shares of generation and distribution companies within 5 years from the effectivity of the EPIRA. It provides cross ownership restrictions between transmission and generation companies and between transmission and distribution companies, and a cap of 50% of its demand that a distribution utility is allowed to source from an associated company engaged in generation except for contracts entered into prior to the effectivity of the EPIRA.

There are also certain sections of the EPIRA, specifically relating to generation companies, which provide for a cap on the concentration of ownership to only 30% of the installed capacity of the grid and/or 25% of the national installed generating capacity.

Based on the assessment of management, the operating subsidiaries have complied with the applicable provisions of the EPIRA and its IRR.

b. Clean Air Act

The Clean Air Act and the related IRR contain provisions that have an impact on the industry as a whole and on the Group in particular, that needs to be complied with. Based on the assessment made on the power plant's existing facilities, management believes that the operating subsidiaries complied with the applicable provisions of the Clean Air Act and the related IRR as at December 31, 2022 and 2021.

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1226 Makati City
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INDEPENDENT AUDITOR'S REPORT ON SUPPLEMENTARY SCHEDULES

The Stockholders and the Board of Directors
Alsons Consolidated Resources, Inc.
Alsons Building, 2286 Chino Roces Avenue
Makati City, Metro Manila, Philippines

We have audited in accordance with Philippine Standards on Auditing, the consolidated financial statements of Alsons Consolidated Resources, Inc. and its subsidiaries (the Group) as at December 31, 2022 and 2021 and for each of the three years in the period ended December 31, 2022, included in this Form 17-A and have issued our report thereon dated March 23, 2023. Our audits were made for the purpose of forming an opinion on the basic financial statements taken as a whole. The schedules listed in the Index to Supplementary Schedules are the responsibility of the Group's management. These schedules are presented for purposes of complying with the Revised Securities Regulation Code Rule 68, and are not part of the basic financial statements. These schedules have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, fairly state, in all material respects, the financial information required to be set forth therein in relation to the basic financial statements taken as a whole.

SYCIP GORRES VELAYO & CO.

Manolito R. Elle
Partner
CPA Certificate No. 106471
Tax Identification No. 220-881-929
BOA/PRC Reg. No. 0001, August 25, 2021, valid until April 15, 2024
SEC Partner Accreditation No. 106471-SEC (Group A)
Valid to cover audit of 2022 to 2026 financial statements of SEC covered institutions
SEC Firm Accreditation No. 0001-SEC (Group A)
Valid to cover audit of 2021 to 2025 financial statements of SEC covered institutions
BIR Accreditation No. 08-001998-128-2023, January 25, 2023, valid until January 24, 2026
PTR No. 9564613, January 3, 2023, Makati City

March 23, 2023

ALSONS CONSOLIDATED RESOURCES, INC. AND SUBSIDIARIES
INDEX TO SUPPLEMENTARY SCHEDULES
DECEMBER 31, 2022

Supplementary schedules required by Revised Securities Regulation Code Rule 68:

Annex I: Reconciliation of Retained Earnings Available for Dividend Declaration

Annex II: Map Showing the Relationships Between and Among the Company and its Ultimate Parent Company, Middle Parent, Subsidiaries or Co-subsidiaries, Associates, Wherever Located or Registered

Annex III: Supplementary Schedules Required by Annex 68-J

- Schedule A. Financial Assets
- Schedule B. Amounts Receivable from Directors, Officers, Employees, Related Parties, and Principal Stockholders (Other than Related Parties)
- Schedule C. Amounts Receivable from Related Parties which are Eliminated During the Consolidation of Financial Statements
- Schedule D. Long-term Debt
- Schedule E. Indebtedness to Related Parties
- Schedule F. Guarantees of Securities of Other Issuers
- Schedule G. Capital Stock

ALSONS CONSOLIDATED RESOURCES, INC. AND SUBSIDIARIES
SCHEDULE OF RETAINED EARNINGS AVAILABLE FOR DIVIDEND DECLARATION*
DECEMBER 31, 2022

Unappropriated retained earnings available for dividend declaration as at December 31, 2021		₱151,427,890
Add: **Net income actually earned/realized during the year**		
Net income earned during the year		158,154,494
Less: **Non-actual/unrealized income net of tax:**		
Equity in net income of associate/joint venture	–	
Unrealized foreign exchange gain - (after tax) except those attributable to Cash and Cash Equivalents)	–	
Fair value adjustment (mark-to-market gains)	–	
Fair value adjustment of Investment Property resulting to gain	–	
Adjustment due to deviation from PFRS - gain	–	
Other unrealized gains or adjustments to the retained earnings as a result of certain transactions accounted for under the PFRS	–	
Sub-total	–	
Add: **Non-actual losses**		
Depreciation on revaluation increment (after tax)	–	
Adjustment due to deviation from PFRS - loss	–	
Loss on fair value adjustment of investment property (after tax)	–	
Sub-total	–	
Net income actually earned during the period		**309,582,384**
Add (Less):		
Dividends declaration during the period	(130,230,003)	
Appropriations of Retained Earnings during the period	–	
Reversals of appropriations	–	
Effects of prior period adjustments	–	
Treasury shares	–	
Sub-total		(130,230,003)
UNAPPROPRIATED RETAINED EARNINGS AVAILABLE FOR DIVIDEND DECLARATION AS AT DECEMBER 31, 2022		**₱179,352,381**

*Note: In accordance with SEC Financial Reporting Bulletin No. 14, the reconciliation is based on the separate/parent company financial statements of Alsons Consolidated Resources, Inc.

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INDEPENDENT AUDITOR'S REPORT ON COMPONENTS OF FINANCIAL SOUNDNESS INDICATORS

The Stockholders and the Board of Directors
Alsons Consolidated Resources, Inc.
Alsons Building, 2286 Chino Roces Avenue
Makati City, Metro Manila, Philippines

We have audited in accordance with Philippine Standards on Auditing, the consolidated financial statements of Alsons Consolidated Resources, Inc. and its subsidiaries (the Group) as at December 31, 2022 and 2021 and for each of the three years in the period ended December 31, 2022, and have issued our report thereon dated March 23, 2023. Our audits were made for the purpose of forming an opinion on the basic financial statements taken as a whole. The Supplementary Schedule on Financial Soundness Indicators, including their definitions, formulas, calculation, and their appropriateness or usefulness to the intended users, are the responsibility of the Group's management. These financial soundness indicators are not measures of operating performance defined by Philippine Financial Reporting Standards (PFRSs) and may not be comparable to similarly titled measures presented by other companies. This schedule is presented for the purpose of complying with the Revised Securities Regulation Code Rule 68 issued by the Securities and Exchange Commission, and is not a required part of the basic financial statements prepared in accordance with PFRS. The components of these financial soundness indicators have been traced to the Group's financial statements as at December 31, 2022 and 2021 and for each of the three years in the period ended December 31, 2022 and no material exceptions were noted.

SYCIP GORRES VELAYO & CO.

Manolito R. Elle
Partner
CPA Certificate No. 106471
Tax Identification No. 220-881-929
BOA/PRC Reg. No. 0001, August 25, 2021, valid until April 15, 2024
SEC Partner Accreditation No. 106471-SEC (Group A)
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SEC Firm Accreditation No. 0001-SEC (Group A)
Valid to cover audit of 2021 to 2025 financial statements of SEC covered institutions
BIR Accreditation No. 08-001998-128-2023, January 25, 2023, valid until January 24, 2026
PTR No. 9564613, January 3, 2023, Makati City

March 23, 2023

Alsons Consolidated Resources, Inc. and Subsidiaries
Schedule of Financial Soundness

Financial KPI	Definition	Years Ended December 31 2022	2021
Liquidity			
Current Ratio / Liquidity Ratio	Current Assets / Current Liabilities	1.15:1	1.18:1
Acid Test Ratio	Current Assets-Inventories-Prepaid Expense / Current Liabilities	0.91:1	0.81:1
Solvency			
Debt to Equity Ratio/Solvency Ratio	transaction costs)+Loans Payable+Short-term Notes+Accrued Interest / (Equity attributable to Parent Net of Reserves)	2.52:1	2.57:1
Debt to Asset Ratio	Long-term Debts (net of unamortized transactions costs) + Loans Payable + Short-term Notes + Accrued Interest / Total assets	0.53:1	0.51:1
Net Service Coverage Ratio	Cash Available for for Debt Service / Aggregate Principal and Interest during Next Period	2.01:1	2.32:1
Interest Rate Coverage Ratio			
Interest Rate Coverage Ratio	Earnings Before Interest, Taxes and Depreciation / Interest Expense	3.20:1	2.74:1
Profitability Ratio			
Return on Equity	Net Income / Stockholders' Equity	10%	7%
EBITDA Margin	EBITDA / Net sales	44%	47%
Return on Assets	Net income / Total assets	4%	3%
Net Profit Margin	Net income / Revenues	16%	13%
Operating Expense Ratio	Operating expenses / Gross operating income	19%	22%
Asset-to-Equity Ratio			
Asset-to-Equity Ratio	Total Assets / Total Equity	2.53:1	2.66:1
Debt-to-Equity Ratio	Total debt / Total equity	1.53:1	1.66:1

Alsons Consolidated Resources, Inc.
And Subsidiaries

Interim Financial Statements
First Quarter Ended March 31,2023 and 2022

and

The Management Discussion and Analysis

COVER SHEET
for
17-Q

SEC Registration Number

						5	9	3	6	6

Company Name

ALSONS CONSOLIDATED RESOURCES
INC.

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

Alsons Building 2286 Don Chino
Roces Avenue Makati City

Form Type	Department requiring the report	Secondary License Type, If Applicable
17-Q	MSRD	N.A.

COMPANY INFORMATION

Company's Email Address	Company's Telephone Number/s	Mobile Number
Legal@alcantaragroup.com	9823000	

No. of Stockholders	Annual Meeting Month/Day	Fiscal Year Month/Day
449	June 19	December 31

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
Jonathan F. Jimenez	jjimenez@alcantaragroup.com	89823000	N/A

Contact Person's Address

Alsons Building 2286 Don Chino Roces Avenue Makati City

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

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

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 **31 March 2023**

2. SEC Identification Number **59366**

3. BIR Tax Identification Number - **001-748-412**

4. Exact name of registrant as specified in its charter: **ALSONS CONSOLIDATED RESOURCES, INC.**

5. **Philippines**
   Province, Country or other jurisdiction of incorporation or organization

6. Industry Classification Code:_______________ (SEC Use Only)

7. Alsons Bldg., 2286 Pasong Tamo Extension, Makati City — 1231
   Address of principal office — Postal Code

8. **(632) 8982-3000**
   Registrant's telephone number, including area code

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

10. Securities registered pursuant to Sections 4 and 8 of the SRC

Title of Each Class	Number of Shares of Common Stock Outstanding and Amount of Debt Outstanding
Common Stock P 1.00 par value	**6,291,500,000 Shares**

11. Are any or all of these securities listed on the Philippine Stock Exchange ?

    Yes [X] No [ ]

    If yes, state the name of such Stock Exchange and the class/es of securities listed therein:
    Philippine Stock Exchange **Common Stock**

12. Check whether the registrant:

    (a) has filed all reports required to be filed by Section 11 of the Revised Securities Act (RSA) and RSA Rule 11(a)-1 thereunder and Sections 26 and 141 of the Corporation Code of the Philippines during the preceding 12 months (or for such shorter period that the registrant was required to file such reports):

    Yes [X] No [ ]

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

    Yes [X] No [ ]

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PART I -- FINANCIAL INFORMATION

Item 1. Financial Statements

The following financial statements are submitted as part of this report:

Interim Financial Statements as of March 31, 2023 and 2022 (with Comparative Audited Consolidated Balance Sheet as of December 31, 2022).

Key Performance Indicators

The following key performance indicators were identified by the Company and included in the discussion of the results of operations and financial condition for the Three Months ended March 31, 2023 and 2022. (Amounts in million pesos, except ratios)

		March 31	
Financial KPI	Definition	2023	2022
Profitability			
REVENUES		**₱3,319**	**₱2,675**
EBITDA		**1,341**	**1,111**
EBITDA Margin	EBITDA / Net Sales	**40%**	**42%**
Return on Equity	Net Income / Total Average Stockholders' Equity	3%	2%
NET EARNINGS ATTRIBUTABLE TO EQUITY HOLDERS		**156**	**90**
Efficiency Operating Expense Ratio	Operating Expenses / Gross Operating Income	15%	29%
Liquidity Net Debt Coverage	Cash Flow from Operating Activities / Net Financial Debt	9%	2%
CURRENT RATIO	Current Assets / Current Liabilities	1.23:1	1.21:1
DEBT-TO-EQUITY RATIO		2.48:1	2.57:1
Asset-to-equity Ratio	Total Assets / Total Equity	2.50:1	2.63:1
Interest Rate Coverage Ratio	Earnings Before Interest and Taxes / Interest Expense	2.53:1	1.96:1

Profitability

Earnings before interest, taxes, depreciation and amortization (EBITDA) margin of the Company decreased during the first three months of 2023 to 40% from the same period last year at 42% due to higher revenues. The Company's operating power plants continue to provide the Group's steady earnings. Return on equity (ROE) increased to 3% from 2% in the previous year.

Efficiency

ACR's power facilities operate and continue to provide power to our customers in various parts of Mindanao amidst the easing treats of the pandemic. The 210 mega-watt (MW) Sarangani Energy Corporation (SEC) baseload coal-fired power plant in Maasim, Sarangani with both sections delivering electricity to General Santos City, Sarangani Province, Cagayan de Oro, Iligan, Butuan, and other major population centers in Mindanao. The 100 MW diesel plant of the Western Mindanao Power Corporation (WMPC) in Zamboanga City continues to be a major power to Zamboanga City. WMPC likewise provides ancillary services to the National Grid Corporation of the Philippines (NGCP) with dispatchable generating capacity, reactive power support, and black start capability to help stabilize the power grid in the Zamboanga Peninsula (Western Mindanao/Region 9). The Company is currently evaluating possible options on how to utilize the available engines of Southern Philippines Power Corp. (SPPC) diesel plant in Sarangani. The Company is likewise actively exploring prospective markets for its diesel capacity in areas outside of Mindanao where the demand for power is growing.

The Siguil Hydro Power Plant in Maasim Sarangani is on its advances stage of contraction is expected to be in commercial operations in the fourth quarter of 2023. With cost mitigating measures implemented during the period, operating expense ratio decreased to 15% from 29% in the previous year. The operating efficiency of the power plants is expected to continue in accordance with the plans and budgets.

ACR's cash flows from operations this year remain stable at ₱1.96 billionn from last year's ₱509 million. The increase was due to collection of trade receivables during the first three months of 2023. The net debt coverage increased to 9% from 2% in the previous year while current ratio improved to 1.23:1 from last year's 1.21:1.

DESCRIPTION OF KEY PERFORMANCE INDICATORS:

1. REVENUES. Revenue is the amount of money that the company subsidiaries receive arising from their business activities and is presented in the top line of the statements of income. The present revenue drivers of the Company are i) energy and power and ii) real estate. Revenue growth is one of the most important factors management and investors use in determining the potential future stock price of a company and is closely tied to the earnings power for both the near and long-term timeframes. Revenue growth also aids management in making a sound investment decision.

2. EARNINGS BEFORE INTEREST, TAXES, DEPRECIATION AND AMORTIZATION (EBITDA). The Company computes EBITDA as earnings before extraordinary items, net finance expense, income tax, depreciation, and amortization. It provides management and investors with a tool for determining the ability of the Company to generate cash from operations to cover financial charges and income taxes. It is also a measure to evaluate the Company's ability to service its debts and to finance its capital expenditure and working capital requirements.

3. NET EARNINGS ATTRIBUTABLE TO EQUITY HOLDERS OF PARENT. Net income attributable to shareholders is one more step down from net income on the income statement. The net income of a company is all of the revenues minus all of the expenses including interest expenses and taxes. Net income attributable to shareholders is the net income minus the non-controlling interests. This aids management and investors in identifying company's profit allocated to each outstanding share.

4. DEBT-TO-EQUITY RATIO. This measures the company's financial leverage calculated by dividing its total liabilities by stockholders' equity. It indicates what proportion of equity and debt the company is using to finance its assets.

5. CURRENT RATIO. Current ratio is a measurement of liquidity computed by dividing current assets by current liabilities. It is an indicator of the Company's ability to meet its current maturing obligations. The higher the ratio, the more liquid the Company presents.

Item 2. Management's Discussion and Analysis of Results of Operations and Financial Condition

RESULTS OF OPERATIONS

The first three months of 2023 showed steady flow of revenues at ₱3,319 million from last year's ₱2,675 million. The demand for power in Mindanao has recovered as the effect of Pandemic continue to ease. In addition, the Whole Sale Electricity Spot Market (WESM) is already operating in Mindanao and our Company's operating proper plant's available capacity participated in the spot market.

Cost of goods sold and services increased significantly from ₱1,719 million to ₱2,179 million, this year due mainly to the high cost of fuel and increased demand. Gross profit margin remain stable at 34% delivering a steady gross profit of ₱1,140 million for the first three months of the year and higher than the ₱970 million for the same period in 2022.

General and administrative expenses decreased to ₱146 million from ₱220 million last year due mainly to lower marketing expenses, tax settlements and transportation costs.

Net finance charges for the first quarter of this year was at ₱380 million compared to last year's ₱382 million. The decline is due mainly to the lower interest a result of continuing amortization of maturing debts.

Due to the above variances, the net income improved to ₱542 million from last year's ₱ 324 million resulting to higher net income attributable to the Parent of ₱156 million from last year's ₱90 million. Earnings per share were at ₱0.024 during this period higher than last year's ₱0.014.

REVIEW OF FINANCIAL POSITION

ACR and its Subsidiaries continue to post strong balance sheets with total assets of ₱ 48,568 million a slight increase from ₱47,796 million at the end of 2022.

Current assets increased by 8% from ₱11,263 million to ₱12,214 million brought about by higher cash and cash equivalents and inventories during the period.

Non-current assets remains the same at ₱36,354 million. The increase in the project cost incurred on Sigil Hydro project was offset by the depreciation expense of the operating power plants during the period.

Total liabilities amounted ₱29,117 million is slightly higher than the ₱28,887 million reported at the end of 2022. The slight increase was due to the loan drawdown from the project finance loan for Siguil Hydro power plant project.

As of March 31, 2023, ACR's current ratio improved to 1.23 from last year's 1.21 while Debt to equity ratio decreased to 2.48:1 from 2.57:1 last year.

ACR's consolidated statement of cash flows showed that cash from operating activities is the major source of funding for payment of maturing obligations during the period.

i. Causes of the material changes (5% or more) in balances of relevant accounts as of March 31, 2023 compared to December 31, 2022 are as follows:

   a) **Cash and cash equivalents** – Increased 48%
   The increase is due mainly to the collection of trade receivables during the period and the timing of settlement of payables.

b) **Trade and other receivables** – Decreased 10%
The decrease is due mainly to the timing of collections of these accounts during the period.

c) **Spare parts and supplies** – Increased 8%
The increase is due mainly to the coal purchases for the first quarter of the year.

d) **Advances to contractors** – increased 7%
The increase was due to the additional advances made to the Contractor of Siguil Hydro Project during the period.

e) **Contract Asset** – Increased 4%
Contract asset represents asset recognized though the application of PFRS 15. This Accounting Standards simply recognizes the revenues of SEC relative to its Capital Recovery Fee equally over the life of its PSA. Thus, applying the average method in calculating the CRF Revenue. The increment is presented as Contract Asset.

f) **Accounts Payable and Accrued Expenses** – Increased 8%
The increase was due to the timing of payments of payables during the period.

f) **Loans payable – Decreased 5%**
The decrease in loans payable was due to the settlement maturing loans during the period

g) **Income tax payable** – Increased 98%
The timing of payments of income tax payable led to the increase in this account during the period. The income tax due for the taxable year ended December 31 was settled in April 2023.

ii. Events that will trigger Direct or Contingent Financial Obligation that is material to the Company, including any default or acceleration of obligation.

Some of the subsidiaries or affiliates of the Company are from time to time involved in routine litigation and various legal actions incidental to their respective operations. However, in the opinion of the Company's management, none of the legal matters in which its subsidiaries or affiliates are involved have material effect on the Company's financial condition and results of operations.

iii. There are no Material Off-Balance Sheet Transactions, Arrangements, Obligations (including contingent obligations), and other relationships of the company with unconsolidated entities or other persons created during the reporting period.

PART II -- OTHER INFORMATION

Other Required Disclosures

1. The attached interim financial reports were prepared in accordance with accounting standards generally accepted in the Philippines. The accounting policies and methods of computation followed in these interim financial statements are the same compared with the audited financial statements for the period ended December 31, 2022.
2. Except as reported in the Management's Discussion and Analysis of Financial Condition and Results of Operations ("MD&A"), there were no unusual items affecting assets, liabilities, equity, net income or cash flows for the interim period.
3. There were no material changes in estimates of amounts reported in prior periods that have material effects in the current interim period.

4. Except as disclosed in the MD&A, there were no other issuances, repurchases and repayments of debt and equity securities.

5. There were no material events after March 31, 2023 up to the date of this report that need disclosure herein.

6. There were no changes in the composition of the Company during the interim period such as business combination, acquisition or disposal of subsidiaries and long-term investments, restructurings, and discontinuing operations.

7. There were no changes in contingent liabilities or contingent assets since December 31, 2022.

8. There were no material contingencies and other material events or transactions affecting the current interim period.

9. There were no known trends, demands, commitments, events or uncertainties that will have a material impact on the Company's liquidity.

10. There were no known trends, events or uncertainties that have had or that were reasonably expected to have a material favorable or unfavorable impact to the Company.

11. There was no significant element of income or loss that did not arise from the Company's continuing operations.

12. There were no known seasonal or cyclical aspects that had a material effect on the financial condition or results of operations for the interim period.

13. There were no material commitments for capital expenditures, the general purpose of such commitments and the expected sources for such expenditures.

14. Any seasonal aspects that had a material effect on the financial condition or results of operations.

    ACR being a holding company had no seasonal aspects that will have any material effect on its financial condition or operational results.

    ACR's power business units generated a fairly stable stream of revenues throughout the year.

    ACR's real property development did not show any seasonality. The remaining real estate inventory of Alsons Land did not shown signs of impairments during the period.

There are NO matters and events that need to be disclosed under SEC Form 17-C.

SIGNATURES

Pursuant to the requirements of the Securities Regulation Code, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized

ALSONS CONSOLIDATED RESOURCES, INC.
Issuer

By:

Registrant :	**TIRSO G. SANTILLAN, JR.** **Executive Vice-President & COO**	**Date:**	05. 11. 2023
	ALEXANDER BENHUR M. SIMON **Group Chief Finance Officer**	**Date:**	05. 11. 2023

Alsons Consolidated Resources, Inc. and Subsidiaries

Unaudited Interim Condensed Consolidated Financial Statements
As at March 31, 2023 and for the Three-Month Periods Ended
March 31, 2023 and 2022
(With Comparative Audited Consolidated Balance Sheet as at
December 31, 2022)

ALSONS CONSOLIDATED RESOURCES, INC. AND SUBSIDIARIES
INTERIM CONDENSED CONSOLIDATED BALANCE SHEETS
MARCH 31, 2023
(With Comparative Audited Figures as at December 31, 2022)

	March 31, 2023 (Unaudited)	December 31, 2022 (Audited)
ASSETS		
Current Assets		
Cash and cash equivalents (Note 4)	**₱4,130,780,095**	₱2,796,280,747
Short-term cash investments (Note 4)	**121,943,200**	123,724,552
Trade and other receivables (Note 5)	**5,412,987,257**	5,986,468,079
Inventories – at cost	**1,250,715,472**	1,037,141,653
Real estate inventories (Note 6)	**622,840,466**	622,840,466
Prepaid expenses and other current assets (Note 10)	**675,577,691**	697,187,726
Total Current Assets	**12,214,844,181**	11,263,643,223
Noncurrent Assets		
Noncurrent portion of installment receivables	**3,157,245**	3,323,416
Contract asset	**1,751,207,969**	1,684,163,954
Investments in real estate (Note 6)	**410,945,635**	410,914,921
Investments in associates (Note 6)	**2,323,892,611**	2,305,803,186
Advances to contractors	**487,211,525**	456,601,567
Property, plant and equipment (Note 7)	**27,430,223,618**	27,741,914,110
Equity instruments designated at fair value through other comprehensive income (FVTOCI) (Note 8)	**2,355,339,743**	2,355,339,743
Goodwill (Note 9)	**527,187,320**	527,187,320
Net retirement assets	**20,466,370**	22,385,884
Deferred income tax assets – net	**40,461,046**	23,985,449
Other noncurrent assets	**1,003,509,772**	1,001,225,019
Total Noncurrent Assets	**36,353,602,854**	36,532,844,569
TOTAL ASSETS	**₱48,568,447,035**	₱47,796,487,792

LIABILITIES AND EQUITY		
Current Liabilities		
Accounts payable and other current liabilities (Note 11)	**₱2,782,475,215**	₱2,580,667,584
Loans payable	**3,010,321,680**	3,194,099,417
Short-term notes payable	**1,601,928,483**	1,576,622,383
Income tax payable	**137,952,590**	69,658,316
Current portion of long-term debt	**2,413,583,366**	2,367,618,137
Total Current Liabilities	**9,946,261,334**	9,788,665,837
Noncurrent Liabilities		
Long-term debt - net of current portion	**17,657,872,128**	17,687,397,843
Deferred income tax liabilities - net	**732,047,695**	633,199,351
Net retirement benefits liabilities	**69,194,917**	69,819,334
Lease liability	**15,730,903**	18,036,134
Deferred credit	**295,026,290**	295,092,290
Decommissioning liability	**400,786,576**	395,026,476
Total Noncurrent Liabilities	**19,170,658,509**	19,098,571,428
Total Liabilities	**29,116,919,843**	28,887,237,265

(Forward)

ALSONS CONSOLIDATED RESOURCES, INC. AND SUBSIDIARIES

INTERIM CONDENSED CONSOLIDATED BALANCE SHEETS

MARCH 31, 2023
(With Comparative Audited Figures as at December 31, 2021)

	March 31, 2023 (Unaudited)	December 31, 2022 (Audited)
Equity (Note 12)		
Capital stock	**₱6,346,500,000**	₱6,346,500,000
Other equity reserves	**2,560,906,702**	2,560,906,702
Retained earnings:		
Unappropriated	**2,674,428,822**	2,518,585,684
Appropriated	**1,100,000,000**	1,100,000,000
Attributable to equity holders of the parent	**12,681,835,524**	12,525,992,386
Non-controlling interests	**6,769,691,669**	6,383,258,141
Total Equity	**19,451,527,193**	18,909,250,527
TOTAL LIABILITIES AND EQUITY	**₱48,568,447,035**	₱47,796,487,792

See accompanying Notes to Interim Condensed Consolidated Financial Statements.

ALSONS CONSOLIDATED RESOURCES, INC. AND SUBSIDIARIES
INTERIM CONDENSED CONSOLIDATED STATEMENTS OF INCOME

	Three Months Ended March 31	
	2023 Unaudited	2022 Unaudited
REVENUE		
Revenue from contract with customers	**₱3,314,993,863**	₱2,671,925,639
Rental income and others	**3,892,148**	2,757,740
	3,318,886,011	2,674,683,379
INCOME (EXPENSES)		
Cost of goods and services	**(2,179,265,892)**	(1,718,821,742)
General and administrative expenses	**(146,360,290)**	(219,869,169)
Finance income (charges) - net	**(380,037,419)**	(382,237,910)
Other income (expense) - net	**3,456,114**	17,926,272
	(2,702,207,487)	(2,303,002,549)
INCOME BEFORE INCOME TAX	**616,678,524**	371,680,830
PROVISION FOR (BENEFIT FROM) INCOME TAX (Note 13)		
Current	**71,738,302**	45,709,512
Deferred	**2,663,557**	1,905,381
	74,401,859	47,614,893
NET INCOME	**₱542,276,665**	₱324,065,937
Attributable to:		
Owners of the parent (Note 13)	**₱155,843,138**	₱90,164,856
Non-controlling interest	**386,433,528**	233,901,081
	₱542,276,666	₱324,065,937
Basic/diluted earnings per share attributable to owners of the parent	**₱0.024**	**₱0.014**

See accompanying Notes to Interim Condensed Consolidated Financial Statements.

ALSONS CONSOLIDATED RESOURCES, INC. AND SUBSIDIARIES

INTERIM CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

	Three Months Ended March 31	
	2023 (Unaudited)	2022 (Unaudited)
NET INCOME FOR THE PERIOD	**₱542,276,666**	₱324,065,937
OTHER COMPREHENSIVE INCOME		
Items that will be reclassified subsequently to profit or loss		
Gain (loss) on valuation of AFS financial assets	-	-
Translation adjustment	-	-
	-	-
TOTAL COMPREHENSIVE INCOME	**₱542,276,666**	₱324,065,937
Attributable to:		
Owners of the parent	**₱155,843,138**	₱90,164,856
Non-controlling interests	**386,433,526**	233,901,081
	₱542,276,666	₱324,065,937

See accompanying Notes to Interim Condensed Consolidated Financial Statements.

ALSONS CONSOLIDATED RESOURCES, INC. AND SUBSIDIARIES

INTERIM CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE THREE-MONTH PERIODS ENDED MARCH 31, 2023 AND 2022

	Attributable to Equity Holders of the Parent Company										
							Retained Earnings				
	Capital Stock(Note 12)	Remeasurement of Gains (Losses) on Defined Benefit Plan	Unrealized Gains (Losses) on AFS Financial Assets(Note 8)	Cumulative Translation Adjustment	Equity Reserves	Sub-total	Unappropriated	Appropriated	Total	Non-controlling Interests (Note 1)	Total
Balance at December 31, 2021	₱6,344,483,333	₱12,604,820	(₱30,372,840))	₱1,695,472,933	₱854,620,762	₱2,532,325,677	₱2,031,472,491	₱1,100,000,000	₱12,008,281,501	₱5,943,831,315	₱17,952,112,816
Net income	–	–	–	–	–	–	90,164,856	-	90,164,856	233,901,081	324,065,937
Other comprehensive income	–	-	-	-	-	-	–	-	-	-	-
Total comprehensive income (loss)	–	–	-	-	-	-	90,164,856	-	90,164,856	233,901,081	324,065,937
Appropriation of retained earnings	-	-	-	-			-	-	-	-	-
Redemption of preferred shares	–	–	–	-	–	–	–	–	-	-	-
Balance at March 31, 2022	₱6,344,483,333	₱12,604,820)	(₱30,372,840	(₱1,695,472,935)	₱854,620,762	₱2,532,325,,672	₱2,121,637,347	₱1,100,000,000	₱12,098,446,396	₱6,177,732,396	₱18,276,178,753
Balance at December 31, 2022	₱6,346,500,000	₱21,604,555	(₱36,829,523)	₱1,721,510,908	₱854,620,762	₱2,560,906,702	₱2,518,585,684	₱1,100,000,000	₱12,525,992,386	₱6,383,258,141	₱18,909,250,527
Net income	–	–	–	–	–	–	155,843,138	-	155,843,138	386,433,528	542,276,666
Other comprehensive income	–	-	-	-	-	-	–	-	–	-	-
Total comprehensive income (loss)	–	–	-	-	-	-	155,843,138	-	155,843,138	386,433,528	542,276,666
Appropriation of retained earnings	-	-	-	-			-	-	-	-	-
Redemption of preferred shares	–	–	–	-	–	–	–	–	-	-	-
Balance at March 31, 2023	₱6,346,500,000	₱12,604,555	(₱36,829,523)	₱1,721,510,908	₱854,620,762	₱2,560,906,702	₱2,674,428,822	₱1,100,000,000	₱12,681,835,524	₱6,769,691,669	₱19,451,527,193

See accompanying Notes to Interim Condensed Consolidated Financial Statements.

ALSONS CONSOLIDATED RESOURCES, INC. AND SUBSIDIARIES
INTERIM CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

	Three Months Ended March 31	
	2023 (Unaudited)	2022 (Unaudited)
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax	**₱616,678,524**	₱371,680,830
Adjustments for:		
Depreciation and amortization	**344,582,472**	356,689,682
Interest income	**(14,469,559)**	(2,755,834)
Finance charges	**394,506,978**	384,993,744
Retirement cost	**(3,508,816)**	(3,508,816)
Equity in net earnings of an associate	**(18,089,425)**	(18,089,425)
Operating income before working capital changes	**1,319,700,174**	1,089,010,181
Decrease (increase) in:		
Trade and other receivables	**558,823,275**	(245,762,133)
Contract asset	**-**	-
Prepaid expenses and other current assets	**21,610,035**	64,790,602
Spare parts and supplies	**(213,573,819)**	(127,601,202)
Increase (decrease) in:		
Accounts payable and other current liabilities	**201,807,631**	(320,176,900)
Decommissioning liability and lease liability	**5,694,100**	4,305,885
Net cash flows from operations	**1,894,061,395**	464,566,435
Increase (decrease) in income tax payable	**68,294,274**	44,286,045
Net cash flows from (used in) operating activities	**1,962,355,669**	508,852,480
CASH FLOWS FROM INVESTING ACTIVITIES		
Decrease (increase) in:		
Other noncurrent assets	**2,284,753**	(27,495,307)
Retirement benefits assets	**1,919,514**	73,559
Short-term cash investments	**1,781,352**	(1,633,642)
Investments in real estate	**-**	-
Additions to property, plant and equipment (Note 7)	**(32,891,980)**	(379,057,970)
Interest received	**14,469,559**	2,755,834
Payment of advances to contractors	**(30,609,958)**	(35,372,481)
Net cash flows from (used in) investing activities	**(43,046,760)**	(440,730,006)

ALSONS CONSOLIDATED RESOURCES, INC. AND SUBSIDIARIES
INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS

	Three Months Ended March 31	
	2032 (Unaudited)	2022 (Unaudited)
CASH FLOWS FROM FINANCING ACTIVITIES		
Availment of long-term debts	₱-	₱-
Availment of short-term loans	-	431,003,887
Payments of:		
Payment of short-term loans	(187,997,352)	(239,343,645)
Interest	(394,506,978)	(384,993,744)
Lease liability	(2,305,231)	24,895,450
Additions to interest reserve account	-	-
Net cash flows used in financing activities	(584,809,561)	(168,438,052)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	1,334,499,348	(100,315,578)
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	2,796,280,747	2,864,190,106
CASH AND CASH EQUIVALENTS AT END OF PERIOD (Note 4)	₱4,130,780,095	₱2,763,874,528

See accompanying Notes to Interim Condensed Consolidated Financial Statements

ALSONS CONSOLIDATED RESOURCES, INC. AND SUBSIDIARIES
NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1. General Information

Corporate Information

Alsons Consolidated Resources, Inc. (ACR or Parent Company) is a stock corporation organized on December 24, 1974 as Victoria Gold Mining Corporation to engage in the business of exploration of oil, petroleum and other mineral products. The corporate name was changed to Terra Grande Resources, Inc. in March 1995 and to Alsons Consolidated Resources, Inc. in June 1995 to mark the entry of the Alcantara Group. ACR's primary purpose was consequently changed to that of an investment holding company and oil exploration was relegated as a secondary purpose.

ACR's ultimate parent company is Alsons Corporation (AC), a company incorporated in the Philippines.

The registered office address of ACR is Alsons Building, 2286 Chino Roces Avenue, Makati City, Metro Manila, Philippines.

The consolidated financial statements include the accounts of ACR and the subsidiaries (collectively referred to as "the Group") listed in the table below:

		Percentage of Ownership			
		2023		2022	
Subsidiaries	Nature of business	Direct	Indirect	Direct	Indirect
Conal Holdings Corporation (CHC)	Investment holding	**100.00**	**–**	100.00	–
Alsing Power Holdings, Inc. (APHI)	Investment holding	**20.00**	**80.00**	20.00	80.00
Western Mindanao Power Corporation (WMPC)	Power generation	**–**	**55.00**	–	55.00
Southern Philippines Power Corporation (SPPC)	Power generation	**–**	**55.00**	–	55.00
Alto Power Management Corporation (APMC)	Management services	**–**	**60.00**	–	60.00
APMC International Limited (AIL)	Management services	**–**	**100.00**	–	100.00
Mapalad Power Corporation (MPC)	Power generation	**–**	**100.00**	–	100.00
Alsons Renewable Energy Corporation (AREC)	Investment holding	**80.00**	**–**	80.00	–
Siguil Hydro Power Corporation (Siguil)	Power generation	**–**	**80.00**	–	80.00
Kalaong Power Corporation (Kalaong)	Power generation	**–**	**80.00**	–	80.00
Sindangan Zambo-River Power Corp. (Sindangan)	Power generation	**–**	**80.00**		
Bago Hydro Resources Corporation	Power generation	**-**	**80.00**	-	
Alsons Thermal Energy Corporation (ATEC)	Power generation	**50.00***	**–**	50.00*	–
Sarangani Energy Corporation (Sarangani)	Power generation	**–**	**37.50**	–	37.50
ACES Technical Services Corporation (ACES)	Management services	**–**	**50.00**	–	50.00
San Ramon Power, Inc. (SRPI)	Power generation	**-**	**50.00**	-	50.00
Alsons Power International Limited (APIL)	Power generation	**100.00**	**–**	100.00	–
Alsons Land Corporation (ALC)	Real estate	**99.55**	**–**	99.55	–
MADE (Markets Developers), Inc.	Distribution	**80.44**	**–**	80.44	–
Kamanga Agro-Industrial Ecozone Development Corporation (KAED)	Real estate	**100.00**	**–**	100.00	–
Alsons Power Supply Corporation (APSC)	Customer Service	**100.00**	**–**	100.00	–

**50% ownership plus 1 share of the total voting and total outstanding capital stock.*

Except for AIL and APIL, which are incorporated in the British Virgin Islands (BVI), all of the subsidiaries are incorporated in the Philippines.

Power and Energy

CHC and Subsidiaries. The Board of Directors (BOD) of Northern Mindanao Power Corporation (NMPC), a subsidiary under CHC, approved on April 25, 2008 the amendments to NMPC's Articles of Incorporation to shorten its corporate life up to November 15, 2009. After November 15, 2009, NMPC was dissolved. Consequently, NMPC's remaining assets and liabilities have all been transferred to CHC's books as at December 31, 2009. CHC is responsible for the final liquidation of NMPC's net assets and the payment to the non-controlling shareholders. In 2013, CHC has fully liquidated the net distributable assets of NMPC and paid the non-controlling shareholders.

CHC organized and incorporated MPC on July 13, 2010 as a wholly owned subsidiary to rehabilitate and operate the 103 mega-watts (MW) Bunker-Fired Iligan Diesel Power Plants (IDPPs) I and II located in Iligan City. On June 27, 2011, ACR acquired full control of MPC through an agreement with CHC, wherein CHC assigned all shares to ACR. The deed of sale of IDPP with Iligan City Government was signed on February 27, 2013. On August 1, 2013, ACR transferred MPC to CHC for a total consideration of ₱0.3 million. MPC entered into Power Supply Agreements (PSAs) with various distribution utilities and electric cooperatives (see Note 33). On September 6, 2013, MPC started operating 98 MW of the 103 MW Bunker-Fired IDPPs. MPC completed the rehabilitation and operated the balance of 5 MW in 2014.

On July 7, 2015, CHC subscribed and paid 60% of FGNPC's outstanding common shares amounting to ₱0.04 million. Investment of non-controlling interest amounted to ₱0.02 million.

SPPC and WMPC are Independent Power Producers (IPPs) with Energy Conversion Agreements (ECAs) with the Philippine government through the National Power Corporation (NPC). SPPC's and WMPC's ECAs ended on April 28, 2016 and December 12, 2015, respectively.

ATEC and Subsidiaries

ATEC. On November 23, 2015, ACR organized ATEC primarily to develop and invest in energy projects, including but not limited to the exploration, development and utilization of renewable energy resources with total capital infusion amounting to ₱1 million.

On October 13, 2016, ACR and ATEC executed an assignment of share agreement wherein the Parent Company assigned and transferred its ownership interests in ACES to ATEC for a total consideration of ₱20 million. Accordingly, ACES became wholly owned subsidiary of ATEC.

On May 24, 2017, ACR and ATEC executed an assignment of share agreement wherein ACR assigned and transferred its ownership interests in SRPI to ATEC amounting to ₱1.2 million for a total consideration of ₱0.3 million, net of subscriptions payable amounting to ₱0.9 million. Accordingly, SRPI became a wholly owned subsidiary of ATEC. Subsequently, on May 31, 2017, ACR and ATEC executed a deed of assignment of advances wherein ACR assigned to ATEC its advances to SRPI totaling to ₱231 million.

On November 27, 2017, the Parent Company sold its 50% ownership interest less 1 share of the voting and total outstanding capital stock in ATEC equivalent to 14,952,678 common shares to Global Business Power Corporation (GBPC) for a total consideration amounting to ₱2,378 million, inclusive of retention receivable amounting to ₱100 million to be received upon issuance by the Bureau of Internal Revenue (BIR) of the Certificate of Authorizing Registration (see Note 8 of the Audited Financial Statements). The Parent Company recognized a gain amounting to ₱709 million, net of transaction costs totaling to ₱169 million. Subsequently, on December 1, 2017, the Parent Company, GBPC and ATEC executed a deed of assignment of advances wherein the Parent Company assigned and transferred to GBPC its right to collect 50% of its advances to ATEC amounting to ₱1,880 million (see Note 16 of the Audited Financial Statements).

Sarangani. CHC organized Sarangani on October 15, 2010 as a wholly owned subsidiary to construct, commission and operate power generating plant facilities of electricity in Maasim, Sarangani Province. On June 27, 2011, ACR acquired full control of Sarangani through an agreement with CHC, wherein CHC assigned all its shares to ACR. On December 10, 2012, ACR entered into a shareholders agreement with Toyota Tsusho Corporation (TTC), a company incorporated in Japan, wherein TTC subscribed and paid ₱355 million worth of Sarangani shares representing 25% of the total equity of Sarangani. In accordance with the shareholders agreement, ACR increased its investment in Sarangani to 75% of the total equity of Sarangani by converting its advances and additional cash infusion.

The construction of the Sarangani's SM200 project is in two phases. Construction of Phase 1 (105 MW) of the Project commenced in January 2013 and was completed in April 2016. The construction of Phase 2 (105 MW) commenced in January 2017 and was completed in October 2019.

In 2015, ACR made additional cash infusion and conversion of advances totaling to ₱572 million, primarily to meet the funding requirements of Sarangani's SM200 project.

On April 20, 2016, ACR subscribed to ATEC's increase in authorized capital stock to the amount of ₱2,989 million worth of shares of stock. The subscription was paid by way of ACR's investment in Sarangani and cash amounting to ₱14 million.

On February 6, 2017, ATEC's BOD authorized the conversion its advances to Sarangani amounting to ₱3,375 million into equity by way of subscription to the increase in authorized capital stock of Sarangani. The Philippine SEC approved Sarangani's increase in authorized capital stock on March 20, 2017. Also, TTC subscribed to additional common shares amounting to ₱1,125 million which was settled through cash infusion. As at March 31, 2022 and December 31, 2021, Sarangani is 75% owned by ATEC.

SRPI. ACR organized and incorporated SRPI on July 22, 2011 as a wholly owned subsidiary. SRPI was incorporated primarily to acquire, construct, commission, operate and maintain power-generating plants and related facilities for the generation of electricity. SRPI has obtained its Environmental Compliance Certificate (ECC) on March 20, 2012 for the planned 105 MW coal fired power plant to be located in Zamboanga Ecozone. As at March 31, 2023, the Company has not started the construction of the ZAM 100 power plant. The proposals for the Engineering, Procurement and Construction (EPC) rebidding were submitted on August 30, 2018. The selected EPC contractor remains committed to the implementation of the SRPI Project, with regular updating of project requirements to maintain readiness for implementation upon execution of NTP (Notice to Proceed). The issuance of NTP is expected in the fourth quarter of 2024, corresponding to a Commercial Operations Date (COD) in March 2027.

ACES. ACR organized and incorporated ACES on July 7, 2011 primarily to provide operations and maintenance services to the Group's coal power plants

AREC and Subsidiaries

AREC. On September 18, 2014, ACR organized AREC primarily to develop and invest in energy projects including but not limited to the exploration, development and utilization of renewable energy resources with total capital infusion amounting to ₱31 million.

On July 10, 2015, ACR and AREC executed an assignment of share agreement wherein ACR assigned and transferred its ownership interests in Siguil and Kalaong to AREC. Accordingly, Siguil and Kalaong became subsidiaries of AREC. Also, ACR sold its 20% interest to ACIL, Inc., an entity under common control. Accordingly, ACR's interest in AREC was reduced from 100% to 80%.

Siguil and Kalaong. ACR organized and incorporated Siguil and Kalaong on July 22, 2011 as wholly owned subsidiaries. Siguil and Kalaong were incorporated primarily to develop and invest in energy projects including but not limited to the exploration, development and utilization of renewable energy resources. Siguil's 15 MW Hydro Power Project is in Maasim, Sarangani while Kalaong's 22 MW Hydro Power Project is in Bago, Negros Oriental. These projects are expected to augment power supply in the cities of General Santos and Bacolod, respectively, once they are completed. In July 2019, Siguil has commenced its construction and expected to be completed in the fourth quarter of 2023. As at March 31, 2023, Siguil and Kalaong have not yet started commercial operations.

Bago and Sindangan. AREC organized and incorporated Bago and Sindangan on February 26, 2018 and August 31, 2018, respectively, as wholly owned losubsidiaries. Bago and Sindangan were incorporated primarily to develop and invest in energy projects including but not limited to the exploration, development and utilization of renewable energy resources. Bago's 42 MW Hydro Power Project is in Negros Occidental while Sindangan's 20 MW Hydro Power Project is in Siayan and Duminag, Zamboanga Del Norte. These projects are expected to augment power supply in the provinces of Negros Occidental and Zamboanga Del Norte, respectively, once they are completed. As at March 31, 2023, Bago and Sindangan have not yet started commercial operations.

Property Development

ALC. On November 25, 1994, the Parent Company incorporated ALC to acquire, develop, sell and hold for investment or otherwise, real estate of all kinds, sublease office.

KAED. On September 3, 2010, the Parent Company incorporated KAED to establish, develop, operate and maintain an agro-industrial economic zone and provides the required infrastructure facilities and utilities such as power and water supply and distribution system, sewerage and drainage system, waste management system, pollution control device, communication facilities and other facilities as may be required for an agro-industrial economic zone.

Other Investments

MADE. MADE, which is in the distribution business, has incurred significant losses in prior years resulting in capital deficiency. Because of the recurring losses, MADE decided to cease operations effective April 30, 2006 and terminated its employees. These factors indicate the existence of a material uncertainty which may cast significant doubt about MADE's ability to continue operating as a going concern. As at March 31, 2023, MADE has no plans to liquidate but new business initiatives are being pursued which will justify resumption of its trading operations.

APSC. ACR organized and incorporated APSC on October 13, 2016 primarily to provide services necessary or appropriate in relation to the supply and delivery of electricity.

2. Basis of Preparation and Statement of Compliance

Basis of Preparation

The unaudited interim condensed consolidated financial statements of the Group as at March 31, 2023 and for the three-month periods ended March 31, 2023 have been prepared in accordance with the Philippine Accounting Standards (PAS) 34, *Interim Financial Reporting*.

The unaudited interim condensed consolidated financial statements have been prepared under the going concern assumption. The Group believes that its businesses would remain relevant despite challenges posed by the rising inflations, ongoing pandemic and geopolitical uncertainties. Despite the adverse impact of these challenges on short-term business results, long-term prospects remain attractive.

The unaudited interim condensed consolidated financial statements do not include all the information and disclosures required in the annual consolidated financial statements and should be read in conjunction with the Group's annual consolidated financial statements as at December 31, 2022.

Basis of Consolidation

The full consolidated financial statements comprise the financial statements of the Parent Company and its subsidiaries are presented at December 31 of each year (see Note 1).

The Group controls an investee if and only if the Group has:

- power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee),
- exposure, or rights, to variable returns from its involvement with the investee, and
- the ability to use its power over the investee to affect its returns.

When the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- the contractual arrangement with the other vote holders of the investee
- rights arising from other contractual arrangements
- the Group's voting rights and potential voting rights

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income (OCI) are attributable to equity holders of the parent of the Group and to non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

The financial statements of subsidiaries are prepared for the same reporting year using uniform accounting policies as those of the Parent Company.

A change in ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

If the Group loses control over a subsidiary, it derecognizes the related assets (including goodwill), liabilities, non-controlling interest and other components of equity while any resultant gain or loss is recognized in profit or loss. Any investment retained is recognized at fair value.

Non-controlling interests represent the portion of profits or losses and net assets of subsidiaries not held by the equity holders of the Parent Company and are presented separately in the consolidated statement of income and consolidated statement of comprehensive income and within equity in the consolidated balance sheet, separately from equity attributable to the equity holders of the Parent Company.

Material Partly-Owned Subsidiaries

The tables below show details of materially partly-owned subsidiaries of ACR either directly or indirectly:

Name of Subsidiary	Place of Incorporation and Operation	Principal Activity	Proportion Ownership Interest and Voting Rights Held by Non-controlling Interests 2023	2022
ATEC	Philippines	Holding	**50.0%**	50.0%
Sarangani	Philippines	Power Generation	**62.5%**	62.5%
ACES	Philippines	Management Services	**50.0%**	50.0%
SRPI	Philippines	Power Generation	**50.0%**	50.0%

Accumulated balances of material non-controlling interests:

	2023	2022
	Amounts in Thousands	
Accumulated balances		₱6,18,651

Total comprehensive income and dividends declared on material non-controlling interest:

	2023	2022
	Amounts in Thousands	
Accumulated balances	**₱1,312,569**	₱1,174,036
Dividends declared	**(687,500)**	(687,500)

The summarized financial information in respect of the subsidiaries that have material non-controlling interest (before intra-group eliminations) is set out below.

Summarized statements of financial position of ATEC, including its subsidiaries as at March 31, 2023 and December 31, 2022 are as follows:

	2023	2022
	Amounts in Thousands	
Current assets	**₱5,530,746**	₱4,300,451
Noncurrent assets	**24,837,146**	25,313,395
Current liabilities	**(4,630,080)**	(4,426,085)
Noncurrent liabilities	**(11,515,917)**	(11,550,850)
Equity	**₱14,221,895**	₱13,636,911

Summarized statements of comprehensive income of ATEC, including its subsidiaries for the period ended March 31, 2023 and 2022 are as follows:

	2023	2022
	Amounts in Thousands	
Revenues and other income	**₱2,931,841**	₱2,240,295
Expenses	**(2,292,551)**	(1,882,006)
Income tax	**(54,325)**	(27,475)
Net income	**584,965**	330,815
Other comprehensive income	**-**	-
Total comprehensive income	**₱584,965**	₱330,815

There are no significant restrictions on the subsidiaries to transfer funds to the Parent Company in the form of dividends, payment of advances, among others.

3. Changes in Accounting Policies and Disclosures

New Standards Effective Starting January 1, 2023

The accounting policies adopted are consistent with those of the previous financial year, except that the Group has adopted the following new pronouncements starting January 1, 2023. Adoption of these pronouncements did not have any significant impact on the Group's financial position or performance, unless otherwise indicated.

- 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 decision about accounting policy disclosures.

- 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. The amendments have no material impact on the Group.

- 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. The amendments have no material impact on the Group.

Future Changes in Accounting Policies

Pronouncements issued but not yet effective are listed below. Unless otherwise indicated, the Group does not expect that the future adoption of the said pronouncements will have a material impact on the consolidated financial statements. The Group intends to adopt the following pronouncements when they become effective.

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, 2024 and must be applied retrospectively. The amendments are not expected to have a material impact on the Group.

- Amendments to PFRS 16, *Lease Liability in a Sale and Leaseback*

  The amendments specify how a seller-lessee measures the lease liability arising in a sale and leaseback transaction in a way that it does not recognize any amount of the gain or loss that relates to the right of use retained.

The amendments are effective for annual periods beginning on or after January 1, 2024 and must applied retrospective. Earlier adoption is permitted and that fact must be disclosed. The amendments are not expected to have a material impact on the Group

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

  On December 15, 2021, the 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 adoption will not materially affect the Group.

Deferred effectivity

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

  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. 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.

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4. Summary of Significant Accounting and Financial Reporting Policies

Current versus Noncurrent Classification
The Group presents assets and liabilities in the consolidated statements of financial position based on current or noncurrent classification.

An asset is current when it is:

- expected to be realized or intended to be sold or consumed in the normal operating cycle;
- held primarily for the purpose of trading;
- expected to be realized within twelve months after the reporting period; or
- cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as noncurrent.

A liability is current when it is:

- expected to be settled in the normal operating cycle;
- held primarily for the purpose of trading;
- expected to be settled within twelve months after the reporting period; or
- there is no unconditional right to defer settlement of the liability for at least twelve months after the reporting period.

The Group classifies all other liabilities as noncurrent.

Deferred tax assets and liabilities and retirement benefits assets and liabilities are classified as noncurrent assets and liabilities, respectively.

Fair Value Measurement
The Group measures financial instruments, such as derivatives, at fair value at each statement of financial position date. Also, fair values of financial and non-financial instruments are disclosed.

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 by the Group.

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

A fair value measurement of a nonfinancial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to

another market participant that would use the asset in its highest and best use.
The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

Assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level of 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 of input that is significant to the fair value measurement is directly or indirectly observable; and
- Level 3 - Valuation techniques for which the lowest level of input that is significant to the fair value measurement is unobservable.

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

The Group determines the policies and procedures for both recurring and non-recurring fair value measurements. For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy.

Cash and Cash Equivalents
Cash include cash on hand and in banks. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash with original maturities of three months or less from dates of acquisitions and are subject to an insignificant risk of changes in value.

Short-term Cash Investments
Short-term cash investments are short-term, highly liquid investments that are convertible to known amounts of cash with original maturities of more than three months but less than one year from the date of acquisition and that are subject to an insignificant risk of change in value.

Financial Instrument
A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity investments of another entity.

Financial Assets
Initial recognition and measurement of financial assets
Financial assets are classified, at initial recognition, as subsequently measured at amortized cost, FVOCI and fair value through profit or loss (FVPL). The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them.

In order for a financial asset to be classified and measured at amortized cost or FVOCI, it needs to give rise to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Subsequent measurement of financial assets
For purposes of subsequent measurement, financial assets are classified in four categories:

- Financial assets at amortized cost (debt instruments)
- Financial assets at FVOCI with recycling of cumulative gains and losses (debt instruments)
- Financial assets designated at FVOCI with no recycling of cumulative gains and losses upon derecognition (equity investments)
- Financial assets at FVPL

The Group has financial instruments classified as financial assets at FVOCI but has no financial assets at FVPL.

Financial assets at amortized cost
This category is the most relevant to the Group. The Group 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 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 Group's financial assets at amortized cost include cash and cash equivalents, short-term cash investments, receivables, debt reserve account, due from related parties, contract assets and retention receivable.

Financial assets designated at FVOCI (equity investments). Upon initial recognition, the Group can elect to classify irrevocably its equity investments as equity investments designated at FVOCI when they meet the definition of equity under PAS 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 profit or loss when the right of payment has been established, except when the Group 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 investments designated at FVOCI are not subject to impairment assessment.

The Group elected to classify irrevocably its quoted and unquoted equity investments under this category.

Financial Liabilities
Initial recognition and measurement
Financial liabilities are classified, at initial recognition, as financial liabilities at FVPL, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as

appropriate.

All financial liabilities are recognized initially at fair value and, in the case of other financial liabilities, net of directly attributable transaction costs.

The Group's financial liabilities include accounts payables and other current liabilities (excluding statutory payables), loans payable, short-term notes payable, long-term debt and lease liability.

Subsequent measurement
After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the effective interest method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as interest expense in profit or loss.

<u>Impairment of Financial Assets</u>
The Group recognizes an allowance for expected credit losses (ECLs) for all debt instruments not held at FVPL. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group 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. (a) 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 12 months (a 12-month ECL). (b) 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 timing of the default (a lifetime ECL).

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

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

For cash and cash equivalents, short-term cash investments and debt reserve account, the Group applies the low credit risk simplification. The probability of default and loss given defaults are publicly available and are considered to be low credit risk investments. It is the Group's policy to measure ECLs on such instruments on a 12-month basis. However, when there has been a significant increase in credit risk since origination, the allowance will be based on the lifetime ECL. To estimate the ECL, the Group uses the ratings published by a reputable rating agency.

For other financial assets such as due from related parties and recoverable deposits, 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 expected 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 remaining life of the exposure, irrespective of the timing of default (a lifetime ECL).

Derecognition of Financial Assets and Liabilities

Financial assets

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

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

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

Financial liability

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

Modification of Financial Assets

The Group derecognizes a financial asset when the terms and conditions have been renegotiated to the extent that, substantially, it becomes a new asset, with the difference between its carrying amount and the fair value of the new asset recognized as a derecognition gain or loss in profit or loss, to the extent that an impairment loss has not already been recorded.

The Group considers both qualitative and quantitative factors in assessing whether a modification of financial asset is substantial or not. When assessing whether a modification is substantial, the Group considers the following factors, among others:

- Change in currency
- Introduction of an equity feature
- Change in counterparty
- If the modification results in the asset no longer considered SPPI

The Group also performs a quantitative assessment similar to that being performed for modification of financial liabilities. In performing the quantitative assessment, the Group considers the new terms of a financial asset to be substantially different if the present value of the cash flows under the new terms, including any fees paid net of any fees received and discounted using the original effective interest rate, is at least 10% different from the present value of the remaining cash flows of the original financial asset.

When the contractual cash flows of a financial asset are renegotiated or otherwise modified and the renegotiation or modification does not result in the derecognition of that financial asset, the Group recalculates the gross carrying amount of the financial asset as the present value of the renegotiated or modified contractual cash flows discounted at the original EIR (or credit-adjusted EIR for purchased or originated credit-impaired financial assets) and recognizes a modification gain or loss in the consolidated statement of income.

When the modification of a financial asset results in the derecognition of the existing financial asset and the subsequent recognition of a new financial asset, the modified asset is considered a 'new ' financial asset. Accordingly, the date of the modification shall be treated as the date of initial recognition of that financial asset when applying the impairment requirements to the modified financial asset. The newly recognized financial asset is classified as Stage 1 for ECL measurement purposes, unless the new financial asset is deemed to be originated as credit impaired (POCI).

Financial liabilities
A financial liability (or a part of a financial liability) is derecognized when the obligation under the liability is discharged, cancelled or has expired. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability or a part of it are substantially modified, such an exchange or modification is treated as a derecognition of the original financial liability and the recognition of a new financial liability, and the difference in the respective carrying amounts is recognized in the statement of income.

Exchange or modification of financial liabilities
The Group considers both qualitative and quantitative factors in assessing whether a modification of financial liabilities is substantial or not. The terms are considered substantially different if the present value of the cash flows under the new terms, including any fees paid net of any fees received and discounted using the original effective interest rate, is at least 10% different from the present value of the remaining cash flows of the original financial liability. However, under certain circumstances, modification or exchange of a financial liability may still be considered substantial, even where the present value of the cash flows under the new terms is less than 10% different from the present value of the remaining cash flows of the original financial liability. There may be situations where the modification of the financial liability is so fundamental that immediate derecognition of the original financial liability is appropriate (e.g., restructuring a financial liability to include an embedded equity component).

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability. The difference between the carrying value of the original financial liability and the fair value of the new liability is recognized in profit or loss.

When the exchange or modification of the existing financial liability is not considered as substantial, the Group recalculates the gross carrying amount of the financial liability as the present value of the renegotiated or modified contractual cash flows discounted at the original EIR and recognizes a modification gain or loss in profit or loss.

If modification of terms is accounted for as an extinguishment, any costs or fees incurred are recognized as part of the gain or loss on the extinguishment. If the modification is not accounted for as an extinguishment, any costs or fees incurred adjust the carrying amount of the financial instrument and are amortized over the remaining term of the modified financial instrument.

Offsetting of Financial Instruments
Financial assets and financial liabilities are offset and the net amount is reported in the consolidated statement of financial position if there is a currently enforceable legal right to set off the recognized amounts and there is intention to settle on a net basis, or to realize the asset and settle the liability simultaneously. The Group assesses that it has a currently enforceable right of offset if the right is not contingent on a future event, and is legally enforceable in the normal course of business, event of default, and event of insolvency or bankruptcy of the Group and all of the counterparties.

Derivative Financial Instrument
A derivative is a financial instrument or other contract with all three of the following characteristics:

a. its value changes in response to the change in a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index, or other variable, provided in the case of a nonfinancial variable that the variable is not specific to a party to the contract (sometimes called the "underlying");
b. it requires no initial net investment or an initial net investment that is smaller than would be required for other types of contracts that would be expected to have a similar response to changes in market factors; and,
c. it is settled at a future date.

Derivative instruments (including bifurcated embedded derivatives) are initially recognized at fair value on the date in which a derivative transaction in entered into or bifurcated, and are subsequently re-measured at fair value. Changes in fair value of derivative instruments not accounted for as hedges are recognized immediately in the consolidated statement of income. Derivatives are carried as assets when the fair value is positive and as liabilities when the fair value is negative.

Embedded derivatives
The Group assesses whether embedded derivatives are required to be separated from host contracts when the Group first becomes party to the contract. Reassessment only occurs if there is a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required. An embedded derivative is separated from the host contract and accounted for as a derivative if all of the following conditions are met: (a) the economic characteristics and risks of the embedded derivative are not closely related to the economic characteristics and risks of the host contract; (b) a separate instrument with the same terms as the embedded derivative would meet the definition of a derivative; and (c) the hybrid or combined instrument is not measured at fair value with changes in fair value reported in the consolidated statement of income. Subsequent reassessment is prohibited unless there is a change in the terms of the contract that significantly modifies the cash flows that otherwise would be required under the contract, in which case reassessment is required. The Group determines whether a modification to cash flows is significant by considering the extent to which the expected future cash flows associated with the embedded, the host contract or both have changed and whether the change is significant relative to the previously expected cash flows on the contract.

The Group has no embedded derivatives which are required to be bifurcated.

Classification of Financial Instruments between Debt and Equity
A financial instrument is classified as debt if it provides for a contractual obligation to:

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

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

Inventories
These consist of coal, fuel and other inventories which are valued at the lower of cost and net realizable value (NRV). Cost of inventories is determined using the moving-average method for coal and fuel inventory and first-in, first-out (FIFO) cost method for other inventories. NRV is the current replacement cost.

When the circumstances that previously caused the inventories to be written down below cost no longer exist, or when there is clear evidences of an increase in NRV because of changes in economic circumstances, the amount of write-down is reversed. The reversal cannot be greater than the amount of the original write-down.

Real Estate Inventories
Real estate inventories representing real estate opened up for sale are carried at the lower of cost and NRV. The cost includes acquisition cost of the land, direct development cost incurred, including borrowing costs and any other directly attributable costs of bringing the assets to its intended use. NRV is the estimated selling price in the ordinary course of business, less estimated cost to sell. A write-down of inventories is recognized in consolidated statement of income when the cost of the real estate inventories exceeds its NRV.

Investments in Real Estate
Investments in real estate comprise land, building and improvements which are not occupied substantially for use by, or in operations of the Group, nor for sale in the ordinary course of business, but are held primarily to earn rental income and for capital appreciation. Cost includes acquisition cost of the land and any other directly attributable costs of bringing the asset to its intended use.

Subsequent to initial recognition, investments in real estate, except land, are measured at cost less accumulated depreciation and impairment loss. Land is carried at cost less any impairment in value.

Building and improvements are depreciated using the straight-line method over the estimated useful life of five (5) years to fifteen (15) years.

Investments in real estate are derecognized when either these have been disposed of or when the investment in real estate is permanently withdrawn from use and no future economic benefit is expected from its disposal. Any gains or losses on the retirement or disposal of an investment in real estate are recognized in the consolidated statement of income in the year of retirement or disposal.

Transfers are made to investments in real estate when, and only when, there is a change in use, evidenced by ending of owner-occupation or commencement of an operating lease to another party. Transfers are made from investments in real estate when, and only when, there is a change in use, evidenced by commencement of owner-occupation or commencement of development with a view to sale. These transfers are recorded using the carrying amount of the investments in real estate at the date of change in use.

Investments in Associates
An associate is an entity in which the Group has significant influence and which is neither a subsidiary nor a joint venture. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over these policies.

The consideration made in determining significant influence is similar to those necessary to determine control over subsidiaries.

The Group's investments in associates are accounted for under the equity method of accounting. Under the equity method, the investments in associates are carried in the consolidated statement of financial position at cost plus post-acquisition changes in the Group's share of net assets of the associates, less any impairment in value. Goodwill relating to an associate is included in the carrying amount of the investment and is not amortized. After application of the equity method, the Group determines whether it is necessary to recognize any additional impairment loss with respect to the Group's net investment in the associate. The consolidated statement of income reflects the Group's share of the financial performance of the associates. Unrealized gains and losses from transactions with the associates are eliminated to the extent of the Group's interest in the associates. The reporting dates of the associates and the Group are identical and the associates' accounting policies conform to those used by the Group for like transactions and events in similar circumstances.

An investment in an associate is accounted for using the equity method from the date when it becomes an associate. On acquisition of the investment, any difference between the cost of the investment and the investor's share in the net fair value of the associate's identifiable assets, liabilities and contingent liabilities is accounted for as follows:

a. Goodwill relating to an associate is included in the carrying amount of the investment. However, amortization of that goodwill is not permitted and is therefore not included in the determination of the Group's share in the associate's profit or losses.
b. Any excess of the Group's share in the fair value of the associate's identifiable assets, liabilities, and contingent liabilities over the cost of the investment is included as income in the determination of the investor's share of the associate's profit or loss in the period in which the investment is acquired.

Also, appropriate adjustments to the Group's share of the associate's profit or loss after acquisition are made to account , if any, for the depreciation of the depreciable assets based on their fair values at the acquisition date and for impairment losses recognized by the associate, such as for goodwill or property, plant and equipment.

When the Group's interest in an investment in associate is reduced to zero, additional losses are provided only to the extent that the Group has incurred obligations or made payments on behalf of the associate to satisfy obligations of the investee that the Group has guaranteed or otherwise committed. If the associate subsequently reports profits, the Group resumes recognizing its share of the profits if it equals the share of net losses not recognized.

The Group discontinues the use of the equity method from the date when it ceases to have significant influence over an associate and accounts for the investment in accordance with PFRS 9 from that date, provided the associate does not become subsidiary or a joint venture. Upon loss of significant influence over the associate, the Group measures and recognizes any retained investment at its fair value. Any difference between the carrying amount of the associate upon loss of significant influence and the fair value of the retained investment and proceeds from disposal is recognized in the consolidated statement of income.

Property, Plant and Equipment

The Group's property, plant and equipment consist of land, buildings, leasehold improvements, machinery and equipment, construction in progress and right-of-use asset that do not qualify as investment properties.

Property, plant and equipment, except for land, are carried at cost less accumulated depreciation and accumulated impairment losses, if any. Land is carried at cost less any impairment in value. The initial cost of property, plant and equipment comprises its construction cost or purchase price and any directly attributable costs of bringing the asset to its working condition and location for its intended use, including borrowing costs. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the property, plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in the consolidated statement of income as incurred. The present value of the expected cost for the decommissioning of the asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

Land is carried at cost less any impairment losses.

Depreciation of an item of property, plant and equipment begins when it becomes available for use, i.e., when it is in the location and condition necessary for it to be capable of operating in the manner intended by management. Depreciation ceases at the earlier of the date that the item is classified as held for sale (or included in a disposal group that is classified as held for sale) and the date the item is derecognized.

Property, plant and equipment are depreciated using the straight-line method over their expected economic useful lives. Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately.

The components of the power plant complex and their related estimated useful lives are as follows:

	Number of Years
Main engine, transmission lines and sub-station	12 - 28
Plant mechanical, electrical, switchyard and desulfurization equipment	28
Plant structures and others	28

Other property, plant and equipment are depreciated using the straight-line method over the following estimated useful lives:

	Number of Years
Buildings	10
Leasehold improvements	5 or term of the lease, whichever period is shorter

	Number of Years
Machinery and other equipment:	
Machinery and equipment	5 - 10
Office furniture, fixtures and equipment	3 - 5
Transportation equipment	3 - 5

Construction in progress represents properties under construction and is stated at cost. Cost includes cost of construction and other direct costs. Construction in progress is depreciated when the asset is available for use.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising from derecognition of the property, plant and equipment (difference between the net disposal proceeds and carrying amount of the asset) is included in the consolidated statement of income in the period the property, plant and equipment is derecognized.

The assets' residual values, useful lives and methods of depreciation are reviewed at each financial year-end, and adjusted prospectively if appropriate.

Fully depreciated assets are retained in the accounts until these are no longer in use.

Right-of-use assets
The Group recognizes right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are initially measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The initial cost of right-of-use assets includes the amount of lease liabilities recognized, initial direct costs incurred, lease payments made at or before the commencement date less any lease incentives received and estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease, unless those costs are incurred to produce inventories. Unless the Group is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognized right-of-use assets are depreciated on a straight-line basis over the shorter of their estimated useful life and lease term.

Right-of-use assets are subject to impairment.

Government Grant
Government grants are recognized as deferred credit where there is reasonable assurance that the grant will be received, and all attached conditions will be complied with. With the grant relates to an expense item, it is recognized as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognized as income in profit or loss within the depreciation and amortization on a straight-line basis over expected useful life of the related asset.

When the Group receives grants of non-monetary assets, the asset and the grant are recorded at nominal amounts and released to profit or loss over the expected useful life of the asset, based on the pattern of consumption of the benefits of the underlying asset by equal annual instalments.

Business Combinations and Goodwill
Business combinations are accounted for using the acquisition method.

Initial measurement
The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value and the amount of any non-controlling interest in the acquiree. For each business combination, the Group elects to measure the non-controlling interest in the acquiree either at fair value or at the proportionate share of the acquiree's identifiable net assets.

Acquisition-related costs incurred such as finder's fees; advisory, legal, accounting, valuation and other professional or consulting fees; general administrative costs, including the costs of maintaining an internal acquisitions department or business development offices are expensed and included as part of "General and administrative expenses" account in the consolidated statement of income.

When the Group acquires a business, it assesses the financial assets acquired and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree. If the business combination is achieved in stages, the previously held equity interest in the acquiree is remeasured at its acquisition date fair value and any resulting gain or loss is recognized in the consolidated statement of income.

Any contingent consideration to be transferred by the acquirer will be recognized at fair value at the acquisition date. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of PFRS 9 is measured at fair value with the changes in fair value recognized either in the consolidated statement of income. If the contingent consideration is not within the scope of PFRS 39, it is measured in accordance with appropriate PFRSs. Contingent consideration that is classified as equity is not remeasured until it is finally settled within equity.

Goodwill is initially measured at cost being the excess of the aggregate of the consideration transferred and the amount recognized for non-controlling interest over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognized at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognized in the consolidated statement of income.

If the initial accounting for business combination can be determined only provisionally by the end of the period by which the combination is effected because either the fair values to be assigned to the acquiree's identifiable assets, liabilities or contingent liabilities or the cost of the combination can be determined only provisionally, the Group accounts for the combination using provisional values. Adjustments to these provisional values because of completing the initial accounting shall be made within 12 months from the acquisition date. The carrying amount of an identifiable asset, liability or contingent liability that is recognized as a result of completing the initial accounting shall be calculated as if the asset, liability or contingent liability's fair value at the acquisition date had been recognized from that date. Goodwill or any gain recognized shall be adjusted from the acquisition date by an amount equal to the adjustment to the fair value at the acquisition date of the identifiable asset, liability or contingent liability being recognized or adjusted.

Subsequent measurement
Following initial recognition, goodwill is measured at cost less any accumulated impairment losses. For purposes of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units (CGUs), or groups of CGUs, that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the Group are assigned to those units or group of units. Each unit or group of units to which the goodwill is allocated:

- represents the lowest level within the Group at which the goodwill is monitored for internal management purposes; and
- is not larger than a segment based on the Group's format determined in accordance with PFRS 8, *Operating Segments.*

Where goodwill forms part of a CGU or group of CGUs and part of the operation within that unit is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on disposal of the operation. Goodwill disposed of in this circumstance is measured based on the relative values of the operation disposed of and the portion of the cash-generating unit retained.

When subsidiaries are sold, the difference between the selling price and the net assets plus cumulative translation differences and goodwill is recognized as income or loss in the consolidated statement of income.

Goodwill is reviewed for impairment, annually or more frequently if events or changes in circumstances indicate that the carrying value may be impaired.

Impairment is determined for goodwill by assessing the recoverable amount of the CGU or group of CGUs to which the goodwill relates. Where the recoverable amount of the CGU or group of CGUs is less than the carrying amount of the CGU or group of CGUs to which goodwill has been allocated, an impairment loss is recognized. Impairment losses relating to goodwill cannot be reversed in future periods. The Group performs its impairment test of goodwill annually every December 31.

Computer Software
Computer software (included as part of "Other noncurrent assets" account) is initially recognized at cost. Following initial recognition, computer software is carried at cost less accumulated amortization and accumulated impairment losses, if any.

The software cost is amortized on a straight-line basis over its useful economic life of three (3) years and assessed for impairment whenever there is an indicator that the computer software may be impaired. The amortization commences when the computer software is available for use. The amortization period and method for the computer software are reviewed at each reporting date.

Changes in the expected useful life is accounted for by changing the amortization period as appropriate, and treated as changes in accounting estimates. The amortization expense is recognized in the consolidated statement of income.

Impairment of Nonfinancial Assets
The Group assesses at each reporting date whether there is an indication that a nonfinancial asset may be impaired. If any such indication exists and when annual impairment testing for an asset is required, the Group makes an estimate of the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's cash-generating unit's fair value less cost to sell or its value-in-

use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value-in-use, the estimated future cash flows are discounted to their present value using a pretax discount rate that reflects current market assessment of the time value of money and the risks specific to the asset. In determining fair value less cost to sell, recent market transactions are taken into account, if available. If no such transaction can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples and other available fair value indicators. Any impairment loss is recognized in the consolidated statement of income in those expense categories consistent with the function of the impaired asset.

An assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the Group makes an estimate of recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognized. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increased amount cannot exceed the carrying amount that would have been determined, net of depreciation and amortization, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the consolidated statement of income unless the asset is carried at revalued amount, in which case the reversal is treated as a revaluation increase.

The Group determines whether it is necessary to recognize an additional impairment loss on the Group's investments in associates after application of the equity method. The Group determines at each statement of financial position date whether there is any objective evidence that the investments in associates are impaired. If this is the case, the Group calculates the amount of impairment as being the difference between the fair value of the investment in associate and the acquisition cost (adjusted for post-acquisition changes in the Group's share of the financial performance of the associates) and recognizes the difference in the consolidated statement of income.

Capital Stock
Capital stock is measured at par value for all shares issued. Incremental costs incurred directly attributable to the issuance of new shares are shown in equity as deduction from proceeds, net of tax. Proceeds and/or fair value of considerations received in excess of par value, if any, are recognized as additional paid-in capital.

Redeemable Preferred Shares
In determining whether a preferred share is a financial liability or an equity investment, the Group assesses the particular rights attaching to the share to determine whether it exhibits the fundamental characteristic of a financial liability. A preferred share that provides for mandatory redemption by the Group for a fixed or determinable amount at a fixed or determinable future date, or gives the holder the right to require the Group to redeem the instrument at or after a particular date for a fixed or determinable amount, is a financial liability. Redeemable preferred shares is presented as equity when the option for redeeming the redeemable preferred shares is at the issuer's discretion and the price of redemption is to be decided by the BOD.

Retained Earnings
Retained earnings include accumulated profits attributable to the equity holders of the Parent Company reduced by dividends declared. Retained earnings may also include effect of changes in accounting policy as may be required by the standard's transitional provisions. When the retained

earnings account has a debit balance, it is called "deficit". A deficit is not an asset but a deduction from equity.

Unappropriated retained earnings represent that portion which is free and can be declared as dividends to stockholders. Appropriated retained earnings are restricted for specific purposes that are approved by the BOD and are not available for dividend distributions.

Cash Dividend and Non-cash Distribution to Equity Holders of the Parent Company
The Parent Company recognizes a liability to make cash or non-cash distributions to equity holders of the Parent Company when the distribution is authorized and the distribution is no longer at the discretion of the Parent Company. A distribution is authorized when it is approved by the BOD. A corresponding amount is recognized directly in equity.

Non-cash distributions are measured at the fair value of the assets to be distributed with fair value re-measurement recognized directly in equity.

Upon distribution of non-cash assets, any difference between the carrying amount of the liability and the carrying amount of the assets distributed is recognized in the consolidated statement of income.

Revenue Recognition
Revenue from contracts with customers is recognized when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. The Group has concluded that it is the principal in its revenue arrangements because it controls the goods or services before transferring them to the customer.

Energy sales. Revenue from contracts with customers is recognized whenever the Group's power generation capacity is contracted and/or the electricity generated by the Group is transmitted through the transmission line designated by the buyer for a consideration. The Group has concluded that it is acting as a principal in all its revenue arrangements since it is the primary obligor in all the revenue arrangements, has pricing latitude and is also exposed to credit risks.

The contracted capacity as agreed in the PSA and the energy delivered to customers are separately identified. These two performance obligations are combined and considered as one performance obligation since these are not distinct within the context of PFRS 15 as the buyer cannot benefit from the contracted capacity without the corresponding energy and the buyer cannot obtain energy without contracting a capacity. The combined performance obligation qualifies as a series of distinct goods or services that are substantially the same and have the same pattern of transfer since the delivery of energy every month are distinct services which are all recognized over time and have the same measure of progress.

Real estate sales. The Group derives its real estate sales from sale of lots. Revenue from the sale of these real estate projects under pre-completion stage are recognized over time during the construction period (or percentage of completion) since based on the terms and conditions of its contract with the buyers, the Group's performance does not create an asset with an alternative use and the Group has an enforceable right to payment for performance completed to date.

Contract balances
Receivables. A receivable represents the Group's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due).

Contract assets. Contract assets pertain to the Group's conditional right over the consideration for the completed performance for which revenue was already recognized but not yet billed to the customers. The amounts recognized as contract assets from energy sales will be reduced gradually at the time the related amount billed, billable and/or collected from the customers under the contract is greater than the revenue earned and recognized.

Contract liabilities. A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognized when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognized as revenue when the Group performs its obligations under the contract. The contract liabilities also include payments received by the Group from the customers for which revenue recognition has not yet commenced.

Cost to obtain a contract. The Group pays sales commission and transportation to its marketing agents on the sale of real estate units. The Group has elected to apply the optional practical expedient for costs to obtain a contract which allows the Group to immediately expense sales commissions (included under "Operating expenses") because the amortization period of the asset that the Group otherwise would have used is one (1) year or less.

Rental Income
Rental income is recognized on a straight-line method over the term of the lease agreements.

Interest Income
Interest income is recognized as the interest accrues using the EIR.

Costs and Expenses
Costs and expenses are recognized in the consolidated statement of income when a decrease in future economic benefit related to a decrease of an asset or an increase of a liability has arisen that can be measured reliably. Costs and expenses are recognized in the consolidated statement of income 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 immediately when expenditure produces no future economic benefits or when, and to the extent that, future economic benefits do not qualify, cease to qualify, for recognition in the consolidated statement of financial position as an asset.

Retirement Benefits
The Group, excluding SPPC, WMPC and APMC, has an unfunded, noncontributory defined benefit retirement plan covering all qualified employees. SPPC, WMPC, and APMC have a funded, noncontributory defined benefit retirement plan covering all qualified employees. The Group's obligation and costs of retirement benefits are actuarially computed by professionally qualified independent actuary using the projected unit credit method. Actuarial gains and losses are recognized in full in the period in which these occur in OCI.

Defined benefit costs comprise the following:

- Service cost
- Net interest on the net retirement benefits obligation or asset
- Remeasurements on the net retirement benefits obligation or asset

Service costs which include current service costs, past service costs and gains or losses on non-routine settlements are recognized as expense in the consolidated statement of income. Past service costs are recognized when plan amendment or curtailment occurs. These amounts are calculated periodically by independent qualified actuaries.

Net interest on the net defined benefit liability or asset is the change during the period in the net defined benefit liability or asset that arises from the passage of time which is determined by applying the discount rate based on government bonds to the net defined benefit liability or asset. Net interest on the net defined benefit liability or asset is recognized as part of retirement cost in the consolidated statement of income.

Remeasurements comprising actuarial gains and losses, return on plan assets and any change in the effect of the asset ceiling (excluding net interest on defined benefit liability) are recognized immediately in other comprehensive income in the period in which they arise. Remeasurements are not reclassified to profit or loss in subsequent periods.

The net defined benefit liability or asset is the aggregate of the present value of the defined benefit obligation at the end of the reporting period reduced by the fair value of plan assets (if any), adjusted for any effect of limiting a net defined benefit asset to the asset ceiling. The asset ceiling is the present value of any economic benefits available in the form of refunds from the plan or reductions in future contributions to the plan.

Plan assets are assets that are held by a long-term employee benefit fund. Plan assets are not available to the creditors of the Group, nor can they be paid directly to the Group. Fair value of plan assets is based on market price information. When no market price is available, the fair value of plan assets is estimated by discounting expected future cash flows using a discount rate that reflects both the risk associated with the plan assets and the maturity or expected disposal date of those assets (or, if they have no maturity, the expected period until the settlement of the related obligations). If the fair value of the plan assets is higher than the present value of the defined benefit obligation, the measurement of the resulting defined benefit asset is limited to the present value of economic benefits available in the form of refunds from the plan or reductions in future contributions to the plan.

The Group's right to be reimbursed of some or all of the expenditure required to settle a defined benefit obligation is recognized as a separate asset at fair value when and only when reimbursement is virtually certain.

Actuarial valuations are made with sufficient regularity that the amounts recognized in the consolidated financial statements do not differ materially from the amounts that would be determined at the statement of financial position date.

Lease Liability

At the commencement date of the lease, the Group recognizes lease liability measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating a lease, if the lease term reflects the Group exercising the option to terminate. The variable lease payments that do not depend on an index or a rate are recognized as expense in the period on which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liability is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liability is remeasured if there is a modification, a change in the lease term, a change in the in-substance fixed lease payments or a change in the assessment to purchase the underlying asset.

Short-term leases and leases of low-value assets
The Group applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the leases of low-value assets recognition exemption to leases of office equipment that are considered of low value (i.e., below ₱250,000). Lease payments on short-term leases and leases of low-value assets are recognized as expense on a straight-line basis over the lease term.

Foreign Currency-denominated Transactions and Translations
Transactions denominated in foreign currency are recorded in Philippine peso by applying to the foreign currency amount the exchange rate between the Philippine peso and the foreign currency at the date of transaction. Monetary assets and liabilities denominated in foreign currencies are restated using the closing rate of exchange at the statement of financial position date. Nonmonetary items denominated in foreign currency are translated using the exchange rates as at the date of initial transaction. All exchange rate differences are taken to the consolidated statement of income.

Borrowing Costs
Borrowing costs are capitalized if they are directly attributable to the acquisition or construction of a qualifying asset. Capitalization of borrowing costs commences when the activities to prepare the asset are in progress and expenditures and borrowing costs are being incurred. Borrowing costs are capitalized until the assets are substantially ready for their intended use. If the carrying amount of the asset exceeds its recoverable amount, an impairment loss is recorded. Borrowing costs consist of interest and other costs that the Group incurs in connection with the borrowing of funds.

Borrowing costs not qualified for capitalization are expensed as incurred.

Taxes
Current income tax
Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the tax authority. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the statement of financial position date. Current income tax for current and prior periods shall, to the extent unpaid, be recognized as a liability and is presented as "Income tax payable" in the consolidated statement of financial position. If the amount already paid in respect of current and prior periods exceeds the amount due for those periods, the excess shall be recognized as an asset and is presented as part of "Other current assets" in the consolidated statement of financial position.

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

Deferred income tax liabilities are recognized for all taxable temporary differences, except:

- When the deferred income tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of transaction, affects neither the accounting profit nor taxable income; or
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred income tax assets are recognized for all deductible temporary differences, carryforward benefits of unused tax credits from excess minimum corporate income tax (MCIT) over regular corporate income tax (RCIT) [excess MCIT] and net operating loss carryover (NOLCO).

Deferred income tax assets are recognized to the extent that it is probable that taxable income will be available against which the deductible temporary differences and carryforward benefits of excess MCIT and NOLCO can be utilized, except as summarized below.

- When the deferred income tax asset relating to the deductible temporary differences arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable income; or

- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred income tax assets are recognized only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable income will be available against which the temporary differences can be utilized.

The carrying amount of deferred income tax assets is reviewed at the end of each statement of financial position date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax assets to be utilized. Unrecognized deferred income tax assets are reassessed at each statement of financial position date and are recognized to the extent that it has become probable that future taxable income will allow the deferred tax assets to be recovered.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realized or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the end of the reporting period.

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

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

Value-added tax
Revenues, expenses, and assets are recognized net of the amount of value-added tax (VAT), if applicable.

When VAT from sales of goods and/or services (output VAT) exceeds VAT passed on from purchases of goods or services (input VAT), the excess is recognized as payable in the consolidated statement of financial position. When VAT passed on from purchases of goods or services (input VAT) exceeds VAT from sales of goods and/or services (output VAT), the excess is recognized as an asset in the consolidated statement of financial position to the extent of the recoverable amount.

Provisions

General

Provisions are recognized when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. When the Group expects some or all of provision to be reimbursed, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the consolidated statement of income, net of any reimbursement. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability.

Where discounting is used, the increase in the provisions due to the passage of time is recognized as an interest expense.

Decommissioning liabilities

The decommissioning liabilities arose from the WMPC's, SPPC's and Sarangani's obligations, under the ECC, to decommission or dismantle their power plant complexes at the end of their operating lives. A corresponding asset is recognized as part of property, plant and equipment. Decommissioning costs are provided at the present value of expected costs to settle the obligation using estimated cash flows. The cash flows are discounted at a current pre-tax rate that reflects the risks specific to the decommissioning liabilities. The unwinding of the discount is expensed as incurred and recognized in the consolidated statement of income as an interest expense. The estimated future costs of decommissioning are reviewed annually and adjusted prospectively. Changes in the estimated future costs or in the discount rate applied are added or deducted from the cost of the power plant complex. The amount deducted from the cost of the power plant complex, shall not exceed its carrying amount. If the decrease in the liability exceeds the carrying amount of the asset, the excess shall be recognized immediately in the consolidated statement of income.

Contingencies

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

Basic/Diluted Earnings Per Share

Basic/diluted earnings per share (EPS) is determined by dividing net income by the weighted average number of shares issued and outstanding after giving retroactive adjustment for any stock dividends and stock splits declared during the period. The Group has no financial instrument or other contract that may entitle its holder to common shares that would result to diluted EPS.

Business Segments

Operating segments are components of the Group: (a) that engage in business activities from which the Group may earn revenues and incur losses and expenses (including revenues and expenses relating to transactions with other components of the Group); (b) whose operating results are regularly reviewed by the Group's chief operating decision maker (CODM) to make decisions about resources to be allocated to the segment and assess its performance; and (c) for which discrete financial information is available. The Group's CODM is the Parent Company's BOD. The Parent Company's BOD regularly reviews the operating results of the business units to make decisions on resource allocation and assess performance.

The Group conducts its business activities into two main business segments: (1) Power and Energy and (2) Property Development. The Group's other activities consisting of product distribution and investment holding activities are shown in aggregate as "Other Investments".

Segment assets and liabilities
Segment assets include all operating assets used by a segment and consist principally of operating cash and cash equivalents, short-term cash investments, trade and other receivables, investments in real estate and real estate inventories, and property, plant and equipment, net of allowances and provision. Segment liabilities include all operating liabilities and consist principally of accounts payable and other liabilities. Segment assets and liabilities do not include deferred income taxes, investments and advances, and borrowings.
Inter-segment transactions
Segment revenue, segment expenses and segment performance include transfers among business segments. The transfers, if any, are accounted for at competitive market prices charged to unaffiliated customers for similar products. Such transfers are eliminated in consolidation.

Events After the End of Reporting Period
Events after the end of the reporting period that provide additional information about the Group's financial position at the end of the reporting period (adjusting events) are reflected in the consolidated financial statements. Events after the end of the reporting period that are not adjusting events are disclosed in the notes to consolidated financial statements when material.

3. Segment Information

The Group conducts majority of its business activities in two major business segments: (1) Energy and Power, and (2) Property Development. The Group's other activities consisting of product distribution and investment holding activities are shown in aggregate as "Other Investments."

Information with regard to the Group's significant business segments are shown below:

	Three-Month Period Ended March 31, 2023					
	Energy and Power	Property Development	Other Investments	Total	Eliminations	Consolidated
Earnings Information:						
Revenues						
External customer	₱ 3,314,993,863	₱3,892,148	₱ -	₱ 3,318,886,011		₱3,318,886,011
Inter-segment	40,681,586	1,023,039	-	41,704,625	(41,704,625)	-
Total revenues	2,689,134,382	4,915,187	-	3,360,590,636	(41,704,625)	3,318,886,011
Finance income	9,049,822	946,157	4,473,580	14,469,559		14,469,559
Finance charges	(328,848,224)		(65,658,754)	(394,506,978)		(394,506,978)
Provision for income tax	70,362,779		-	70,362,779	4,039,079	74,401,858
Net income (loss)	₱593,605,657	(₱4,801,236)	(₱46,471,496)	₱542,332,924	(₱56,258)	₱542,276,666

	Three-Month Period Ended March 31, 2022					
	Energy and Power	Property Development	Other Investments	Total	Eliminations	Consolidated
Earnings Information:						
Revenues						
External customer	₱2,659,351,579	₱ 15,331,800	₱ -	₱2,674,683,379		₱2,674,683,379
Inter-segment	29,782,803	1,023,039	-	30,805,842	(30,805,842)	-
Total revenues	2,689,134,382	16,354,839	-	2,705,489,221	(30,805,842)	2,674,683,379
Finance income	1,538,687	635,449	581,698	2,755,834		2,755,834
Finance charges	(318,249,837)		(66,743,907)	(384,993,744)		(384,993,744)
Provision for income tax	43,283,022		4,331,871	47,614,893	-	47,614,893
Net income (loss)	₱422,033,901	₱6,400,697	(₱104,368,662)	₱ 324,065,937		₱324,065,937

4. Cash and Cash Equivalents and Short-term Cash Investments

	March 31, 2023 (Unaudited)	December 31, 2022 (Audited)
Cash on hand	**₱535,500**	₱535,739
Cash in banks	**3,601,121,856**	2,319,040,951
Cash equivalents	**529,122,739**	476,704,057
	₱4,130,780,095	₱2,796,280,747

Cash in banks earn interest at the respective bank deposit rates. Cash equivalents are made for varying periods of up to three months, depending on the immediate cash requirements of the Group, and earn interest at the respective short-term deposit rates.

Short-term cash investments amounting to ₱128 million and ₱124 million as at March 31, 2023 and December 31, 2022, respectively, consist of money market placements with maturities of more than three months but less than one year with interest ranging from 3.00% to 4.50%.

Interest income from cash and cash equivalents and short-term cash investments amounted to ₱14 million and ₱3 million as of March 31, 2023 and 2022, respectively.

5. Trade and Other Receivables

	March 31, 2023 (Unaudited)	December 31, 2022 (Audited)
Trade:		
Power	**₱2,313,135,839**	₱2,715,503,375
Real estate	**85,017,695**	90,889,133
Product distribution and others	**31,730,458**	31,730,458
Due from related parties and others	**3,024,598,335**	3,190,005,549
Retention receivable	**14,655,481**	14,655,481
Contract assets	**1,840,599,184**	1,773,555,974
	7,309,736,992	7,816,339,970
Less noncurrent portion of:		
Installment receivables	**3,157,245**	3,323,416
Contract assets	**1,751,207,969**	1,684,163,954
	1,754,365,214	1,687,487,370
	5,555,371,778	6,128,852,600
Less allowance for impairment losses	**142,384,521**	142,384,521
	₱5,412,987,257	₱5,986,468,079

Power

These receivables are noninterest-bearing and are generally on 30 days term.

Claim from NPC
SPPC has a claim from NPC pertaining to the portion of accounts that was disputed by NPC and was eventually decided by the Supreme Court in 2016 in favor of SPPC, holding NPC liable to pay SPPC for the additional 5 MW from 2005 to 2010. The claim consists of long-outstanding receivable amounting to ₱89 million and unrecognized receivable of $6 million and ₱69 million as at March 31, 2023 and December 31, 2022.

On October 14, 2020, SPPC filed a Motion to Resolve with the Commission on Audit (COA) requesting COA to immediately resolve the Petition for Money Claim.

On February 11, 2022, the COA issued its decision granting SPPC's Petition for Money Claim as against the NPC. In addition, the parties to submit a memorandum or comment on whether or not the obligation of NPC under the Energy Conversion Agreement is among the obligations assumed by PSALM, which remains pending as of to date.

Accordingly, SPPC has not yet recognized the claim from NPC since management believes that the claim is not yet virtually certain as it requires further resolution, including the appropriation of funds to settle the amount of the claim.

Real Estate
These pertain to receivables from venturers and customers from the sale of residential and commercial lots and units. Real estate receivables are generally noninterest-bearing and have terms of less than one year, except for installment receivables amounting to ₱61 million and ₱63 million as at March 31, 2023 and December 31, 2022, respectively, which are collectible in monthly installment over a period of two (2) to ten (10) years and bear interest rates ranging from 18% to 21% computed on the outstanding balance of the principal. Title on the lots sold is passed on to the buyer only upon full settlement of the contract price. The noncurrent portion of the installment receivables amounted to ₱3 million as at March 31, 2023 and December 31, 2022, respectively.

Real estate receivables include the Group's share on the sale of the developed residential and commercial lots and golf club shares in the Eagle Ridge Golf and Residential Estates jointly developed with Sta. Lucia Realty and Development, Inc. (SLRDI) (see Notes 10 and 33) of the Audited Financial Statements.

Product Distribution and Others
These pertain to receivables from the supply of goods and merchandise to customers. Product distribution and other receivables are noninterest-bearing and generally have a term of less than one year. Outstanding receivables amounting to ₱32 million were fully provided with allowance for impairment losses as at March 31, 2023 and December 31, 2022.

Retention Receivable
Retention receivables pertain to the outstanding balances from Aboitiz Land, Inc. (Aboitiz) for the sale of investment in Lima Land Inc. (LLI) and Aviana Development Corporation , which will be collected accomplishment of certain milestones .

Due from Related Parties and Other Receivables
Related Party Transactions - The movement in this account from December 31, 2022 to March 31, 2023 is not material.

Parties are considered to be related if one party has ability to control the other party or exercise significant influence over the other party in making financial and operating decisions. Related parties include (a) enterprises that directly, or indirectly through one or more intermediaries, control or are controlled by, or are under common control with, the Group; (b) associates; and (c) individuals owning, directly or indirectly, an interest in the voting power of the Group that gives them significant influence over the Group and close members of the family of any such individual. In considering each possible related party relationship, attention is directed to the substance of the relationships, and not merely to the legal form.

Transactions with related parties pertain mainly to cash advances and reimbursements of expenses. Outstanding related party balances are generally settled in cash.

The table below shows the details of the Group's transactions with related parties.

Related Party	Advances during the Year		Due from related parties	Terms	Conditions
Major Shareholder	**2023**	**57,239,813**	**2,694,591,394**	30 days, noninterest bearing	Party secured, no impairment
	2022	550,655,342	2,751,831,207		
Subsidiaries of major stockholders	**2023**	-	**145,943,340**	30 days, noninterest bearing	Party secured, no impairment
	2022	35,780,977	145,943,340		
Affiliates	**2023**	-	**184,063,601**	30 days, noninterest bearing	Party secured, no impairment
	2022	-	184,063,601		
Total	**2023**	**57,239,813**	**3,024,598,335**		
	2022	671,102,720	3,081,838,148		

Other receivables primarily include advances to employees, receivables from contractors, receivables from insurance claims and receivables from venturers. Terms and conditions of the "Due from related parties"

6. Real Estate Inventories and Investments in Real Estate

Real Estate Inventories

	March 31, 2023 (Unaudited)	December 31, 2022 (Audited)
Eagle Ridge Project (General Trias, Cavite) - at cost	**₱607,656,947**	₱607,656,947
Campo Verde Project (Lipa and Malvar, Batangas) - at NRV	**15,183,519**	15,183,519
	₱622,840,466	₱622,840,466

Investments in Real Estate

	March 31, 2023 (Unaudited)	December 31, 2022 (Audited)
ALC Property (Pasong Tamo, Makati)	**₱139,282,699**	₱139,251,985
KAED Property (Maasim, Sarangani)	**214,189,968**	214,189,968
Batangas Project (Lipa and Malvar, Batangas)	**52,787,031**	52,787,031
Laguna Project (Cabuyao, Laguna)	**4,685,936**	4,685,936
	₱410,945,635	₱410,914,921

7. Investments in Associates

	Percentage of Ownership			
	2023	2022	March 31, 2023	December 31, 2022
At equity:				
Acquisition costs:				
Indophil Resources Phils., Inc.	2.00	2.00	**₱1,216,310,412**	₱1,216,310,412
Aviana Dev't. Corporation	34.00	34.00	**963,311,802**	963,311,802
RCPHI	31.24	31.24	**80,851,701**	80,851,701
T'boli Agro-Industrial Dev't., Inc.	22.32	22.32	**66,193,299**	66,193,299
			2,326,667,214	2,326,667,214
Accumulated equity in net earnings				
Balance at beginning of year			**126,180,972**	96,360,719
Share in net earnings			**18,089,425**	54,720,253
Dividends			**-**	(24,900,000)
Balance at end of period			**144,270,397**	126,180,972
Accumulated impairment loss			**(147,045,000)**	(147,045,000)
			₱2,323,892,611	₱2,305,803,186

IRNL and IRPI

The Parent Company purchased 29,149,000 shares of IRNL in the amount of ₱1,316 million in 2010. Together with the ownership interests of APIC and AC through a series of subscription agreements, the Alcantara Group was the largest shareholder of IRNL at 19.99%. By virtue of the Agreement for the Joint Voting of IRNL shares with APIC and AC, the Parent Company has concluded that it has significant influence over IRNL through its representation in the BOD of IRNL. Accordingly, the Parent Company treated its investment in IRNL as part of "Investments in associates" using the equity method in the 2014 consolidated financial statements. The Parent Company had determined that the acquisition cost of IRNL includes goodwill amounting to ₱785 million.

On January 23, 2015, IRNL implemented the Scheme of Arrangement between APIC and IRNL shareholders wherein APIC acquired all of the remaining outstanding shares from existing shareholders of IRNL. Accordingly, IRNL became a subsidiary of APIC starting January 2015. In July 2015, APIC was no longer part of the Alcantara Group as it was bought by a third party. Accordingly, the Joint Voting Agreement of IRNL shares between the Parent Company, APIC and AC was deemed terminated.

On December 11, 2015, the Parent Company and AC entered into Deed of Assignment of Shares (share swap) agreements with APIC, whereby the Parent Company and AC assigned and transferred to APIC all their interests in IRNL in exchange for ownership interests in IRPI. Accordingly, the Parent Company recognized the investment in IRPI amounting to ₱1,213 million representing the carrying value of the investment at the date of the share swap agreement.

The transfer of the Parent Company's investment in IRNL to investment in IRPI resulted in the Parent Company still exercising significant influence over IRPI due to its representation in the BOD of IRPI and representation in the BOD and Operating Committee of the operating subsidiary of IRPI. Accordingly, ACR treats its investment in IRPI as part of "Investments in associates" using the equity method in the consolidated financial statements.

On September 30, 2019, the Parent company increased its investment in IRPI amounting to P3 million to maintain its percentage of share over IRPI of 2% as the latter increased its authorized capital stock.

Aviana

On March 21, 2013, Aldevinco and ACIL, Inc. (collectively referred to as "AG") and Ayala Land, Inc. (Ayala Land) entered into a joint venture agreement, where Ayala Land shall own 60% and AG shall own 40% of the outstanding capital stock of Aviana to undertake the development of the Lanang property of the Parent Company in Davao City. On September 17, 2013, Aviana was incorporated as a joint venture corporation. The Parent Company subscribed to the 296 preferred shares and 32 common shares for 32.8% ownership in Aviana. In December 2015, the Parent Company subscribed to additional 332,200 preferred shares and 35,800 common shares of Aviana through the conversion of the Parent Company's advances amounting to ₱36 million. In August 2015, the Parent Company subscribed to additional 261,450 preferred shares and 29,050 common shares of Aviana for ₱22 million. The additional subscription to shares of Aviana in 2015 increased the Parent Company's interest in Aviana to 34%.

7. Property, Plant and Equipment

Balances as at March 31, 2023

	Land	Buildings and Leasehold Improvements	Main Engine, Plant Structures and Others	Plant Mechanical, Electrical, Switchyard and Desulfurization Equipment	Machinery and Other Equipment	Construction in Progress	Right-of-use Asset - Building	Total
Cost								
Balances at beginning of year	₱376,082,019	₱201,443,754	₱30,958,308,350	₱7,272,721,275	₱1,592,231,338	₱3,516,352,684	₱82,614,994	₱43,999,754,414
Additions	-	-	-	-	-	379,057,970	-	379,057,970
Disposals	-	-	-	-	-	-		
Reclassification	-	-	-	-	-	-		-
Adjustment to decommissioning liability	-	-	-	-	-	-	-	-
Balances at end of year	376,082,019	201,443,754	30,958,308,350	7,272,721,275	1,592,231,338	3,549,244,664	82,614,994	44,032,646,394
Accumulated Depreciation								
Balances at beginning of year		190,201,199	10,837,672,789	4,251,889,886	932,985,514		45,090,916	16,257,840,304
Depreciation for the year		156,284	286,827,181	35,389,024	19,968,936		2,241,048	344,582,472
Disposals								
Balances at end of year		190,357,483	11,124,499,970	4,287,278,910	952,954,450	-	47,331,964	16,602,422,776
Net Book Value	₱376,082,019	₱11,086,271	₱19,833,808,381	₱2,985,442,365	₱639,276,888	₱3,549,244,664	₱35,283,030	₱27,430,223,618

Balances as at December 31, 2022

	Land	Buildings and Leasehold Improvements	Main Engine, Plant Structures and Others	Plant Mechanical, Electrical, Switchyard and Desulfurization Equipment	Machinery and Other Equipment	Construction in Progress	Right-of-use Asset - Building (Note 30)	Total
Cost								
Balances at beginning of year	₱376,182,019	₱199,579,185	₱30,911,973,871	₱7,270,736,802	₱1,461,410,724	₱2,673,299,998	₱48,953,104	₱42,942.135,703
Additions	-	1,864,569	92,198,158	5,767,088	148,144,834	836,692,834	53,092,474	1,137,759,957
Disposals	(100,000)	-	-	(395,553)	(17,324,220)		(19,430,584)	(37,250,357)
Capitalized depreciation	-	-	-	-	-	6,359,852	-	6,359,852
Adjustment to decommissioning liability (Note 19)	-	-	(45,863,679)	(3,387,062)	-	-	-	(49,250,741)
Balances at end of year	376,082,019	201,443,754	30,958,308,350	7,272,721,275	1,592,231,338	3,516,352,684	82,614,994	43,999,754,414
Accumulated Depreciation								
Balances at beginning of year	-	189,576,063	9,666,911,807	4,074,944,767	868,326,342	-	46,956,409	14,847,298,636
Depreciation for the year (Note 25)	-					-		
Expense		625,136	1,170,760,982	176,945,119	79,875,745	-	11,205,239	1,439,412,221
Capitalized							6,359,852	6,359,852
Disposals	-	-	-	-	(5,795,580)	-	(19,430,584)	(35,230,405)
Balances at end of year	-	190,201,199	10,837,672,789	4,251,889,886	932,985,514	-	45,090,916	16,257,840,304
Net Book Value	₱376,182,019	₱11,242,555	₱20,120,635,561	₱3,020,831,389	₱659,245,824	₱3,516,352,684	₱37,524,078	₱27,741,914,110

Construction-in-Progress
Included in construction in progress as at December 31, 2021 are the capitalized costs related to the 15 MW run-of-river hydro power plant project of Siguil located at Sitio Siguil, Brgy. Tinoto, Maasim, Sarangani. The costs include project site preparation, legal fees and other direct costs attributable to bringing the asset to the condition necessary for it to be capable of operating in the manner intended by management. Total commitments representing the project costs amounted to ₱1,467 million and US$34 million. The project is expected to be completed in the fourth quarter of 2023.

Capitalized Borrowing Costs
Capitalized borrowing costs amounted to ₱167 million in 2022 for specific borrowings.

The rates used to determine the amount of borrowing costs eligible for capitalization are 8.09% to 8.66% in 2022 which are the effective interest rate.

8. Equity Instruments Designated at FVOCI

Equity instruments designated at FVOCI are as follows:

	March 31, 2022	December 31, 2022
Quoted		
Balance at beginning of year	**₱133,170,975**	₱139,627,658
Fair value gain (loss) during the year	-	(6,456,683)
Disposals during the year	-	-
Transfers of realized gain from OCI	-	-
Balance at end of period	**133,170,974**	133,170,975
Unquoted	**2,222,168,768**	2,222,168,768
	₱2,355,339,743	₱2,355,39,743

The investment in unquoted securities consists of investment in 22 million preferred shares of Aldevinco. The fair value of the investment in unquoted equity securities was based on the adjusted net asset value (NAV) approach. Under the NAV approach, the fair value was derived by determining the fair value of each identifiable assets and liabilities of the investee company.

Significant assumptions included in the NAV calculation are as follows:

- Net realizable value of real estate inventories which is calculated by estimated selling price less cost to sell
- Fair value adjustment for investment property based on appraised value; and
  Fair value adjustment for investment in shares of listed stock based on market closing price of listed associate as at statement of financial position date and net asset value of unlisted securities.
- Discount for lack of marketability

9. Goodwill

Goodwill acquired through business combinations has been allocated to the power generation CGUs consisting of the operations of SPPC and WMPC. As at March 31, 2023 and December 31, 2022, the carrying amount of goodwill attributable to WMPC amounted to P527 million, respectively, while the goodwill attributable to SPPC amounted to nil respectively.

Key assumptions used in value-in-use calculations
The calculation of value-in-use for both CGUs are most sensitive to the following assumptions:

Tariff rates. Tariff rates, comprising capital recovery fee, fixed and variable operation and maintenance fee, actual fuel cost and other variable energy fees, pertain to the rates used in determining the amount of energy fees to be billed to electric cooperatives and distribution utilities. The tariff rates used in the value-in-use computation are based on management's forecast, and provisionally approved PSAs and agreed Ancillary Services Procurement Agreement (ASPA) with NGCP for WMPC. For SPPC, the tariff rate is based on applied ASPA with NGCP, which is aligned with the tariff rate offered by NGCP to other power companies.

Contracted and dispatchable capacities. Contracted capacity reflects the agreed capacity with electric cooperatives and distribution utilities based on PSA and ASPA for WMPC and estimated contracted capacities based on applied ASPA for SPPC. On the other hand, dispatchable capacity reflects management's estimate of actual energy to be delivered during the contract period. Contracted and dispatchable capacities are based on historical performance of the CGUs.
Contracted and dispatchable capacity. Contracted capacity reflects the management's forecast of future contracts to be agreed with electric cooperatives and distribution utilities, and approved by ERC. On the other hand, dispatchable capacity reflects management's estimate of actual energy to be delivered during the contract period. Contracted and dispatchable capacities are based on historical performance of the CGUs.

10. Prepaid Expenses and Other Current Assets

	March 31, 2023 (Unaudited)	December 31, 2022 (Audited)
Deposit in interest reserve accounts	**₱414,982,667**	₱403,844,969
Creditable withholding tax	**6,285,865**	6,268,847
Prepayments	**235,121,522**	204,510,760
Input VAT	**19,187,637**	23,563,150
	₱675,577,691	₱697,187,726

11. Accounts Payable and Other Current Liabilities

	March 31, 2022 (Unaudited)	December 31, 2022 (Audited)
Accounts payable-trade	**₱1,132,294,207**	₱1,009,141,245
Accrued expenses	**529,682,459**	528,466,985
Output tax and withholding tax payable	**275,139,247**	278,791,415
Nontrade payables	**74,489,665**	74,489,665
Dividends payable	**180,038,321**	180,038,321
Current portion of lease liability	**10,100,026**	10,070,821
Interest payable	**374,469,760**	311,868,413
Other current liabilities	**206,261,530**	187,800,719
	₱2,782,475,215	₱2,580,667,584

Trade payables are noninterest-bearing and are normally on a 60 to 75 days term.

Accrued expenses represent accruals for vacation and sick leaves, interest, overhead fees and utilities. Accrued expenses are normally settled within a year.

Other current liabilities include statutory payables, such as withholding taxes, SSS premiums and other liabilities to the government. Other current liabilities are noninterest-bearing and have an average term of 30 days.

12. Equity

Capital Stock

	March 31, 2023		December 31, 2022	
	No. of shares	Amount	No. of shares	Amount
Authorized				
Common stock - ₱1 par value	**11,945,000,000**	**₱11,945,000,000**	11,945,000,000	₱11,945,000,000
Preferred stock - ₱0.01 par value	**5,500,000,000**	**55,000,000**	5,500,000,000	55,000,000
		₱12,000,000,000		₱12,000,000,000
Common Shares				
Issued and outstanding	**6,291,500,000**	**₱6,291,500,000**	6,291,500,000	₱6,291,500,000
Preferred Shares				
Subscribed	**5,500,000,000**	**55,000,000**	5,500,000,000	55,000,000
Subscriptions receivable		**-**		-
		₱6,346,500,000		₱6,346,500,000

On May 25, 2011, SEC approved the amendment of the Articles of Incorporation of ACR creating a class of preferred shares, by reclassifying 55,000,000 unissued common shares with a par value of ₱1.0 per share into 5,500,000,000 redeemable preferred voting shares with a par value of ₱0.01 per share.

The redeemable preferred shares have the following features:

a. Redeemable preferred shares may only be issued or transferred to Filipino citizens or corporations or associations at least 60% of capital of such corporations or associations is owned by Filipino citizens.

b. Holders of redeemable preferred shares are entitled to receive, out of the unrestricted retained earnings of ACR, cumulative dividends at the rate of 8% per annum of the par value of the preferred shares, before any dividends shall be paid to holders of the common shares.

c. ACR may, by resolution of the BOD, redeem the preferred shares at par value. ACR will redeem the preferred shares at par value (i) when the foreign equity limits to which ACR is subject to shall have been removed; and (ii) ACR is not engaged in any other activity likewise reserved exclusively to Filipino citizens, or corporations or associations at least sixty percent (60%) of whose capital is owned by Filipino citizens that would otherwise require ACR to maintain the ownership of the preferred shares by such Filipino citizens. The preferred shares when redeemed will not be retired, and may be reissued upon resolution of the BOD.

d. In the event of dissolution or liquidation, holders of redeemable preferred shares are entitled to be paid in full, or pro-rata insofar as the assets and properties of ACR will permit, the par value of each preferred share before any distribution shall be made to the holders of common shares, and are not entitled to any other distribution.

All common and preferred shares have full voting rights.

On February 4, 2013, Alcorp subscribed to 5,500,000,000 preferred shares with par value of ₱0.01 per share, from the unissued authorized preferred shares of the Company. On the same date, Alcorp paid ₱13.8 million representing 25% of the subscription price of ₱55.0 million.

The following summarizes the information on the Parent Company's registration of securities under the Securities Regulation Code:

Date of SEC Approval	Activity	Authorized Common Shares	No. of Shares Issued	Issue/Offer Price
1993	Initial Public Offering	12,000,000,000	6,291,500,000	₱1
2011	Conversion of unissued common shares to redeemable preferred shares	(55,000,000)	–	–
		11,945,000,000	6,291,500,000	

Retained Earnings

The BOD approved the appropriation of its retained earnings for its equity contributions to the following projects:

As of March 31, 2023 and December 31, 2022:

Project Name	Nature/Project Description	Amount (In millions)	Timeline (Year)
ZAM100	Construction of 105 MW coal-fired power plant in San Ramon, Zamboanga City	₱370	2023
Siguil	Hydro-electric power in Maasim, Sarangani	600	2024
Bago	Hydro-electric power in Negros Occidental	130	2025
		₱1,100	

The retained earnings are restricted from being declared as dividends to the extent of the appropriation for equity contribution to the foregoing projects.

The Parent Company declared the following cash dividends:

Year	Date of Declaration	Amount	Per Share	Date of Record	Date of Payment
2022	June 30, 2022	₱125,830,000	₱0.020	June 30, 2022	July 23, 2022
2021	May 20, 2021	₱125,830,000	₱0.020	June 30, 2021	July 23, 2021

Dividends on preferred shares amounting to ₱4 million in 2022 and 2021 were applied against the Parent Company's subscriptions receivable from Alcorp.

Earnings Per Share (EPS) Attributable to Equity Holders of the Parent

	Three-Month Period Ended March 31	
	2023 (Unaudited)	2021 (Unaudited)
Net income attributable to equity holders of the parent	₱155,843,138	₱90,164,856
Attributble on preferred shares	4,400,000	4,400,000
Net income attributable to equity holders of the parent after dividends on preferred shares	151,443,138	85,764,856
Divided by the average number of common shares outstanding during the year	6,291,500,000	6,291,500,000
Basic/Diluted EPS	₱0.024	₱0.014

13. **Loans Payable**

Loans Payable
Parent Company
In 2022 and 2021, the Parent Company availed of unsecured short-term loans from local banks totalling ₱2,794 million and ₱1,378 million, respectively. These loans are subject to annual fixed interest rates ranging from 1.75% to 3.00% per annum and are payable on various dates within one year. As at March 31, 2023 and December 31, 2022, outstanding short-term loans amounted to ₱ 3,038 million and ₱2,794 million, respectively.

Short-term Notes Payable
Parent Company
In 2022, the Parent Company has listed a total of ₱1,885 million worth of commercial papers with a tenor of 182 to 364 days. These were issued at discounted amounts with net proceeds amounting to ₱1,796 million.

In 2021, the Parent Company has listed a total of ₱2,000 million worth of commercial papers with a tenor of 182 to 364 days. These were issued at discounted amounts with net proceeds amounting to ₱1,944 million.

In 2020, the Parent Company has listed a total of ₱2,394 million worth of commercial papers with a tenor of 182 to 364 days.

Outstanding balance from the commercial papers amounted to ₱1,577 million and ₱1,943 million as at December 31, 2022 and 2021, respectively.

Interest expense from short-term notes payable amounted to ₱106 million in 2022, ₱48 million in 2021 and ₱148 million in 2020 .

14. **Financial Risk Management Objectives and Policies**

The Group's principal financial instruments are composed of cash and cash equivalents, short-term cash investments, equity investments designated at FVOCI, loans payable and long-term debts. The main purpose of these financial instruments is to raise finances for the Group's operations.

The Group has various other financial assets and liabilities such as trade and other receivables and accounts payable and other current liabilities which arise directly from its operations. The main risks arising from the Group's financial instruments are credit risk, liquidity risk, and market risk (interest rate risk, equity price risk and foreign currency risk).

Management reviews and the BOD approves policies for managing each of these risks which are summarized below.

Credit Risk

Credit risk is the risk that a counterparty will not meet its obligation under a financial instrument or a customer contract, leading to a financial loss. The Group trades only with recognized and creditworthy third parties. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis with the result that the Group's exposure to bad debts is not significant.

In the Group's real estate business, transfer of the property is executed only upon full payment of the purchase price. There is also a provision in the sales contract which allows forfeiture of the installment/deposits made by the customer in favor of the Group in case of default. These measures minimize the credit risk exposure or any margin loss from possible default in the payment of installments.

In the Group's power generation business, it is the policy of the Group to ensure that all terms specified in the PSAs with its customers, including the credit terms of the billings, are complied with. The table below shows the gross maximum exposure to credit risk of the Group as at March 31, 2023 and December 31, 2022 before considering the effects of collaterals, credit enhancements and other credit risk mitigation techniques.

Trade receivables and contract assets

The Group's trade receivables and contract assets are monitored on a regular basis. An impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses. The provision rates are based on days past due of the customer with loss pattern. The calculation reflects the probability-weighted outcome and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions. For trade receivables from real estate sales, expected credit loss is computed using vintage analysis.

The provision matrix is initially based on the Group's historical observed default rates. The Group will calibrate the matrix to adjust the historical credit loss experience with forward-looking information. Generally, trade and other receivables from customers and contract assets are written-off when deemed unrecoverable and are not subject to enforcement activity. The maximum credit exposure to credit risk at the reporting date is the carrying value of each class of financial assets.

Due from related parties

The Group considers its due from related parties as high grade due to assured collectability through information from the related parties' sources of funding.

Other financial assets

Credit risk from balances with banks and financial institutions is managed in accordance with the Group's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. Counterparty limits are reviewed and approved by the BOD, and are updated when necessary.

The Group does not hold any collateral from its customers; thus, the carrying amounts of cash and cash equivalents and refundable deposits approximate the Group's maximum exposure to credit risk. No other financial assets carry a significant exposure to credit risk.

Cash and cash equivalents, short-term cash investments and deposits in interest rate reserve accounts are placed in various banks. Material amounts are held by banks which belong to top five (5) banks in the country. The rest are held by local banks that have good reputation and low probability of insolvency. These are considered to be low credit risk investments.

The Group classifies credit quality risk as follows:

Minimal risk - accounts with a high degree of certainty in collection, where counterparties have consistently displayed prompt settlement practices, and have little to no instance of defaults or discrepancies in payment.

Average risk - active accounts with minimal to regular instances of payment default, due to ordinary/common collection issues, but where the likelihood of collection is still moderate to high as the counterparties are generally responsive to credit actions initiated by the Group.

High risk - accounts with low probability of collection and can be considered impaired based on historical experience, where counterparties exhibit a recurring tendency to default despite constant reminder and communication, or even extended payment terms.

Liquidity Risk

Liquidity risk arises from the possibility that the Group encounter difficulties in raising funds to meet or settle its obligations at a reasonable price. The Group maintains sufficient cash and cash equivalents to finance its operations. Any excess cash is invested in short-term money market placements. These placements are maintained to meet maturing obligations and pay dividend declarations.

Interest Rate Risk

Interest risk is the risk that changes in interest rates will adversely affect the Group's income or value of its financial instruments. The Group's exposure to market risk for changes in interest rates relates primarily to the Group's long-term debts obligations.

Interest on financial instruments classified as floating rate is repriced on a quarterly and semi-annual basis.

Equity Price Risk

Equity price risk is the risk that the fair value of quoted AFS financial assets decreases as the result of changes in the value of individual stock. The Group's exposure to equity price risk relates primarily to the Group's quoted AFS financial assets. The Group's policy requires it to manage such risk by setting and monitoring objectives and constraints on investments; diversification plan; and limits on investment in each industry or sector. The Group intends to hold these investments indefinitely in response to liquidity requirements or changes in market conditions.

The following table demonstrates the sensitivity to a reasonably possible change in equity price, with all other variables held constant, of the Group's consolidated equity. The reasonably possible change in equity price was based on the year-to-year change of stock market indices. In quantifying the effect of reasonably possible change in equity price, the expected return on the AFS financial assets is correlated to the return of the financial market as a whole through the use of beta coefficients. The methods and assumptions used in the analysis remained unchanged over the reporting periods. The table below summarizes the impact of changes in equity price on the consolidated equity. However, significant decrease in equity price may affect the consolidated income before income tax.

Foreign Currency Risk

The Group's exposure to foreign currency risk is limited to monetary assets and liabilities denominated in currencies other than its functional currency. Substantial portion of the U.S. dollar denominated assets and liabilities is attributable to the Group's power segment in which the functional currency is the U.S. dollar. The Group closely monitors the fluctuations in exchange rates so as to anticipate the impact of foreign currency risk associated with its financial instruments.

Capital Management

The primary objective of the Group's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its businesses and maximize shareholder's value. The Group considers its total equity and debt reflected in the consolidated statement of financial position as its capital. The Group manages its capital structure and makes adjustments to it, in the light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares and raise additional. No changes were made in the objectives, policies or processes in 2021 and 2020. The Group monitors its capital based on debt to equity ratio as required by its loans agreements with financial institutions. The Group includes debt interest bearing loans and borrowings. Capital includes equity attributable to the equity holders of the parent less the other equity reserves. The Group monitors capital on the basis of the debt-to-equity ratio and interest coverage ratio in compliance for its long-term debts. Debt-to-equity ratio is calculated as total liabilities over total equity, excluding accounts payable and other current liabilities arising from operations and other reserves. Interest coverage ratio is calculated as earnings before interest, taxes, depreciation and amortization over total interest expense.

Alsons Consolidated Resources, Inc.
Schedule of Financial Soundness

KPI	Definition	Quarter Ended March 31 2023	2022
Liquidity			
Current ratio / liquidity ratio	Current assets / Current liabilities	1.23	1.21
Acid test ratio	Current assets - Inventories - Prepaid Expenses / Current Liabilities	0.98	0.84
Solvency			
Debt to equity ratio	Long-term Debts (net of unamortized transactions costs) + Loans Payable + Short-term Notes + Accrued Interest / Equity attributable to Parent, net of reserves	2.48	2.57
Debt to asset ratio	Long-term Debts (net of unamortized transactions costs) + Loans Payable + Short-term Notes + Accrued Interest / Total assets	0.52	0.51
Interest rate coverage ratio			
Interest rate coverage ratio	Earnings before interest, taxes and depreciation / Interest expense	3.40	2.88
Profitability ratio			
Return on equity	Net income / Stockholder's equity	3%	2%
EBITDA margin	EBITDA / Net sales	40%	42%
Return on assets	Net income / Total assets	1%	1%
Net profit margin	Net income / Revenues	16%	13%
Operating expense ratio	Operating expenses / Gross operating income	15%	29%
Asset Asset to equity ratio	Total assets / Total equity	2.50	2.63
Debt t Debt to equity ratio	Total debt / Total equity	1.50	1.63

ALSONS CONSOLIDATED RESOURCES, INC. AND SUBSIDIARIES
ACCOUNTS RECEIVABLES
AS OF MARCH 31,2023

Attachment A

Type of Accounts Receivable:	TOTAL	1month	2-3months	4-6months	7months to 1year	1-2years	3-5years	5years and above	Past due Accounts
a) Accounts Receivable – Trade									
1 Power	2,313,135,839	1,429,664,841	516,546,510	9,470,674	58,996,251	175,294,782	123,162,781		
2 Real Estate	74,248,466	60,287	120,574	159,724	238,247	3,182,627	2,965,360	67,521,646	
3 Rental	10,769,229	500,246	277,791	955,879	711,105	183,027	3,314,422	4,826,760	
4 Plywood Hardiflex, agri & Ind'l	31,730,458							31,730,458	
Subtotal	2,429,883,992	1,430,225,373	516,944,875	10,586,277	59,945,604	178,660,436	129,442,563	104,078,864	
Less: Allow. For Doubtful Accounts	100,660,581				1,000,000	21,496,118		78,164,463	
Net Trade Receivables	2,329,223,411	1,430,225,373	516,944,875	10,586,277	58,945,604	157,164,318	129,442,563	25,914,401	0
b) Accounts Receivable – Others									
1 Advances affiliates/project developer/joint venture	2,982,442,696	32,459,203	302,870,598	82,771,956	96,940,612	722,282,961	415,407,738	1,329,709,627	
2 Advances contractors and suppliers	4,025,094	827,959	557,045	40,000	1,850,000	750,090			
3 Retention Receivable	14,655,481	14,655,481							
4 Advances officers & employees / business expense	8,679,245	3,111,014	806,909	294,073	1,433,303	3,007,446	4,000	22,500	
5 Miscellaneous and other receivables	115,685,270	15,963,471	30,923,185	37,499,395	14,086,944	6,245,317	4,516,337	6,450,622	0
Total Accounts Receivable – Others	3,125,487,786	67,017,128	335,157,738	120,605,425	114,310,859	732,285,814	419,928,074	1,336,182,749	0
Less: Allow. For Doubtful Accounts	41,723,940			36,452,583				5,271,357	
	3,083,763,846	67,017,128	335,157,738	84,152,842	114,310,859	732,285,814	419,928,074	1,330,911,392	0
ACCOUNTS RECEIVABLE-NET (a + b)	5,412,987,257	1,497,242,501	852,102,613	94,739,119	173,256,462	889,450,132	549,370,637	1,356,825,793	0

Accounts Receivable Description

Type of Receivable	Nature/Description	Collection Period
1. Trade receivable		
a) Power	Receivable arising from sale of power to NPC	30 days
b) Lots	Sale of residential lots	3 to 10 years
c) Rental	Office, parking & warehouse rental	30 days
d) Plywood Hardiflex, agri & Ind'l	Sale of ecowood, fiber cement board, Agri & Industrial products	38,58 & 130 days
2. Non-Trade receivable		
a) Advances Officers & Employees	Cash advances for business expenses	30 days
b) Advances Operators/Contractors	Advances made to operators/contractors	30 days
c) Accrued Interest	Interest on temporary investments	30 – 90 days
d) Others	Advances to various and other entities for business/investment	

ALSONS CONSOLIDATED RESOURCES, INC AND SUBSIDIARIES
Supplementary Schedules
As of March 31,2023

Attachment B

Title of Issue and Type of Obligation	Loans Payable In the Balance Sheet	Short Term Notes Payable in the Balance Sheet	Current Portion of Long-Term Debt in the Balance Sheet	Interest Rates	Term	Maturity	Non-Current Portion of Long-Term Debt in the Balance Sheet
Parent Company							
Development Bank of the Phils.			277,678,983	Fixed 5%	Semi-Annual	December 3,2025	2,876,558,864
Land Bank of the Philippines			172,739,647	Fixed 5%	Semi-Annual	December 3,2025	1,789,461,191
Robinsons Bank Corporation			15,066,736	Fixed 6%	Semi-Annual	December 3,2027	756,991,791
DEVELOPMENT BANK OF THE PHILS.	70,000,000.00			6.50%	91	2023-06-05	
RCBC TRUST AND INVESTMENT GROUP	100,000,000.00			6.60%	93	2023-05-04	
RCBC TRUST AND INVESTMENT GROUP	150,000,000.00			7.00%	92	2023-06-09	
RCBC TRUST AND INVESTMENT GROUP	50,000,000.00			7.00%	91	2023-06-01	
MISSIONARY SISTERS OF IMMACULATE HEART	3,301,094.14			6.25%	60	2023-04-28	
RCBC TRUST AND INVESTMENT GROUP	70,100,000.00			7.00%	91	2023-05-29	
MISSIONARY SISTERS OF IMMACULATE HEART	7,495,592.22			6.25%	61	2023-04-29	
MISSIONARY SISTERS OF IMMACULATE HEART	4,287,445.92			6.25%	60	2023-04-28	
PAG ASA HUMAN DEVELOPMENT FOUNDATION INC.	8,801,596.78			6.25%	60	2023-04-28	
ST LOUIS SCHOOL INC.	3,903,391.43			6.25%	60	2023-04-28	
ST. AUGUSTINE'S SCHOOL INC.	8,282,341.14			6.25%	60	2023-04-28	
STELLA MARIS COLLEGE	5,978,147.64			6.50%	90	2023-06-08	
ST. AUGUSTINE'S SCHOOL INC.	3,224,390.96			6.25%	60	2023-04-28	
ST. AUGUSTINE'S SCHOOL INC.	2,138,126.92			6.25%	60	2023-04-28	
PCCI TRUST AND INVESTMENT GROUP	15,000,000.00			6.50%	91	2023-05-09	
PCCI TRUST AND INVESTMENT GROUP	60,000,000.00			6.50%	91	2023-05-09	
ST. LOUIS SCHOOL, INC.	3,313,575.35			6.25%	60	2023-04-28	
PCCI TRUST AND INVESTMENT GROUP	5,702,692.67			6.50%	91	2023-05-02	
PAG ASA HUMAN DEVELOPMENT FOUNDATION INC.	5,330,037.31			6.25%	60	2023-04-28	
CHRIST THE KING COLLEGE	6,148,816.86			6.25%	60	2023-04-28	
RCBC TRUST AND INVESTMENT GROUP	263,500,000.00			6.50%	91	2023-05-22	
RCBC TRUST AND INVESTMENT GROUP	60,500,000.00			7.00%	90	2023-06-13	
RCBC TRUST AND INVESTMENT GROUP	145,000,000.00			6.50%	91	2023-05-15	
RCBC TRUST AND INVESTMENT GROUP	140,000,000.00			7.00%	90	2023-06-19	
RCBC TRUST AND INVESTMENT GROUP	99,000,000.00			6.50%	90	2023-04-03	
PCCI TRUST AND INVESTMENT GROUP	29,258,431.00			6.50%	91	2023-05-16	
PCCI TRUST AND INVESTMENT GROUP	30,000,000.00			6.50%	63	2023-05-23	
PCCI TRUST AND INVESTMENT GROUP	6,000,000.00			6.50%	63	2023-05-16	
PCCI TRUST AND INVESTMENT GROUP	15,000,000.00			6.50%	90	2023-04-11	
THE CORPORATE PARTNERSHIP FOR MGMT IN BUSINESS	30,000,000.00			6.50%	91	2023-05-22	
MIB CAPITAL CORPORATION	20,000,000.00			6.75%	91	2023-05-22	
RCBC TRUST AND INVESTMENT GROUP	24,500,000.00			6.50%	90	2023-05-03	
RCBC TRUST AND INVESTMENT GROUP	32,800,000.00			6.50%	91	2023-05-02	
MIB CAPITAL CORPORATION	35,000,000.00			6.75%	92	2023-05-02	
RCBC TRUST AND INVESTMENT GROUP	24,000,000.00			7.00%	91	2023-06-05	
PCCI TIG AS INVESTMENT MANAGER	60,000,000.00			6.50%	90	2023-04-13	
PCCI TIG AS INVESTMENT MANAGER	1,136,000.00			6.75%	90	2023-06-28	
PCCI TIG AS INVESTMENT MANAGER	11,500,000.00			6.50%	62	2023-05-31	
RCBC TRUST AND INVESTMENT GROUP	40,000,000.00			6.50%	90	2023-04-17	
PCCI TIG AS INVESTMENT MANAGER	14,000,000.00			6.50%	91	2023-04-26	
PCCI TRUST AND INVESTMENT GROUP	5,000,000.00			6.50%	91	2023-04-26	
PCCI TRUST AND INVESTMENT GROUP	34,000,000.00			6.50%	91	2023-04-26	
PCCI TRUST AND INVESTMENT GROUP	4,500,000.00			6.50%	63	2023-05-31	
THE CORPORATE PARTNERSHIP FOR MANAGEMENT IN BUSINESS	25,000,000.00			6.50%	90	2023-05-31	

Title of Issue and Type of Obligation	Loans Payable in the Balance Sheet	Short Term Notes Payable in the Balance Sheet	Current Portion of Long-Term Debt in the Balance Sheet	Interest Rates	Term	Maturity	Non-Current Portion of Long-Term Debt in the Balance Sheet
THE CORPORATE PARTNERSHIP FOR MANAGEMENT IN BUSINESS	5,620,000.00			6.50%	90	2023-05-30	
PHILIPPINE BANK OF COMMUNICATIONS (PBCOM)	175,000,000.00			6.50%	120	2023-04-11	
PHILIPPINE BANK OF COMMUNICATIONS (PBCOM)	35,000,000.00			6.50%	119	2023-04-04	
PHILIPPINE BANK OF COMMUNICATIONS (PBCOM)	44,000,000.00			6.50%	120	2023-04-04	
PHILIPPINE BANK OF COMMUNICATIONS (PBCOM)	76,000,000.00			6.75%	120	2023-05-23	
PHILIPPINE BANK OF COMMUNICATIONS (PBCOM)	65,000,000.00			6.75%	122	2023-05-29	
PHILIPPINE BANK OF COMMUNICATIONS (PBCOM)	55,000,000.00			6.75%	91	2023-06-05	
PHILIPPINE BANK OF COMMUNICATIONS (PBCOM)	32,000,000.00			6.75%	90	2023-06-05	
RCBC TRUST AND INVESTMENT GROUP	152,000,000.00			7.00%	71	2023-06-06	
STERLING BANK OF ASIA TRUST GROUP	15,000,000.00			6.50%	90	2023-06-21	
STERLING BANK OF ASIA TRUST GROUP	6,000,000.00			6.50%	90	2023-06-26	
MULTINATIONAL FOUNDATION INC.	15,000,000.00			6.75%	91	2023-06-26	
RCBC TRUST AND INVESTMENT GROUP	91,000,000.00			7.00%	90	2023-06-27	
PHILIPPINE BANK OF COMMUNICATIONS (PBCOM)	80,000,000.00			6.75%	94	2023-05-29	
PHILIPPINE BANK OF COMMUNICATIONS (PBCOM)	100,000,000.00			6.75%	91	2023-05-29	
PRIVATE EDUCATION RETIREMENT ANNUITY ASS. (P.E.R.A.A) PLAN	30,000,000.00			6.00%	30	2023-04-19	
RCBC TRUST AND INVESTMENT GROUP	61,000,000.00			7.00%	90	2023-06-14	
RCBC TRUST AND INVESTMENT GROUP	40,000,000.00			7.00%	90	2023-06-15	
PCCI TRUST & INVESTMENT GROUP	50,000,000.00			6.75%	91	2023-06-15	
PHILIPPINE BANK OF COMMUNICATIONS (PBCOM)	50,000,000.00			6.75%	90	2023-05-16	
PHILIPPINE BANK OF COMMUNICATIONS (PBCOM)	100,000,000.00			6.75%	91	2023-05-29	
OTHERS		493,236.99		4.28%	364	2023-06-26	
PBCOM TRUST GROUP AS INVESTMENT MANAGER FOR IMA 9380		986,473.99		4.28%	364	2023-06-26	
PBCOM TRUST GROUP AS INVESTMENT MANAGER FOR IMA 9212		19,729,479.78		4.28%	364	2023-06-26	
PBCOM TRUST GROUP AS INVESTMENT MANAGER FOR IMA 7967		986,473.99		4.28%	364	2023-06-26	
PBCOM TRUST GROUP AS INVESTMENT MANAGER FOR IMA 9268		9,864,739.89		4.28%	364	2023-06-26	
PBCOM TRUST GROUP AS INVESTMENT MANAGER FOR IMA 9018		2,959,421.97		4.28%	364	2023-06-26	
PBCOM TRUST GROUP AS INVESTMENT MANAGER FOR IMA 9332		986,473.99		4.28%	364	2023-06-26	
PBCOM TRUST GROUP AS INVESTMENT MANAGER FOR IMA 9154		19,729,479.78		4.28%	364	2023-06-26	
PBCOM TRUST GROUP AS INVESTMENT MANAGER FOR IMA 9227		2,959,421.97		4.28%	364	2023-06-26	
PBCOM TRUST GROUP AS INVESTMENT MANAGER FOR IMA 9416		986,473.99		4.28%	364	2023-06-26	
PBCOM TRUST GROUP AS INVESTMENT MANAGER FOR IMA 9415		3,945,895.96		4.28%	364	2023-06-26	
PBCOM TRUST GROUP AS INVESTMENT MANAGER FOR IMA 9402		19,729,479.78		4.28%	364	2023-06-26	
PBCOM TRUST GROUP AS INVESTMENT MANAGER FOR IMA 9403		986,473.99		4.28%	364	2023-06-26	
PBCOM TRUST GROUP AS INVESTMENT MANAGER FOR IMA 9414		14,797,109.83		4.28%	364	2023-06-26	
PBCOM TRUST GROUP AS INVESTMENT MANAGER FOR IMA 8778		9,864,739.89		4.28%	364	2023-06-26	
PBB TIC AS INVESTMENT MANAGER FAO IMA NO. 001-310-029701		1,972,947.98		4.28%	364	2023-06-26	
PBB TIC AS INVESTMENT MANAGER FAO IMA NO. 001-310-024212		4,932,369.94		4.28%	364	2023-06-26	
PBB TIC AS INVESTMENT MANAGER FAO IMA NO. 001-310-015008		4,932,369.94		4.28%	364	2023-06-26	
PBB TIC AS INVESTMENT MANAGER FAO IMA NO. 001-310-026534		19,729,479.78		4.28%	364	2023-06-26	
PBB TIC AS INVESTMENT MANAGER FAO IMA NO. 001-310-027012		1,972,947.98		4.28%	364	2023-06-26	
PBB TIC AS INVESTMENT MANAGER FAO IMA NO. 001-310-027001		3,945,895.96		4.28%	364	2023-06-26	
PBB TIC AS INVESTMENT MANAGER FAO IMA NO. 001-310-026878		2,959,421.97		4.28%	364	2023-06-26	
PBB TIC AS INVESTMENT MANAGER FAO IMA NO. 001-310-031589		1,972,947.98		4.28%	364	2023-06-26	

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PBB TIC AS INVESTMENT MANAGER FAO IMA NO. 001-310-028590		8,680,971.10		4.28%	364	2023-06-26	
PBB TIC AS INVESTMENT MANAGER FAO IMA NO. 001-310-024645		1,972,947.98		4.28%	364	2023-06-26	
PBB TIC AS INVESTMENT MANAGER FAO IMA NO. 001-310-031590		1,972,947.98		4.28%	364	2023-06-26	
PBB TIC AS INVESTMENT MANAGER FAO IMA NO. 001-310-028323		1,972,947.98		4.28%	364	2023-06-26	
CITYSTATE SAVINGS BANK INC TRUST DEPT FAO TA NO 093 12 000033 3		493,236.99		4.28%	364	2023-06-26	
CITYSTATE SAVINGS BANK INC TRUST DEPT FAO IMA NO 093 22 000003 5		493,236.99		4.28%	364	2023-06-26	
CITYSTATE SAVINGS BANK INC TRUST DEPT FAO TA NO 093 12 000004 5		1,479,710.98		4.28%	364	2023-06-26	
CITYSTATE SAVINGS BANK INC TRUST DEPT FAO TA NO 093 12 000002 1		986,473.99		4.28%	364	2023-06-26	
THE CORPORATE PARTNERSHIP FOR MANAGEMENT IN BUSINESS INC		24,661,849.72		4.28%	364	2023-06-26	
MULTINATIONAL FOUNDATION INC		39,360,312.16		4.28%	364	2023-06-26	
OTHERS		1,479,710.98		4.28%	364	2023-06-26	
OTHERS		493,236.99		4.28%	364	2023-06-26	
OTHERS		4,932,369.94		4.28%	364	2023-06-26	
OTHERS		3,945,895.96		4.28%	364	2023-06-26	
SHOECAT INC		39,458,959.56		4.28%	364	2023-06-26	
OTHERS		9,864,739.89		4.28%	364	2023-06-26	
OTHERS		4,932,369.94		4.28%	364	2023-06-26	
PHILIPPINE VETERANS BANK		197,294,797.80		4.28%	364	2023-06-26	
STERLING BANK OF ASIA TRUST GROUP AS INVESTMENT MANAGER OF TA NO 280 001221		5,918,843.93		4.28%	364	2023-06-26	
STERLING BANK OF ASIA TRUST GROUP AS INVESTMENT MANAGER OF TA NO 280 000704		9,864,739.89		4.28%	364	2023-06-26	
STERLING BANK OF ASIA TRUST GROUP AS INVESTMENT MANAGER OF TA NO 280 000783		1,972,947.98		4.28%	364	2023-06-26	
STERLING BANK OF ASIA TRUST GROUP AS INVESTMENT MANAGER OF TA NO 280 001880		986,473.99		4.28%	364	2023-06-26	
STERLING BANK OF ASIA TRUST GROUP AS INVESTMENT MANAGER OF TA NO 280 001879		986,473.99		4.28%	364	2023-06-26	
STERLING BANK OF ASIA TRUST GROUP AS INVESTMENT MANAGER OF TA NO 280 000897		2,959,421.97		4.28%	364	2023-06-26	
STERLING BANK OF ASIA TRUST GROUP AS INVESTMENT MANAGER OF TA NO 280 002004		986,473.99		4.28%	364	2023-06-26	
PCCI TIG AS INVESTMENT MANAGER FOR IMA 2379		5,918,843.93		4.28%	364	2023-06-26	
PCCI TIG AS INVESTMENT MANAGER FOR IMA 2425		986,473.99		4.28%	364	2023-06-26	
PCCI TIG AS INVESTMENT MANAGER FOR IMA 2260		2,170,242.78		4.28%	364	2023-06-26	
PCCI TIG AS INVESTMENT MANAGER FOR IMA 2339		1,972,947.98		4.28%	364	2023-06-26	
PCCI TIG AS INVESTMENT MANAGER FOR IMA 2397		29,594,219.67		4.28%	364	2023-06-26	
ROBINSONS BANK TRUST AND INVESTMENTS GROUP IMA NUMBER 030180530092		1,085,121.39		4.28%	364	2023-06-26	
ROBINSONS BANK TRUST AND INVESTMENTS GROUP IMA NUMBER 030180530255		2,959,421.97		4.28%	364	2023-06-26	
ROBINSONS BANK TRUST AND INVESTMENTS GROUP IMA NUMBER 030180000262		1,972,947.98		4.28%	364	2023-06-26	
ROBINSONS BANK TRUST AND INVESTMENTS GROUP IMA NUMBER 030180008326		2,959,421.97		4.28%	364	2023-06-26	
ROBINSONS BANK TRUST AND INVESTMENTS GROUP IMA NUMBER 030180008390		1,972,947.98		4.28%	364	2023-06-26	
ROBINSONS BANK TRUST AND INVESTMENTS GROUP IMA NUMBER 030180008241		1,972,947.98		4.28%	364	2023-06-26	
ROBINSONS BANK TRUST AND INVESTMENTS GROUP IMA NUMBER 030180008136		5,918,843.93		4.28%	364	2023-06-26	

Title of Issue and Type of Obligation	Loans Payable in the Balance Sheet	Short Term Notes Payable in the Balance Sheet	Current Portion of Long-Term Debt in the Balance Sheet	Interest Rates	Term	Maturity	Non-Current Portion of Long-Term Debt in the Balance Sheet
ROBINSONS BANK TRUST AND INVESTMENTS GROUP IMA NUMBER 030180000405		1,972,947.98		4.28%	364	2023-06-26	
ROBINSONS BANK TRUST AND INVESTMENTS GROUP IMA NUMBER 030180007931		2,762,127.17		4.28%	364	2023-06-26	
ROBINSONS BANK TRUST AND INVESTMENTS GROUP IMA NUMBER 030180008389		1,972,947.98		4.28%	364	2023-06-26	
ROBINSONS BANK TRUST AND INVESTMENTS GROUP IMA NUMBER 030180530181		1,578,358.38		4.28%	364	2023-06-26	
ROBINSONS BANK TRUST AND INVESTMENTS GROUP IMA NUMBER 030180008314		9,864,739.89		4.28%	364	2023-06-26	
ROBINSONS BANK TRUST AND INVESTMENTS GROUP IMA NUMBER 030180530284		1,972,947.98		4.28%	364	2023-06-26	
ROBINSONS BANK TRUST AND INVESTMENTS GROUP IMA NUMBER 030180530383		1,085,121.39		4.28%	364	2023-06-26	
ROBINSONS BANK TRUST AND INVESTMENTS GROUP IMA NUMBER 030180530270		4,932,369.94		4.28%	364	2023-06-26	
ROBINSONS BANK TRUST AND INVESTMENTS GROUP IMA NUMBER 030180530374		1,085,121.39		4.28%	364	2023-06-26	
ROBINSONS BANK TRUST AND INVESTMENTS GROUP TA NUMBER 030172530299		5,425,606.94		4.28%	364	2023-06-26	
ROBINSONS BANK TRUST AND INVESTMENTS GROUP TA NUMBER 030172530379		19,729,479.78		4.28%	364	2023-06-26	
ROBINSONS BANK TRUST AND INVESTMENTS GROUP IMA NUMBER 030180530375		9,864,739.89		4.28%	364	2023-06-26	
ROBINSONS BANK TRUST AND INVESTMENTS GROUP IMA NUMBER 030180530376		9,864,739.89		4.28%	364	2023-06-26	
ROBINSONS BANK TRUST AND INVESTMENTS GROUP IMA NUMBER 030180530377		9,864,739.89		4.28%	364	2023-06-26	
ROBINSONS BANK TRUST AND INVESTMENTS GROUP IMA NUMBER 030180530378		9,864,739.89		4.28%	364	2023-06-26	
ROBINSONS BANK TRUST AND INVESTMENTS GROUP TA NUMBER 030002000002		493,236.99		4.28%	364	2023-06-26	
RCBC TIG AS INVESTMENT MANAGER OF TA 51540026545		986,473.99		4.28%	364	2023-06-26	
RCBC TIG AS INVESTMENT MANAGER OF TA 51540229934		1,479,710.98		4.28%	364	2023-06-26	
RCBC TIG AS INVESTMENT MANAGER OF TA 51540090804		5,425,606.94		4.28%	364	2023-06-26	
RCBC TIG AS INVESTMENT MANAGER OF TA 100000601		2,959,421.97		4.28%	364	2023-06-26	
RCBC TIG AS INVESTMENT MANAGER OF TA 100002111		4,932,369.94		4.28%	364	2023-06-26	
RCBC TIG AS INVESTMENT MANAGER OF TA 51540239158		2,959,421.97		4.28%	364	2023-06-26	
RCBC TIG AS INVESTMENT MANAGER OF TA 51540242906		1,627,682.08		4.28%	364	2023-06-26	
RCBC TIG AS INVESTMENT MANAGER OF TA 51540143150		8,878,265.90		4.28%	364	2023-06-26	
RCBC TIG AS INVESTMENT MANAGER OF TA 51540098996		6,905,317.92		4.28%	364	2023-06-26	
RCBC TIG AS INVESTMENT MANAGER OF TA 51540228458		1,775,653.18		4.28%	364	2023-06-26	
RCBC TIG AS INVESTMENT MANAGER OF TA 900000424		2,170,242.78		4.28%	364	2023-06-26	
RCBC TIG AS INVESTMENT MANAGER OF TA 100002109		986,473.99		4.28%	364	2023-06-26	
RCBC TIG AS INVESTMENT MANAGER OF TA 100002041		986,473.99		4.28%	364	2023-06-26	
RCBC TIG AS INVESTMENT MANAGER OF TA 100002110		4,932,369.94		4.28%	364	2023-06-26	
RCBC TIG AS INVESTMENT MANAGER OF TA 51540127082		986,473.99		4.28%	364	2023-06-26	
RCBC TIG AS INVESTMENT MANAGER OF TA 51540127139		1,972,947.98		4.28%	364	2023-06-26	
RCBC TIG AS INVESTMENT MANAGER OF TA 51540242523		3,354,011.56		4.28%	364	2023-06-26	
RCBC TIG AS INVESTMENT MANAGER OF TA 927813		10,160,682.09		4.28%	364	2023-06-26	
RCBC TIG AS INVESTMENT MANAGER OF TA 100000882		986,473.99		4.28%	364	2023-06-26	
RCBC TIG AS INVESTMENT MANAGER OF TA 51540124660		493,236.99		4.28%	364	2023-06-26	
RCBC TIG AS INVESTMENT MANAGER OF TA 51540154195		1,972,947.98		4.28%	364	2023-06-26	

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RCBC TIG AS INVESTMENT MANAGER OF TA 51540084952		986,473.99		4.28%	364	2023-06-26	
RCBC TIG AS INVESTMENT MANAGER OF TA 100000893		986,473.99		4.28%	364	2023-06-26	
RCBC TIG AS INVESTMENT MANAGER OF TA 51540241616		3,551,306.36		4.28%	364	2023-06-26	
RCBC TIG AS INVESTMENT MANAGER OF TA 51540241950		2,071,595.38		4.28%	364	2023-06-26	
RCBC TIG AS INVESTMENT MANAGER OF TA 100001855		19,729,479.78		4.28%	364	2023-06-26	
RCBC TIG AS INVESTMENT MANAGER OF TA 51540235020		2,959,421.97		4.28%	364	2023-06-26	
RCBC TIG AS INVESTMENT MANAGER OF TA 51540240350		8,385,028.91		4.28%	364	2023-06-26	
RCBC TIG AS INVESTMENT MANAGER OF TA 51540239921		2,959,421.97		4.28%	364	2023-06-26	
RCBC TIG AS INVESTMENT MANAGER OF TA 100002105		29,594,219.67		4.28%	364	2023-06-26	
RCBC TIG AS INVESTMENT MANAGER OF TA 100002082		986,473.99		4.28%	364	2023-06-26	
RCBC TIG AS INVESTMENT MANAGER OF TA 100002104		7,891,791.91		4.28%	364	2023-06-26	
RCBC TIG AS INVESTMENT MANAGER OF TA 900000119		493,236.99		4.28%	364	2023-06-26	
RCBC TIG AS INVESTMENT MANAGER OF TA 100002103		986,473.99		4.28%	364	2023-06-26	
RCBC TIG AS INVESTMENT MANAGER OF TA 100002102		986,473.99		4.28%	364	2023-06-26	
RCBC TIG AS INVESTMENT MANAGER OF TA 51541055340		33,342,820.83		4.28%	364	2023-06-26	
RCBC TIG AS INVESTMENT MANAGER OF TA 51541125845		28,805,040.48		4.28%	364	2023-06-26	
RCBC TIG AS INVESTMENT MANAGER OF TA 51541242957		15,290,346.83		4.28%	364	2023-06-26	
RCBC TIG AS INVESTMENT MANAGER OF TA 51541155728		9,864,739.89		4.28%	364	2023-06-26	
RCBC TIG AS INVESTMENT MANAGER OF TA 51541233346		9,864,739.89		4.28%	364	2023-06-26	
OTHERS		493,236.99		4.28%	364	2023-06-26	
RCBC CAPITAL CORPORATION		36,844,803.49		4.28%	364	2023-06-26	
CITYSTATE SAVINGS BANK INC TRUST DEPT FAO TA NO 093 12 000001 4		493,236.99		4.28%	364	2023-06-26	
CITYSTATE SAVINGS BANK INC TRUST DEPT FAO TA NO 093 12 000020 5		3,945,895.96		4.28%	364	2023-06-26	
CITYSTATE SAVINGS BANK INC TRUST DEPT FAO TA NO 093 12 000029 6		986,473.99		4.28%	364	2023-06-26	
CITYSTATE SAVINGS BANK INC TRUST DEPT FAO TA NO 093 12 000034 0		986,473.99		4.28%	364	2023-06-26	
PBCOM TRUST GROUP AS TRUSTEE FOR TR200		9,864,739.89		4.28%	364	2023-06-26	
PBCOM TRUST GROUP AS TRUSTEE FOR TR201		9,864,739.89		4.28%	364	2023-06-26	
PBCOM TRUST GROUP AS TRUSTEE FOR TR309		1,479,710.98		4.28%	364	2023-06-26	
PBCOM TRUST GROUP AS TRUSTEE FOR TR311		986,473.99		4.28%	364	2023-06-26	
ROBINSONS BANK TRUST AND INVESTMENTS GROUP IMA NUMBER 030320530262		986,473.99		4.28%	364	2023-06-26	
PCCI TIG AS INVESTMENT MANAGER FOR IMA 2265		493,236.99		4.28%	364	2023-06-26	
PCCI TIG AS TRUSTEE FOR TOFA 1009		986,474.56		4.28%	364	2023-06-26	
PBB TIC AS INVESTMENT FAO IMA NO. 001-310-031064		11,717,708.50		6.33%	182	2023-06-23	
Pbcom Trust Group As Investment Manager For Ima 8919,		19,869,157.90		6.33%	182	2023-06-23	
PBB TIC AS INVESTMENT FAO IMA NO. 001-310-024178		7,132,518.22		6.33%	182	2023-06-23	
TELEVISION INTERNATIONAL CORPORATION		30,567,935.22		6.33%	182	2023-06-23	
Pcci Tig As Investment Manager For Ima 2353,		5,094,655.87		6.33%	182	2023-06-23	
PBB TIC AS INVESTMENT FAO IMA NO. 001-320-031066		5,094,655.87		6.33%	182	2023-06-23	

Title of Issue and Type of Obligation	Loans Payable in the Balance Sheet	Short Term Notes Payable in the Balance Sheet	Current Portion of Long-Term Debt in the Balance Sheet	Interest Rates	Term	Maturity	Non-Current Portion of Long-Term Debt in the Balance Sheet
Pcci Tig As Investment Manager For Ima 2435,		5,094,655.87		6.33%	182	2023-06-23	
Pbcom Trust Group As Investment Manager For Ima 9542,		10,189,311.74		6.33%	182	2023-06-23	
Robinsons Bank Trust And Investments Group Ima Number 030180008241,		5,094,655.87		6.33%	182	2023-06-23	
Pbcom Trust Group As Investment Manager For Ima 9018,		5,094,655.87		6.33%	182	2023-06-23	
KNIGHTS OF COLUMBUS FRATERNAL ASSOCIATION OF THE PHILIPPINES, INC.		10,189,311.74		6.33%	182	2023-06-23	
Sterling Bank Of Asia-Trust Group As Inv. Mgr. Of Ta No.991-280-002221,		10,189,311.74		6.33%	182	2023-06-23	
PBCOM TRUST GROUP AS TRUSTEE FOR TR201		5,094,655.87		6.33%	182	2023-06-23	
PBCOM TRUST GROUP AS TRUSTEE FOR TR356		6,113,587.04		6.33%	182	2023-06-23	
PBCOM TRUST GROUP AS TRUSTEE FOR TR200		5,094,655.87		6.33%	182	2023-06-23	
ST THERESA'S COLLEGE OF QUEZON CITY		10,189,311.74		6.33%	182	2023-06-23	
Robinsons Bank Trust And Investments Group Ima Number 030180008389,		1,968,353.07		7.13%	364	2023-12-22	
Pbcom Trust Group As Investment Manager For Ima 9256,		984,361.19		7.13%	364	2023-12-22	
Philippine Veterans Bank Trust and Asset Management Group FAO: TA 4450-40-000453		492,180.59		7.13%	364	2023-12-22	
Pcci Tig As Investment Manager For Ima 2395,		1,968,722.37		7.13%	364	2023-12-22	
Philippine Veterans Bank Trust and Asset Management Group FAO: TA 4450-40-000539		492,180.59		7.13%	364	2023-12-22	
Robinsons Bank Trust And Investments Group Ima Number 030310000226,		984,361.19		7.13%	364	2023-12-22	
Pcci Tig As Investment Manager For Ima 2395,		3,937,444.75		7.13%	364	2023-12-22	
Pbcom Trust Group As Investment Manager For Ima 9255,		1,476,541.78		7.13%	364	2023-12-22	
Robinsons Bank Trust And Investments Group Ima Number 030180000405,		1,968,722.37		7.13%	364	2023-12-22	
OTHERS		4,921,805.94		7.13%	364	2023-12-22	
PBB TIC AS INVESTMENT FAO IMA NO. 001-310-026534		22,640,307.30		7.13%	364	2023-12-22	
OTHERS		492,180.59		7.13%	364	2023-12-22	
OTHERS		492,180.59		7.13%	364	2023-12-22	
Pbcom Trust Group As Investment Manager For Ima 9541,		1,476,541.78		7.13%	364	2023-12-22	
Pbcom Trust Group As Investment Manager For Ima 9202,		59,061,671.22		7.13%	364	2023-12-22	
SHOECAT INC		14,765,417.81		7.13%	364	2023-12-22	
KNIGHTS OF COLUMBUS FRATERNAL ASSOCIATION OF THE PHILIPPINES, INC.		9,843,611.87		7.13%	364	2023-12-22	
Sterling Bank Of Asia-Trust Group As Inv. Mgr. Of Ta No.991-280-000783,		1,968,722.37		7.13%	364	2023-12-22	
Pbcom Trust Group As Investment Manager For Ima 9540,		1,968,722.37		7.13%	364	2023-12-22	
OTHERS		3,445,264.15		7.13%	364	2023-12-22	
Pbcom Trust Group As Investment Manager For Ima 8520,		1,968,722.37		7.13%	364	2023-12-22	
PBB TIC AS INVESTMENT FAO IMA NO. 001-310-031065		4,921,805.94		7.13%	364	2023-12-22	
FRANCISCAN MISSIONARIES OF MARY		40,457,244.79		7.13%	364	2023-12-22	
Robinsons Bank Trust And Investments Group Ima Number 030180000262,		4,921,805.94		7.13%	364	2023-12-22	
PBCOM TRUST GROUP AS INVESTMENT MANAGER FOR IMA 9259		19,687,223.74		7.13%	364	2023-12-22	
PBB TIC AS INVESTMENT FAO IMA NO. 001-310-028590		4,921,805.94		7.13%	364	2023-12-22	
CONGREGATION OF THE MOST HOLY REDEEMER		42,229,094.92		7.13%	364	2023-12-22	
Pbcom Trust Group As Investment Manager For Ima 7972,		984,361.19		7.13%	364	2023-12-22	
OTHERS		492,180.59		7.13%	364	2023-12-22	
Robinsons Bank Trust And Investments Group Ima Number 030180008302,		984,361.19		7.13%	364	2023-12-22	
Robinsons Bank Trust And Investments Group Ima Number 030180008428,		1,476,541.78		7.13%	364	2023-12-22	
Robinsons Bank Trust And Investments Group Ima Number 030180000961,		984,361.19		7.13%	364	2023-12-22	
OTHERS		2,953,083.56		7.13%	364	2023-12-22	
Sterling Bank Of Asia-Trust Group As Inv. Mgr. Of Ta No.991-280-001103,		984,361.19		7.13%	364	2023-12-22	
Sterling Bank Of Asia-Trust Group As Inv. Mgr. Of Ta No.991-280-001524,		492,180.59		7.13%	364	2023-12-22	
ARMED FORCES AND POLICE MUTUAL BENEFIT ASSOCIATION INC		103,357,924.64		7.13%	364	2023-12-22	
OTHERS		984,361.19		7.13%	364	2023-12-22	
Robinsons Bank Trust And Investments Group Ima Number 030180530414,		984,361.19		7.13%	364	2023-12-22	
Pbcom Trust Group As Investment Manager For Ima 7762,		1,968,722.37		7.13%	364	2023-12-22	
PBB TIC AS INVESTMENT FAO IMA NO. 001-310-024191		4,921,805.94		7.13%	364	2023-12-22	
TELEVISION INTERNATIONAL CORPORATION		29,530,835.61		7.13%	364	2023-12-22	
OTHERS		492,180.59		7.13%	364	2023-12-22	
PBB TIC AS INVESTMENT FAO IMA NO. 001-310-024212		3,937,444.75		7.13%	364	2023-12-22	

Title of Issue and Type of Obligation	Loans Payable in the Balance Sheet	Short Term Notes Payable in the Balance Sheet	Current Portion of Long-Term Debt in the Balance Sheet	Interest Rates	Term	Maturity	Non-Current Portion of Long-Term Debt in the Balance Sheet
Pbcom Trust Group As Investment Manager For Ima 8536,		984,361.19		7.13%	364	2023-12-22	
Robinsons Bank Trust And Investments Group Ima Number 030180008241,		7,382,708.90		7.13%	364	2023-12-22	
Pbcom Trust Group As Investment Manager For Ima 9539,		1,968,722.37		7.13%	364	2023-12-22	
Robinsons Bank Trust And Investments Group Ima Number 030180008415,		984,361.19		7.13%	364	2023-12-22	
Rcbc Tig As Investment Manager Of Ta 51540085703,		4,921,805.94		7.13%	364	2023-12-22	
MISSIONARY SISTERS OF THE IMMACULATE HEART OF MARY INC		14,765,417.81		7.13%	364	2023-12-22	
OTHERS		1,476,541.78		7.13%	364	2023-12-22	
PBB TIC AS INVESTMENT FAO IMA NO. 001-310-031064		6,890,528.31		7.13%	364	2023-12-22	
ANTRILIA RESOURCES CORPORATION		3,445,264.15		7.13%	364	2023-12-22	
CHRIST THE KING COLLEGE SAN FERNANDO CITY LA UNION INC		9,843,611.87		7.13%	364	2023-12-22	
ROBINSONS BANK TRUST AND INVESTMENTS GROUP IMA NUMBER 030320530262		984,359.87		7.13%	364	2023-12-22	
SIGUIL HYDRO POWER CORP.							
DEVELOPMENT BANK OF THE PHILS.				7.82%	15 1/2YRS	2037-07-22	393,765,082
DEVELOPMENT BANK OF THE PHILS.				2.00%	15YRS	2037-12-02	787,069,234
SARANGANI ENERGY CORPORATION							
BDO Unibank Inc.			1,071,997,935	Fixed 8.06%	Semi-Annual	Oct. 19,2026 and April 17,2030	6,092,146,254
Rizal Comercial Banking Corporation			211,126,935	Fixed 8.06%	Semi-Annual	Oct. 19,2026 and April 17,2030	1,202,183,617
United Coconut Planters Bank			204,560,108	Fixed 8.06%	Semi-Annual	Oct. 19,2026 and April 17,2030	1,188,604,943
Asia United Bank			263,125,484	Fixed 8.06%	Semi-Annual	Oct. 19,2026 and April 17,2030	1,782,907,415
Philippine Business Bank			155,062,151	Fixed 8.06%	Semi-Annual	Oct. 19,2026 and April 17,2030	547,747,016
China Bank Savings			21,112,694	Fixed 8.06%	Semi-Annual	Oct. 19,2026 and April 17,2030	120,218,362
Robinsons Savings Bank			21,112,694	Fixed 8.06%	Semi-Annual	Oct. 19,2026 and April 17,2030	120,218,362
TOTAL	Php3,010,321,680	Php1,601,928,483	Php2,413,583,366				Php17,657,872,128

SCHEDULE FOR LISTED COMPANIES WITH A RECENT OFFERING OF SECURITIES TO THE PUBLIC

ALSONS CONSOLIDATED RESOURCES INC.
For the Period Ended March 31, 2023

1. **Gross and net proceeds as disclosed in the Prospectus.**

Proceeds as disclosed in Final Prospectus dated December 13, 2022	
Face Value of the Offer	P 1,135,000,000
Interest Discount*	(76,287,472)
Gross Proceeds	1,058,712,528
Less:	
SEC Filing and Legal Research Fees	(1,325,655)
Documentary Stamp Tax (maximum assuming P1,135 million issued for 1 year)	(8,489,178)
Underwriting and Selling Fees (maximum)	(4,527,562)
Issue Management Fee	(800,000)
Financial Advisory Fee	(1,200,000)
Transaction Counsel Fees	(400,000)
Independent Counsel Fees	(200,000)
Facility Agency Fees**	(100,000)
Philratings credit rating report fees	(832,608)
PDTC Registry fees**	(150,000)
PDEx listing maintenance fees**	(50,000)
Estimated Costs of Printing and Publication	(30,000)
Total expenses	(18,105,003)
Net Proceeds	Php 1,040,607,525

*Interest Discount - (based on the final rate of 7.1265% and 364 days assuming true discount computation)

** The fees are payable annually for as long as CPs under the program remain outstanding

Note: PDTC and PDEx fees are estimates

Gross Proceeds – **Php 1,058,712,528**
Net Proceeds – **Php 1,040,607,525**

2. **Actual Gross and net proceeds**

Actual Proceeds	
Face Value of the Offer	**620,000,000**
Series T	149,000,000
Series U	471,000,000
Interest Discount	**(36,279,989)**
Series T	(4,622,369)
Series U	(31,657,621)
Gross Proceeds	583,720,011

Less:	
SEC Filing and Legal Research Fees	(1,325,655)
Documentary Stamp Tax	(4,080,102)
Underwriting and Selling Fees (maximum)	(2,296,842)
Issue Management Fee	(842,105)
Financial Advisory Fee	(1,344,000)
Transaction Counsel Fees	(400,000)
Facility Agency Fees	(100,000)
Philratings credit rating report fees	(832,608)
Independent Counsel Fees	(200,000)
PDTC & PDEx fees*	(122,483.26)
Estimated Costs of Printing and Publication	(41,151)
Total expenses	(11,584,946)
Net Proceeds	572,135,065

* PDTC & PDEX fees billed as of March 2023. Does not include all fees, still waiting for other billings from the exchange.

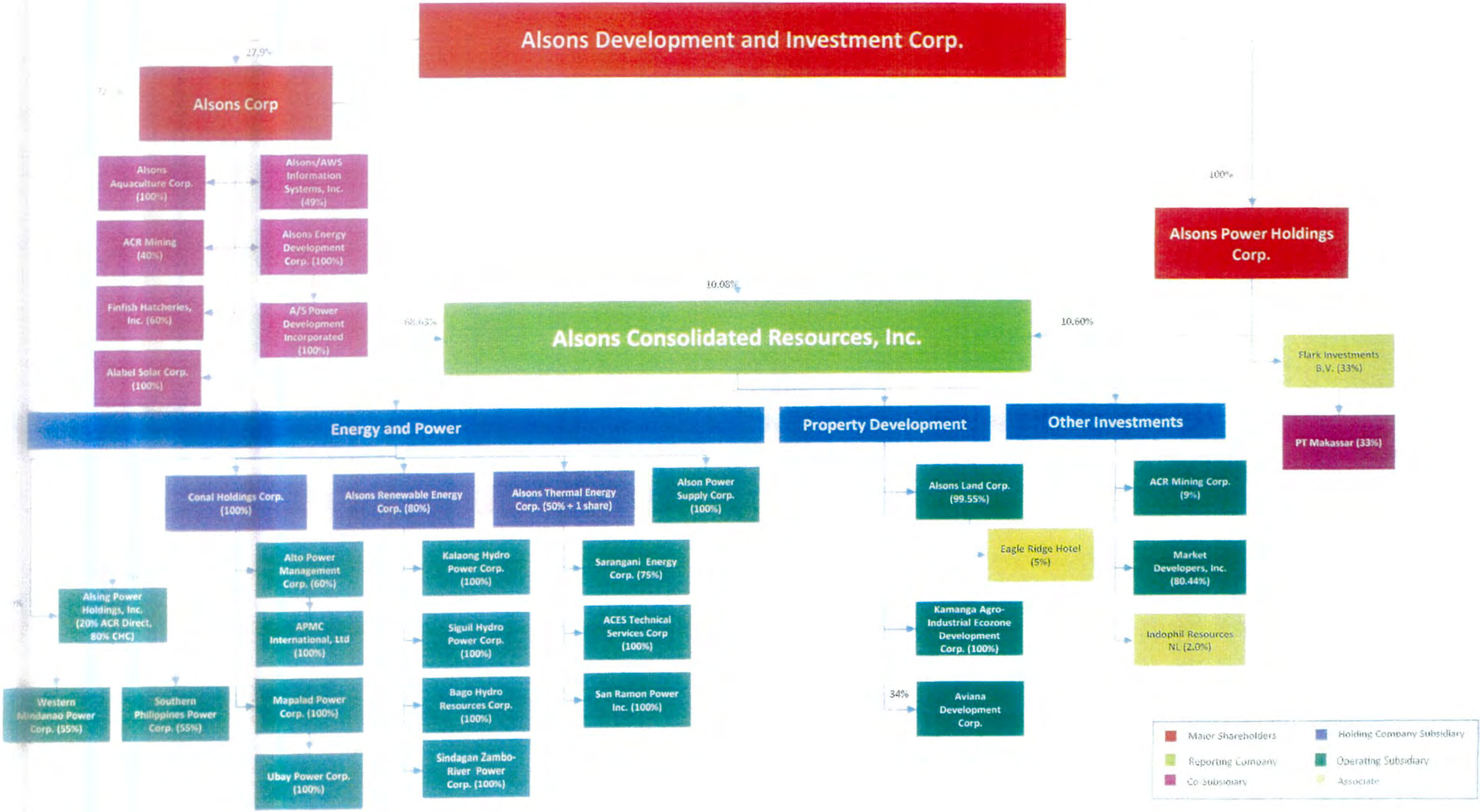
Actual Gross Proceeds – **Php 583,720,011**
Actual Net Proceeds – **Php 572,135,065**

3. Expenditure items where the proceeds were used

CP Series R maturity due December 26 2022	265,000,000
PNs	307,135,065
Total expenditure	**572,135,065**

4. Balance of the proceeds as of end of reporting period

B: Balance as of March 31, 2023 is **Php 0.**


Alsons Development and Investment Corp.
27.9%
Alsons Corp
Alsons Aquaculture Corp. (100%)
Alsons/AWS Information Systems, Inc. (49%)
ACR Mining (40%)
Alsons Energy Development Corp. (100%)
Finfish Hatcheries, Inc. (60%)
A/S Power Development Incorporated (100%)
Alabel Solar Corp. (100%)
100%
Alsons Power Holdings Corp.
10.08%
10.60%
Alsons Consolidated Resources, Inc.
Flark Investments B.V. (33%)
PT Makassar (33%)
Energy and Power
Property Development
Other Investments
Conal Holdings Corp. (100%)
Alsons Renewable Energy Corp. (80%)
Alsons Thermal Energy Corp. (50% + 1 share)
Alson Power Supply Corp. (100%)
Alsons Land Corp. (99.55%)
ACR Mining Corp. (9%)
Alto Power Management Corp. (60%)
Kalaong Hydro Power Corp. (100%)
Sarangani Energy Corp. (75%)
Eagle Ridge Hotel (5%)
Market Developers, Inc. (80.44%)
Alsing Power Holdings, Inc. (20% ACR Direct, 80% CHC)
APMC International, Ltd (100%)
Siguil Hydro Power Corp. (100%)
ACES Technical Services Corp (100%)
Kamanga Agro-Industrial Ecozone Development Corp. (100%)
Indophil Resources NL (2.0%)
Western Mindanao Power Corp. (55%)
Southern Philippines Power Corp. (55%)
Mapalad Power Corp. (100%)
Bago Hydro Resources Corp. (100%)
San Ramon Power Inc. (100%)
34%
Aviana Development Corp.
Ubay Power Corp. (100%)
Sindagan Zambo-River Power Corp. (100%)
Major Shareholders
Holding Company Subsidiary
Reporting Company
Operating Subsidiary
Co-Subsidiary
Associate

Annex "C"

Alsons Consolidated Resources, Inc. and Subsidiaries

Minutes of the Annual Stockholders' Meeting held on May 26, 2022 and Summary of Relevant Resolutions Approved by the Board of Directors

MINUTES OF THE
2022 ANNUAL STOCKHOLDERS' MEETING
OF ALSONS CONSOLIDATED RESOURCES, INC.

ALSONS CONSOLIDATED RESOURCES, INC.
MINUTES OF THE ANNUAL STOCKHOLDERS' MEETING
Held on May 26, 2022 at 2:00 P.M.
Held by remote communication or *in absentia*

The 2022 Annual Stockholders' Meeting of Alsons Consolidated Resources Inc. (or the "Company") was conducted by remote communication or *in absentia* via Zoom.[1] In compliance Securities and Exchange Commission ("SEC") Memorandum Circular No. 6, Series of 2020, the proceedings of the meeting were recorded.

Prior to the start of the meeting proper, a video of the Philippine National Anthem was presented, after which the Chairman of the Board of Directors and President of the Company, Mr. Nicasio I. Alcantara, was introduced.

CALL TO ORDER

The Chairman called the meeting to order and presided over the same. He thanked the stockholders, colleagues in the Company and special guests for attending the Company's virtual Annual Stockholders' Meeting and acknowledged the presence of the members of the Board of Directors and executive officers who likewise attended the meeting via remote communication.[2]

The Chairman delivered his opening remarks which mentioned the declared dividends of PhP0.02 per share in favor of common stockholders of record as of June 30, 2022 and payable on July 23, 2022.

The Corporate Secretary, Atty. Ana Maria A. Katigbak-Lim, acted as Secretary of the meeting and recorded the minutes thereof.

CERTIFICATION OF NOTICE AND QUORUM

The Corporate Secretary certified that at least 21 days prior to the meeting and pursuant to SEC rules, the Company (i) delivered to the stockholders the notice of the meeting by courier, and (ii) posted on its website and submitted to the Philippine Stock Exchange ("PSE") Edge portal its Information Statement which included the notice of the meeting.

The Corporate Secretary likewise certified that with respect to the quorum, there were present at the meeting, in person or by proxy, stockholders representing a least

[1] https://zoom.us/j/92431656505?pwd=TmxwTHowRVhoNXluLy8wL0J1Ri90Zz09
[2] See Annex "A" for the list of directors and officers who attended the virtual Annual Stockholders' Meeting.

10,546,241,105 common and voting preferred shares or **89.44%** of the Company's outstanding capital stock and that a quorum was, therefore, present for the transaction of business.

At the request of the Chairman, the Corporate Secretary informed the stockholders of the following voting procedures and general protocol for the meeting:

(1) Under the Company's Articles of Incorporation and By-Laws, every common and voting preferred stockholder shall be entitled to one vote for each share of stock standing in his/her name in the books of the Company. For the election of directors, each stockholder may cumulate his/her votes.

(2) Stockholders as of record date, April 8, 2022, who successfully registered for the meeting were given the opportunity to cast their votes by submitting their proxy forms. There were six (6) items for approval, excluding the adjournment, as indicated in the agenda set out in the Notice.

(3) The approval of the authority to issue corporate guarantees and sureties required the approval of at least two-thirds (2/3) of the outstanding capital stock. For items other than the approval of authority to issue corporate guarantees and sureties, the affirmative vote of stockholders representing at least a majority of the outstanding capital stock was sufficient. Stockholders had the option to either vote in favor of, or against, a matter for approval, or to abstain.

(4) For the election of directors, the stockholders had the option to vote for each of the nominees, not vote for any nominee, or vote for one or some nominees only, in such number of shares as the stockholders prefer; provided, that the total number of votes cast did not exceed the number of shares owned by them multiplied by the number of directors to be elected. The eleven (11) nominees receiving the highest number of votes would be declared the duly elected members of the Board of Directors for the current term.

(5) Votes received by proxy form were validated by a special committee of inspectors, consisting of the Office of the Corporate Secretary and the stock transfer agent. The results of the voting, with full details of the affirmative and negative votes, as well as abstentions, will be reflected in the minutes of this meeting.

(6) Finally, stockholders, once successfully registered, were also given an opportunity to raise questions or express comments limited to the agenda items by submitting the same through email. Management endeavored to reply to these questions or address these comments after the Management Report. If, for lack of material time, the Company was unable to answer a relevant and material question timely submitted by a stockholder, the Company will reply to such questions by email.

(7) The participation and voting procedures were also contained in the Definitive Information Statement, accessible to all stockholders through the Company's website.

APPROVAL OF THE MINUTES OF THE ANNUAL STOCKHOLDERS' MEETING HELD ON MAY 20, 2021

The Chairman stated that the next matter on the agenda was the approval of the minutes of the Annual Stockholders' Meeting held on May 20, 2021 copies of which had been previously uploaded to the Company's website and the PSE Edge portal.

The Corporate Secretary announced that the Company received proxies from stockholders representing at least 89.44% of the outstanding capital stock, directing the Chairman to vote in favor of the following resolution approving the minutes:

> "RESOLVED, that the reading of the minutes of the Annual Stockholders' Meeting of Alsons Consolidated Resources, Inc. held on July 20, 2020 be dispensed with and that the same be, as it is hereby, approved."

The Corporate Secretary noted that the affirmative votes were sufficient to approve the same.[3]

APPROVAL OF THE ANNUAL REPORT AND 2021 AUDITED FINANCIAL STATEMENTS

The Chairman stated that the next matter on the agenda was the Annual Report and presentation of the Company's 2021 audited financial statements.

The Executive Vice President, Mr. Tirso G. Santillan, presented the Annual Report of the Company. Mr. Santillan gave an overview of the Company's operations and performance for the year 2021. Thereafter, the Group Chief Finance Officer ("Group CFO"), Mr. Ben M. Simon, reported on the Company's 2021 financial highlights.

[3] See Annex "B" for the voting results.

After some discussion, the Corporate Secretary announced that the Company received proxies from stockholders holding at least 89.44% of the outstanding capital stock, directing the Chairman to vote in favor of the following resolution approving the Annual Report and 2021 audited financial statements:

> "RESOLVED, that the Annual Report of Management as presented by the Executive Vice President and Chief Finance Officer, and the Company's audited financial statements for the year ended December 31, 2021 be, as it is hereby, approved."

The Corporate Secretary noted that the affirmative votes were sufficient to approve the same.[4]

RATIFICATION OF ACTS OF THE BOARD OF DIRECTORS AND MANAGEMENT

The Chairman stated that the next matter on the agenda was the ratification of the acts of the Board of Directors and Management since the last annual stockholders' meeting, a summary of which was included in the Definitive Information Statement uploaded on the Company's website and the PSE Edge portal.

The Corporate Secretary announced that the Company received proxies representing at least 89.44% of the outstanding capital stock, directing the Chairman to vote in favor of the following resolution approving the ratification of acts of the Board and Management:

> "RESOLVED, that all acts, contracts, resolutions and actions, authorized and entered into by the Board of Directors and Management of the Company from the date of the last annual stockholders' meeting up to the present be, as they are hereby, approved, ratified and confirmed."

The Corporate Secretary noted that the affirmative votes were sufficient to approve the same.[5]

AUTHORITY TO ISSUE CORPORATE GUARANTEES AND SURETIES

The Chairman stated that the next matter on the agenda was the authority of the Company to issue corporate guaranties and sureties in favor of its subsidiaries and affiliates. It was recalled that the same authority was previously approved by the stockholders in 1997 and the stockholders were now requested to refresh and update the same approval for the Company's operational and financing requirements.

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[4] See Annex "B" for the voting results.

[5] See Annex "B" for the voting results.

The Corporate Secretary announced that the Company received proxies representing at least 89.44% of the outstanding capital stock, directing the Chairman to vote in favor of the following resolution authorizing the Company to issue corporate guarantees and sureties in favor its subsidiaries and affiliates:

> "RESOLVED, that the Board of Directors be, as it hereby is, authorized and empowered to issue, or to authorized any proper officer of the Company to issue, corporate guarantees in favor of the subsidiaries and affiliates of the Company, under such terms and conditions as it may deem necessary or proper."

The Corporate Secretary noted that the affirmative votes were sufficient to approve the same.[6]

ELECTION OF DIRECTORS

The next matter on the agenda was the election of the members of the Board of Directors. The Chairman requested the Corporate Secretary to explain the conduct of elections.

The Corporate Secretary informed the stockholders that there were 11 directors' seats in the Board of Directors, of which at least two were required to be independent iirectors. She stated that all nominations for directors were reviewed and approved by the Nominations and Election Committee in accordance with the Company's Corporate Governance Manual. Further, the SEC rules provided that only nominees whose names have been submitted to, and evaluated by, the Nominations and Election Committee, and whose names appear in the Final List of Candidates set forth in the Definitive Information Statement, shall be eligible for election as independent directors. Under Rule 38 of the Securities and Regulation Code ("SRC"), no other nominations shall be entertained after the Final List of Candidates shall have been prepared.

The Corporate Secretary announced that the Company received the nominations below for regular and independent directors for the term 2022 to 2023 which were screened by the Nominations and Election Committee. The respective profiles of the following nominees were included in the Definitive Information Statement earlier distributed to the stockholders and which were also flashed on the screen:

For Regular Directors:

1. Nicasio I. Alcantara
2. Editha I. Alcantara

[6] See Annex "B" for the voting results.

3. Arturo B. Diago, Jr.
4. Alejandro I. Alcantara
5. Tirso G. Santillan, Jr.
6. Ramon T. Diokno
7. Tomas I. Alcantara
8. Honorio A. Poblador III

For Independent Directors:

9. Jose Ben R. Laraya
10. Thomas G. Aquino
11. Jacinto C. Gavino, Jr.

It was noted that there were only eight (8) candidates for the eight (8) available seats for regular director, and three (3) candidates for three (3) seats for independent director. The Chairman announced that all votes shall be casted in favor of these candidates, and they were declared as the duly elected directors of the Company for the year 2022 to 2023.[7]

APPOINTMENT OF EXTERNAL AUDITORS

The next matter on the agenda was the appointment of the external auditor of the Company. The Chairman stated that independent director Jose Ben R. Laraya, Chairman of the Audit Committee, informed the Chairman that the Audit Committee had reviewed the qualifications and performance of the current external auditor, Sycip, Gorres, Velayo & Co. ("SGV"), and was endorsing its reappointment for the current year.

The Corporate Secretary announced that the Company received proxies representing at least 89.44% of the outstanding voting shares, directing the Chairman to vote in favor of the following resolution approving appointment of the external auditors:

> "RESOLVED, that the auditing firm of Sycip Gorres Velayo & Co. be, as it is hereby, reappointed as the Company's external auditor for the current year 2022-2023."

The Corporate Secretary noted that the affirmative votes were sufficient to approve the same.[8]

ADJOURNMENT

[7] See Annex "B" for the voting results.

[8] See Annex "B" for the voting results.

MINUTES OF THE
2022 ANNUAL STOCKHOLDERS' MEETING
OF ALSONS CONSOLIDATED RESOURCES, INC.

There being no other matters on the agenda and no further business to transact, the meeting was adjourned.

ANA MARIA A. KATIGBAK-LIM
Corporate Secretary

ATTESTED:

NICASIO I. ALCANTARA
Chairman of the Board and
President

TIRSO G. SANTILLAN, JR.
Executive Vice President

ANNEX A

List of Directors and Officers Who Attended the
Annual Stockholders' Meeting Held on May 26, 2022

Nicasio I. Alcantara	Chairman, President, Chairman of the Nomination and Election Committee, Chairman of the Compensation Committee, and Chairman of the Executive and Corporate Governance Committee
Editha I. Alcantara	Director/Vice-Chair and Treasurer, and Chairman of the Retirement Committee
Tirso G. Santillan, Jr.	Director/Executive Vice President
Alejandro I. Alcantara	Director
Tomas I. Alcantara	Director
Arturo B. Diago, Jr.	Director
Honorio A. Poblador III	Director
Ramon T. Diokno	Director
Jose Ben R. Laraya	Independent Director, and Chairman of the Audit, Risk and Related Party Transaction Committee
Thomas G. Aquino	Independent Director
Jacinto C. Gavino, Jr.	Independent Director
Ana Maria A. Katigbak-Lim	Corporate Secretary
Jonathan F. Jimenez	Assistant Corporate Secretary
Antonio Miguel B. Alcantara	Chief Investment & Strategy Officer
Alexander Benhur M. Simon	Group Chief Finance Officer
Philip Edward B. Sagun	Deputy Chief Finance Officer

ANNEX B

Voting Results

Item subject to Voting	Shares in Favor	% Results who are in Favor	% Results who are Against	% Results who Abstain	Total Percentage
Certification of Notice and Quorum	At least 10,546,241,105 of the common and voting preferred shares	89.44%	0	0	89.44%
Approval of the minutes of the stockholders meeting held on May 20, 2021	At least 10,546,241,105 of the common and voting preferred shares	89.44%	0	0	89.44%
Approval of the Annual Report and Audited Financial Statements 2021	At least 10,546,241,105 of the common and voting preferred shares	89.44%	0	0	89.44%
Ratification of the Acts of the Board and Management	At least 10,546,241,105 of the common and voting preferred shares	89.44%	0	0	89.44%
Approval of the Authority to Issue Corporate Guarantees and Sureties	At least 10,546,241,105 of the common and voting preferred shares	89.44%	0	0	89.44%
Appointment of SGV as External Auditors for 2022-2023	At least 10,546,241,105 of the common and	89.44%	0	0	89.44%

	voting preferred shares				
Election of Directors (including Independent Directors): -Nicasio I. Alcantara -Tomas I. Alcantara -Editha I. Alcantara -Alejandro I. Alcantara -Ramon T. Diokno -Honorio A. Poblador, III -Tirso G. Santillan, Jr. -Arturo B. Diago, Jr. -Jose Ben R. Laraya (ID) -Jacinto C. Gavino, Jr. (ID) -Thomas G. Aquino (ID)	At least 10,546,241,105 of the common and voting preferred shares for each director	89.44%	0	0	89.44%

ANNEX C

Questions from Stockholders and Replies of Management

1. **What is the current status of the renewable projects of the Company? In your disclosure last year, you reported that the Siguil Hydro will commence commercial operations in 2022, will this push through?**

   Answer: *The construction phase of our first hydro power plant, Siguil Hydro Power Corporation, is currently in full swing but this has encountered some delays due to challenges brought about by the Covid-19 Pandemic. The expected Commercial Operation Date has been updated and is projected for May 2023.*

2. **What are ACR's plans for growth over the next five years?**

   Answer: *As taken up in the operations report, we are planning to embark on a 21 MW hydro electric project in Sindangan River, Zamboanga del Norte, and 42 MWs of hydro electric capacity along Bago River in Negros Occidental. These are part of 8 potential hydro projects we are developing. Aside from these, we are also developing suitable sites to harness solar energy. Aside from the generation sector, we are also considering other opportunities in WESM, GEAP and in the contestable market.*

3. **How much is your expected CAPEX (on a consolidated basis) for the next 3 years? And how do you intend to fund them?**

   Answer: *More or less, we're looking at Php 6 Billion capital expenditures in the next 3 years. As has always been our strategy, we will fund our projects through 70% project financing from bank syndicates and 30% from internally generated funds, investors and partners.*

Alsons Consolidated Resources, Inc.
Alsons Building, 2286 Chino Roces Avenue
1231 Makati City, Philippines
Tel. Nos. (632) 8982-3000
Website: www.acr.com.ph

SUMMARY OF RELEVANT RESOLUTIONS APPROVED BY THE BOARD OF DIRECTORS (For the Period: January – December 2022)

REGULAR BOARD MEETING
24 March 2022

- The Board of Directors approved the Audited Financial Statements of the Company for the year ended December 31, 2021.
- The Board approved the engagement of RCBC Capital Corporation as the new Joint-Issue Manager and Lead Underwriter in connection to the Company's CP Program balance amounting to up to ₱ 1,265,000,000.00.
- The Board approved to open an account with the Rizal Commercial Banking Corporation (RCBC)
- The Board set the date of the Virtual Annual Stockholders' Meeting of the Corporation on May 26, 2022 with a Record Date on April 8, 2022 by remote communication due to the mandatory Enhanced Community Quarantine (ECQ).
- The Board approved the re-nomination of Messrs. Thomas G. Aquino, Jose Ben R. Laraya and Jacinto C. Gavino, Jr. as Independent Directors of the Company for the current year 2022-2023 and the justifications for their re-nomination
- The Board approved to engage in finance related transactions with RCBC Capital Corporation

SPECIAL BOARD MEETING
26 May 2022

- The Board approved a cash dividend of PhP0.0008 per share or a total of Php4,400,000.00 out of the unrestricted retained earnings as of 31 December 2021, in favor of holders of preferred voting shares, as of the record date of 30 June 2022, and payable on or before 23 July 2022
- The Board approved to open an account with the BDO Unibank, Inc. but not limited to, its Transaction Banking Group or (TBG), payroll services, and Business Online Banking (BOB) services

ORGANIZATIONAL MEETING
26 May 2022

- After the Regular Annual Stockholders' Meeting, the elected Board of Directors, met and the Board then elected its Chairman, the members of its Executive, Audit, Nomination and Compensation Committees, and its officers for the year 2022 to 2023 and until their successors have been duly elected and qualified.

REGULAR BOARD MEETING
25 August 2022

- The Board approved to obtain short-term loans with Philippine Bank of Communications Trust and Investment Group (PBCom Trust)
- The Board approved the issuance of up to Philippine Pesos: Three Billion (₱ 3,000,000,000.00) worth of commercial paper ("Commercial Paper"), in two or more tranches, as determined by management: for this purpose the Corporation appointed Acuña & Francisco Law as Transaction Counsel; and AB Capital and Investment Corporation-Trust Investment Division as Facility Agent
- The Board approved the appointment of MIB Capital Corporation as Financial Advisor; and SB Capital Investment Corporation as Underwriter and Issue Manager in connection to the Corporation's Commercial Paper Program
- The Board approved the Listing of the Commercial Paper with the Philippine Dealing & Exchange Corp. (PDEx); and Philippine Depository & Trust Corp (PDTC) as the Registrar of the Commercial Paper.

SPECIAL BOARD MEETING
30 September 202

- The Board approved the resolution for updating of the Corporation's designated representatives who shall be authorized to submit reportorial requirements through SEC Online Submission Tool

REGULAR BOARD MEETING
24 November 2022

- No board resolutions were adopted in this meeting

SPECIAL BOARD MEETING
15 December 2022

- No board resolutions were adopted in this meeting

REPUBLIC OF THE PHILIPPINES)
CITY OF MAKATI) S.S.

SECRETARY'S CERTIFICATE

I, **JONATHAN F. JIMENEZ**, Filipino, of legal age, and with office address at the Alsons Building, 2286 Chino Roces Avenue, Makati City 1231 Metro Manila, being the duly appointed Assistant Corporate Secretary of **Alsons Consolidated Resources, Inc.**, a Philippine corporation with same principal address (the "Corporation"), do hereby certify, that at their meeting held on the 23 March 2023, at which a quorum was present, and acting throughout, the Board of Directors of the Corporation unanimously approved and adopted and be in full force and effect:

BOARD RESOLUTION Nº ACR 2023/III-23-02

"RESOLVED, That the Board of Directors of Alsons Consolidated Resources, Inc. (the "Company") authorizes, as it hereby authorizes, the postponement of the Company's Annual Stockholders' Meeting which, under the Amended By-laws, shall be held in May, and the resetting of the same to June 19, 2023, to provide Management with sufficient time to prepare for the meeting;

RESOLVED, that the Record Date for the Annual Stockholders' Meeting be hereby set on May 15, 2023;

RESOLVED FURTHER, that the stockholders' meeting be hereby held by remote communication or *in absentia*, and the stockholders of the Company be further authorized to attend the meeting and cast their votes by proxy, remote communication, or *in absentia* in accordance with the mechanisms and procedures to be issued by the Company's President;

RESOLVED FURTHER, that the President be authorized to postpone and reset the meeting date, and/or the record date, and to conduct the meeting by remote communication or *in absentia*, in case the prevailing circumstances so require;

RESOLVED FURTHER, That the Board hereby sets March 31, 2023 as the last day for stockholders to submit nominations for the Board of Directors;

RESOLVED FINALLY, that Management and the proper officers of the Company be, as they are hereby, authorized to perform all acts, and to sign, execute, file and deliver, for and on behalf of the Company, any and all documents which may be required by the Securities and Exchange Commission in relation to the Annual Stockholders' Meeting."

That the above resolutions have not, to this date, been changed, modified, revoked or otherwise amended, and may be relied upon as valid and subsisting until a contrary certification is issued by the Corporation.

IN WITNESS WHEREOF, I have hereunto affixed my signature on this 23rd day of March 2023 at Makati City, Metro Manila.

JONATHAN F. JIMENEZ
Assistant Corporate Secretary

SUBSCRIBED AND SWORN to before me, a Notary Public for and in the Makati City, Philippines, this 23rd day of March 2023, whose identity I have confirmed through his driver's license Nº D06-86-017937 valid until October 25, 2023, issued at Land Transportation Office, bearing the affiant's photograph and signature.

Doc. No. 39 ;
Page No. 9 ;
Book No. II ;
Series of 2023.
Arra/acr/403/23-III-23-02

ATTY. EDWARD FRANCIS M. ARABE NOTARY PUBLIC ROLL NO. 74717 MAKATI CITY, PHILIPPINES

ATTY. EDWARD FRANCIS M. ARABE
NOTARY PUBLIC
Notarial Commission No. M-103
Until December 31, 2023
IBP No. 286311/01-12-2023/Makati
PTR No. MKT9569419/-1-06-2023/Makati
Roll No. 74717/07-15-2020

CERTIFICATION OF INDEPENDENT DIRECTORS

I, **JOSE BEN R. LARAYA**, Filipino, of legal age and a resident of Viridian Tower Unit 52D Corner Connecticut and Missouri Streets, Greenhills, San Juan City, Metro Manila, after having been duly sworn to in accordance with law do hereby declare that:

1. I am a nominee for Independent Director of ALSONS CONSOLIDATED RESOURCES, INC. and have been its independent director since year 2012.

2. I am affiliated with the following companies or organizations:

Company/Organization	Position	Period of Service
Ultrex Management & Investments Corp.	Chairman	October 1992- present
Laraya Holdings, Inc.	Chairman	May 2007-present
Trully Natural Food Corporation	President	Jan 2004-present
TWS Ventures, Inc.	Vice Chairman	Jan 2004-present

3. I possess all the qualifications and none of the disqualifications to serve as an Independent Director of ALSONS CONSOLIDATED RESOURCES, INC., as provided under Section 38 of the Securities Regulation Code and its Implementing Rules and Regulations, and other issuances of the Securities and Exchange Commission (SEC).

4. I am not related to any / director / officer / substantial shareholder of ALSONS CONSOLIDATED RESOURCES, INC. and its subsidiaries and affiliates other than the relationship provided under Rule 38.2.3 of the Implementing Rules and Regulations of the Securities Regulation Code.

5. To the best of my knowledge, I am not the subject of any pending criminal or administrative investigation or proceedings.

6. I shall faithfully and diligently comply with my duties and responsibilities as independent director under the Securities Regulation Code and its Implementing Rules and Regulations, Code of Corporate Governance, and other SEC issuances.

7. I shall inform the Corporate Secretary of ALSONS CONSOLIDATED RESOURCES, INC. of any changes in the abovementioned information within five days from its occurrence.

Done, this 03 APR 2023 at Makati City.

Jose Ben R. Laraya
Affiant

SUBSCRIBED AND SWORN to before me this 03 APR 2023 at Makati City, affiant personally appeared before me and exhibited to me his Taxpayer's Identification Number (TIN) 137-981-006.

ATTY. EDWARD FRANCIS M. ARABE
NOTARY PUBLIC
Notarial Commission No. M-103
Until December 31, 2023
IBP No. 286311/01-12-2023/Makati
PTR No. MKT9569419/1-06-2023/Makati
Roll No. 74717/07-15-2020

ATTY. EDWARD FRANCIS M. ARABE
NOTARY PUBLIC
ROLL NO. 74717
MAKATI CITY, PHILIPPINES

Doc. No. 47;
Page No. 11;
Book No. II;
Series of 2023.

CERTIFICATION OF INDEPENDENT DIRECTORS

I, **THOMAS G. AQUINO**, Filipino, of legal age and a resident of No. 24 Barcelona Street, Merville Park, Paranaque City 1709, after having been duly sworn to in accordance with law do hereby declare that:

1. I am a nominee for Independent Director of ALSONS CONSOLIDATED RESOURCES, INC. and have been its independent director since year 2011.

2. I am affiliated with the following companies or organizations:

Company/Organization	Position	Period of Service
Pryce Corporation	Independent Director	2021 - present
Holcim Philippines, Inc.	Independent Director	2019 - present
A Brown Company	Independent Director	2012 - present
NOW Corporation	Chairman	2011 - present

3. I possess all the qualifications and none of the disqualifications to serve as an Independent Director of ALSONS CONSOLIDATED RESOURCES, INC., as provided under Section 38 of the Securities Regulation Code and its Implementing Rules and Regulations, and other issuances of the Securities and Exchange Commission (SEC).

4. I am not related to any/director/officer/substantial shareholder of ALSONS CONSOLIDATED RESOURCES, INC. and its subsidiaries and affiliates other than the relationship provided under Rule 38.2.3 of the Implementing Rules and Regulations of the Securities Regulation Code.

5. To the best of my knowledge, I am not the subject of any pending criminal or administrative investigation or proceedings.

6. I shall faithfully and diligently comply with my duties and responsibilities as independent director under the Securities Regulation Code and its Implementing Rules and Regulations, Code of Corporate Governance, and other SEC issuances.

7. I shall inform the Corporate Secretary of ALSONS CONSOLIDATED RESOURCES, INC. of any changes in the abovementioned information within five days from its occurrence.

Done, this 03 APR 2023 at Makati City.

Thomas Aquino

THOMAS G. AQUINO
Affiant

SUBSCRIBED AND SWORN to before me this 03 APR 2023 at Makati City, affiant personally appeared before me and exhibited to me his Tax Identification Number (TIN) 111-621-372.

ATTY. EDWARD FRANCIS M. ARABE
NOTARY PUBLIC
ROLL NO. 74717
MAKATI CITY, PHILIPPINES

ATTY. EDWARD FRANCIS M. ARABE
NOTARY PUBLIC
Notarial Commission No. M-103
Until December 31, 2023
IBP No. 286311/01-12-2023/Makati
PTR No. MKT9569419/1-06-2023/Makati
Roll No. 74717/07-15-2020

Doc. No. 48
Page No. 11
Book No. II
Series of 2023.

CERTIFICATION OF INDEPENDENT DIRECTORS

I, **JACINTO C. GAVINO, JR.**, Filipino, of legal age and a resident of No. 38 Butterfly Street, Valle Verde 6, Pasig City, after having been duly sworn to in accordance with law do hereby declare that:

1. I am a nominee for Independent Director of ALSONS CONSOLIDATED RESOURCES, INC. and have been its independent director since year 2012.

2. I am affiliated with the following companies or organizations:

Company/Organization	Position	Period of Service
Sarangani Agricultural Co., Inc.	Board Member	2005-present

3. I possess all the qualifications and none of the disqualifications to serve as an Independent Director of ALSONS CONSOLIDATED RESOURCES, INC., as provided under Section 38 of the Securities Regulation Code and its Implementing Rules and Regulations, and other issuances of the Securities and Exchange Commission (SEC).

4. I am not related to any/director/officer/substantial shareholder of ALSONS CONSOLIDATED RESOURCES, INC. and its subsidiaries and affiliates other than the relationship provided under Rule 38.2.3 of the Implementing Rules and Regulations of the Securities Regulation Code.

5. To the best of my knowledge, I am not the subject of any pending criminal or administrative investigation or proceedings.

6. I shall faithfully and diligently comply with my duties and responsibilities as independent director under the Securities Regulation Code and its Implementing Rules and Regulations, Code of Corporate Governance, and other SEC issuances.

7. I shall inform the Corporate Secretary of ALSONS CONSOLIDATED RESOURCES, INC. of any changes in the abovementioned information within five days from its occurrence.

Done, this 0 3 APR 2023 at Makati City.

Jacinto Gavino

JACINTO C. GAVINO, JR.
Affiant

SUBSCRIBED AND SWORN to before me this 0 3 APR 2023 at Makati City, affiant personally appeared before me and exhibited to me his Taxpayer's Identification Number (TIN) 123-104-984.

Doc No. 46;
Page No. 11;
Book No. II;
Series of 2023.

ATTY. EDWARD FRANCIS M. ARABE
NOTARY PUBLIC
ROLL NO. 74717
MAKATI CITY, PHILIPPINES

ATTY. EDWARD FRANCIS M. ARABE
NOTARY PUBLIC
Notarial Commission No. M-103
Until December 31, 2023
IBP No. 286311/01-12-2023/Makati
PTR No. MKT9569419/1-06-2023/Makati
Roll No. 74717/07-15-2020

REPUBLIC OF THE PHILIPPINES)
CITY OF PARAÑAQUE) S.S.

CERTIFICATION THAT NO DIRECTORS OR OFFICERS ARE CONNECTED WITH THE GOVERNMENT

I, **JONATHAN F. JIMENEZ**, Filipino, of legal age and with office address at the Alsons Building, 2286 Chino Roces Avenue, Makati City 1231 Metro Manila, being the duly appointed Assistant Corporate Secretary of Alsons Consolidated Resources, Inc., a Philippine corporation with same principal address ("Company"), do hereby certify that:

1. Upon their review of the Company's Preliminary Information Statement ("IS"), the Securities & Exchange Commission, through its Market & Securities Regulation Department ("MSRD"), required that the Company submit to the Commission a "certification that no directors or officers are connected with any government agencies or its instrumentalities."
2. In compliance, the undersigned representative of the Company hereby certifies, based on the affidavits and/or other documents and information provided by the Company's Directors and Officers, that **no Director or Officer of Alsons Consolidated Resources, Inc. is connected with any government agency or any of its instrumentalities**.
3. Since no Directors or Officers of the Company are connected with any government agencies or its instrumentalities, there is no need for the Company to "submit a written consent/Permission" from any "head of the department."

IN WITNESS WHEREOF, I have hereunto set my hand on this 3rd day of May 2023 at Parañaque City, Metro Manila.

JONATHAN F. JIMENEZ
Assistant Corporate Secretary

SUBSCRIBED AND SWORN to before me this 3rd day of May 2023 in Parañaque City, Metro Manila, affiant personally appeared and presented to me his Driver's License no. D06-86-017937 valid until 25 October 2023, bearing his photograph and signature.

Doc. No. 283 ;
Page No. 58 ;
Book No. 13 ;
Series of 2023.
Arra/ACR/401

VILMA HILDA D. VILLANUEVA-FABELLA
NOTARY PUBLIC
PARAÑAQUE CITY

ATTY. VILMA HILDA VILLANUEVA-FABELLA
NOTARY PUBLIC
Until December 31, 2024
IBP No. 272742/1-05-2023/PPLM
PTR No. 3190126/1-09-2023/Parañaque
Roll No. 41901
Not. Com. No. 119-2023/1-09-2023

REPUBLIC OF THE PHILIPPINES)
CITY OF MAKATI) S.S.

CERTIFICATION OF ACR BOARD MEETINGS AND ITS COMMITTEES FOR THE YEAR 2022

I, JONATHAN F. JIMENEZ, Filipino, of legal age, and with office address at the Alsons Building, 2286 Chino Roces Avenue Ext., Makati City 1231 Metro Manila, being the duly appointed Assistant Corporate Secretary of Alsons Consolidated Resources, Inc., a Philippine corporation with same principal address ("Corporation"), do hereby certify that:

1. In compliance with the requirements of the Securities and Exchange Commission (the "Commission") in connection with the Corporation's Definitive 2022 Information Statement, we hereby formally advise the Commission of the attendance record of the Corporation's Directors at Board Meetings in 2022, as follows:

	Name	Date of Election/ Reelection	Number of Meetings Held During the Year	Number of Meetings Attended	Percentage
Chairman/President	Nicasio I. Alcantara	May 26, 2022	7	7	100%
Board Vice-Chair	Editha I. Alcantara	May 26, 2022	7	7	100%
Board Member	Tomas I. Alcantara	May 26, 2022	7	7	100%
Board Member	Alejandro I. Alcantara	May 26, 2022	7	7	100%
Board Member	Arturo B. Diago, Jr.	May 26, 2022	7	7	100%
Board Member	Tirso G. Santillan, Jr.	May 26, 2022	7	7	100%
Board Member	Honorio A. Poblador, III	May 26, 2022	7	7	100%
Board Member	Ramon T. Diokno	May 26, 2022	7	7	100%
Independent Director	Jose Ben R. Laraya	May 26, 2022	7	7	100%
Independent Director	Jacinto C. Gavino, Jr.	May 26, 2022	7	7	100%
Independent Director	Thomas G. Aquino	May 26, 2022	7	7	100%

2. In 2022, the Corporation's Board of Directors held the following meetings:

Date of Meeting	Meeting Type
March 24, 2022	Regular
May 26, 2022	Special
May 26, 2022	Annual SH/ Organizational
August 25, 2022	Regular
September 30, 2022	Special
November 24, 2022	Regular
December 15, 2022	Special

3. Based on the Corporation's records, no Director has been absent for more than fifty percent (50%) of all meetings of the Board of Directors, both regular and special, during their incumbency or in any twelve (12) month period during said incumbency. Attached as Annex "A" hereto is a summary of the attendance of the directors.

4. The summary of attendance at the meetings, based on the Corporation's records, of the Audit, Risk Oversight & Related Party Transaction Committee Members, and Nomination & Election Committee Members is hereto attached as Annex "B."

5. The Corporation held its 2022 Annual Stockholders' Meeting last May 26, 2022. The Chairman of the Board & President and the Chairman of the Audit Committee were also present in this meeting.

IN WITNESS WHEREOF, I have hereunto set my hand on this 17th day of May 2023 at Makati City, Metro Manila.

JONATHAN P. JIMENEZ
Assistant Corporate Secretary

SUBSCRIBED AND SWORN to before me this 17th day of May 2023 in Makati City, Metro Manila, affiant personally appeared and presented to me his Driver's License no. D06-86-017937 valid until 25 October 2023, bearing his photograph and signature.

Doc. No. 82 ;
Page No. 18 ;
Book No. II ;
Series of 2023.
Arra/ACR/401

ATTY. EDWARD FRANCIS M. ARABE NOTARY PUBLIC ROLL NO. 74717 MAKATI CITY, PHILIPPINES

ATTY. EDWARD FRANCIS M. ARABE
NOTARY PUBLIC
Notarial Commission No. M-103
Until December 31, 2023
IBP No. 286311/01-12-2023/Makati
PTR No. MKT9569419/1-06-2023/Makati
Roll No. 74717/07-15-2020

Annex "A"
Alsons Consolidated Resources, Inc.
Meetings of the Board of Directors for the Year 2022

Date of Special and Regular Board Meetings [Legend: Present (√), Absent (x)]

	Mar 24	May 26	May 26	Aug 25	Sep 30	Nov 24	Dec 15
Names of Directors	Regular	Special	ASM/OM	Regular	Special	Regular	Special
1. Nicasio I. Alcantara	√	√	√	√	√	√	√
2. Editha I. Alcantara	√	√	√	√	√	√	√
3. Tomas I. Alcantara	√	√	√	√	√	√	√
4. Alejandro I. Alcantara	√	√	√	√	√	√	√
5. Arturo B. Diago, Jr.	√	√	√	√	√	√	√
6. Tirso G. Santillan, Jr.	√	√	√	√	√	√	√
7. Honorio A. Poblador, III	√	√	√	√	√	√	√
8. Ramon T. Diokno	√	√	√	√	√	√	√
9. Jose Ben R. Laraya	√	√	√	√	√	√	√
10. Jacinto C. Gavino, Jr.	√	√	√	√	√	√	√
11. Thomas G. Aquino	√	√	√	√	√	√	√

Legend:

√ - Present
X - Absent
ASM - Annual Stockholders' Meeting
OM - Organizational Meeting

Annex "B"
Alsons Consolidated Resources, Inc.
Meetings of the Board Committees for the Year 2022

Date of Committees' Meetings
[Legend: Present (√), Absent (x)]

Audit, Risk Oversight & Related Party Transaction Committee Members	March 17	April 28	August 4	November 10	December 1
	Regular	Regular	Regular	Regular	Special
1. Jose Ben R. Laraya	√	√	√	√	√
2. Thomas G. Aquino	√	√	√	√	√
3. Editha I. Alcantara	√	√	√	√	√
4. Jacinto C. Gavino, Jr.	√	√	√	√	√
5. Ramon T. Diokno	√	√	√	√	√

Nomination & Election Committee Members	March 17, 2022				
1. Nicasio I. Alcantara	√				
2. Tomas I. Alcantara	√				
3. Jose Ben R. Laraya	√				
4. Arturo B. Diago, Jr.	√				

Legend:

√ - Present
X - Absent
ASM - Annual Stockholders' Meeting
OM - Organizational Meeting

Supplementary Schedules included in Form 17-A
as required by the Revised SRC Rule 68,Annex 68-J

Schedule A: Financial Assets
For the year Ended December 31,2022

Name of Issuing Entity and Description of Each Issue	No. of Shares	Amounts Shown in the Balance Sheet	Valued Based on Market Quotations at Balance Sheet Date	Interest and Dividend Income Received and Accrued
Short-term deposit (cash equivalents)				
Peso denominated short term deposit		345,007,949.00		5,293,064
U.S. Dollar denominated short term deposit		131,696,108		1,061,035
		476,704,057		**6,354,099**
Short-term cash investments				
U.S. Dollar denominated short term investments		123,724,552		-
Peso denominated short term investments		-		-
		123,724,552		**-**
Equity investments designated at FVOCI				
Philodrill	566,720,000	5,497,184	5,497,184	
Seafront	15,544,911	26,115,450	26,115,450	
Globe Telecom	1,013	2,208,340	2,208,340	
ACR Mining Corporation	21,268,769	21,268,769	21,268,769	
Alsons Development & Investment Corp.	22,000,000	2,200,000,000	2,200,000,000	
Eagle Ridge Golf and Country Club	511	99,350,000	99,350,000	
Pueblo de Oro Development Corporation	2	900,000	900,000	
	625,535,206	**2,355,339,743**	**2,355,339,743**	
TOTAL FINANCIAL ASSETS	**625,535,206**	**2,955,768,352**	**2,355,339,743**	**6,354,099**

SCHEDULE B – Accounts Receivable from Directors,Officers,Employees,Related Parties and Principal Stockholders
(Other than Affiliates)
For the Year Ended December 31, 2022

Name and Designation		Beginning Balance	Additions	Collected	Written-off	Current	Non-Current	Ending Balance
ACR								
Galila, Glenn	R	-	4,000					4,000
Espanol, Benjamin	R	-	22,500					22,500
Gomez, Michelle	R	-	2,000					2,000
		-	28,500	-	-	-	-	28,500
Alsons Land Corporation								
Saliba, Cecille	R	13,000						13,000
Balboa, Ace Benedict	R		10,116					10,116
Batalla, Rechelle	R	70,000	28,500					98,500
Billote, Juvylet Joy	R	70,000	17,580					87,580
Eugenio, Nina Khrisnamae R.	R		351					351
Others	R	44,203						44,203
Legarte, Camelle	R	21,100		20,600				500
Manalo, Lawi	R		2,000					2,000
Roa, Susan V.	R	75						75
.		218,378	58,547	20,600	-	-	-	256,325
Sarangani Energy Corporation								
Abueva, Denie B.	R	-	300					300
Aceberos, Stanly P	R	-						-
Adlawan, Felipe C. III	R	177,910		126,808				51,102
Alboroto, Joseph T.	S	156,830		66,422				90,408
Alcala, Cris Mae Rose C.	R		829					829
Alforque, Roel B.	R	-	300					300
Almazan, Rodjeck M.	R	-	27,750					27,750
Alquino, Edison L.	R		750					750
Amador, Cris Amel E.	R		300					300
Amador, Juric E.	R	23,939	163,437					187,376
Ancheta, Aldhan B.	R		300					300
Apondar, Reynante T.	R		36,449					36,449
Apostol, Eduardo A. Jr.	R		300					300
Aquino, Ralph Benigno S.	S	162,245		82,265				79,980
Arambala, Gilbert Kenn L.	R	10,409		10,409				-
Arcolar, Warlito B.	R	-	750					750
Argut, Mary Joy N.	R	1,500		500				1,000
Arocha, Riel R. Sr.	R		600					600
Asentista, Al King L.	R	3,000	3,842					6,842
Asuero, Fritz B.	R	75,755		73,089				2,666
Atas, Adrian B.	R		24,000					24,000
Aton, Joel E.	M	38,506		36,196				2,310
Bagarinao, Shane L.	R	156,830		63,526				93,304
Baguio, Lindsey D.	R		95,833					95,833
Bandi-anon, Jay-ar T.	R		300					300
Banse, Emerald B.	R		500					500
Batac, Irene G.	R	11,098	77,380					88,478
Beduya, Cindy J.	R	6,000		6,000				-
Beljeda, Efren Caesar C.	R	140,086		70,376				69,710
Bitong, Jason Silverio B.	R	34,360	17,108					51,468
Bucol, Jason A.	R		300					300
Buctuan, Jaime B. Jr.	R	3,600		2,400				1,200
Butawan, Roxanne B.	R	84,335		58,384				25,951
Cabalhug, Alick Nikuv Antonio A.	R		300					300
Cabarce, Isagane C.	R		7,256					7,256
Camara, Jimmy D.	R	180,224						180,224
Camara, Ramil O.	R		24,006					24,006
Caminero, George L.	R		12,000					12,000
Campos, Lyh Benzyl C.	R	166,516		68,994				97,522
Canonigo, Efren Jr.	S	69,670		69,370				300
Cantaros, Joel L.	R	22,501		22,201				300
Capilitan, Angel Renaleh B.	R		1,838					1,838
Capulinas, Rhode B.	R		300					300
Carpentero, Ryan P.	R	23,171		23,171				-
Catapang, Cherrie L.	R	11,590		11,590				-
Cereno, Aiza L.	R	82,596	9,125					91,721
Chan, Richie P.	R	23,131	300	23,131				300
Cobol, Christine Juvin A.	R	32,413		32,167				246
Cotanda, Ramil E.	R	34,469		34,169				300
Cuasito, Bernabe R.	R	3,600						3,600
Dableo, John H.	R		300					300
Dabon, Bambi M.	R	-	300					300
Dalaguan, Marlon M.	R	332,586		69,767				262,819
Dalingay, Michael A.	R	108,632		100,276				8,356
Danao, Arc Dio G.	R	152,749		66,839				85,910
David, Jeomar R.	R		1,800					1,800
De Jesus, Cyngrade V.	R	139,652		65,295				74,357
Defante, Charmagne Joy	R	189,333		15,785				173,548
Del Rosario, Paul Richard M.	R	-	69,574					69,574

Name and Designation		Beginning Balance	Additions	Collected	Written-off	Current	Non-Current	Ending Balance
Dela Baryo, Lino L.	R	42,125		37,919				4,206
Delos Santos, Joel E.	S	153,439		97,546				55,893
Dema-ala, Leonelo L.	R	46,852	47,806					94,658
Denolan, Ronald C.	R		750					750
Donato, Benna Jayne A.	R	-	500					500
Dulay, Geovani S.	R	-	750					750
Dumaran, Jerson D.	R	50,417		28,017				22,400
Enriquez, Emmanuel O.	R	1,988		1,988				-
Ensomo, Edsel P.	R	349,773		219,331				130,442
Esberto, Ian Kesniel	R	93,739		71,231				22,508
Eslaban, Stephen Jay B.	R	257,623		62,826				194,797
Espanol, Benjamin Jr.	S	10,643	294,235					304,878
Espra, Marvin B.	R	1,800	5,300					7,100
Estorque, Mary Jane P.	S	236,068		128,675				107,393
Fababier, Awardson	R	167,779		68,115				99,664
Flauta, Allan S. Jr.	R	11,400						11,400
Florada, Beverly Ann I.	R		6,667					6,667
Flores, Erick R.	R		300					300
Flores, Ludy C.	R	35,258	105,215					140,473
Gabas, Ramon Caezar P.	R		750					750
Garcia, Renante M.	R		319,500					319,500
Gaturian, Kimberly T.	R	55,654		51,171				4,483
Gerolaga, Jim Paul T.	R		25,286					25,286
Gimpayan, Jer-Michael F.	R		750					750
Glang, Victor N.	R	197,860		66,850				131,010
Gloria, Danilo R.	R	12,375		6,791				5,584
Gregorio, Mark Oliver	R		37,703					37,703
Honor, Mark Timothy B.	R	369,230		172,832				196,398
Imalay, Alex C.	R	52,588		38,088				14,500
Infante, Russell A.	R	128,941		64,955				63,986
Labao, Archimedes C.	S	129,386		72,876				56,510
Lacapag, Ronnie H.	R		300					300
Ladaran, Em B.	S	111,567		75,130				36,437
Laforteza, Aura Shane A.	R		300					300
Lapining, Mark L.	R		300					300
Ledesma, Rochie H.	R	232,734		99,903				132,831
Legaspi, Lovely Jane Abigael F.	R	268,159		116,193				151,966
Lepardo, Frederick S.	R		15,710					15,710
Licanda, Sheryl T.	R	250,578		250,578				-
Linogao, Jeed R.	S	69,670	5,485					75,155
Llamas, Robert R.	R		324					324
Loking, Nelson C.	R	219,371		90,844				128,527
Lomongo, Jynelle Q.	R	119,792		62,500				57,292
Lopez, Margie M.	R		500					500
Lopez, Rocher D.	S	116,251		5,847				110,404
Lumongsod, Pio Bryan S.	R	7,116	29,929					37,045
Macagcalat, Rajiv S.	R	2,700	42,450	2,700				42,450
Madres, Mark Lister C.	R	290,528		66,538				223,990
Magdaluyo, Ma/ Leia Lara D.	R	1,000		1,000				-
Mahinay, Ronald M. Sr.	R		300					300
Majaducon, Ryan Jay E.	R		10,413					10,413
Maningo, Charmaine Joyce S.	R	69,670	90,697					160,367
Mediavilla, Argie C.	R	93,549		91,796				1,753
Mediavilla, Ariel C.	R	9,964		2,502				7,462
Megronio, Mary Shower M.	S	205,333	50,291					255,624
Megranio, Ram Kenneth	R	46,247		46,247				-
Megrenio, Renante P.	S	218,146		166,064				52,082
Mercado, Elsa J.	M	2,149						2,149
Miano, Nicher B.	R		750					750
Molinos, Jose Rey L.	R	156,830		68,860				87,970
Monreal, Sidney C.	R		600					600
Monterde, Joel F.	R	4,800		4,000				800
Morante, Harley Marvin C.	R	199,883		40,350				159,533
Moreno, Gilbert John B.	R		300					300
Moya, Paul Anthony P.	R	21,423	40,709					62,132
Nale, Charlito D.	R	301,475		59,116				242,359
Navalta, Ramon B. Jr.	R		300					300
Ng, Krystle Shane	R	38,856		37,856				1,000
Nocos, Joseph C.	O	9,453		9,453				-
Ofracio, Roy Edgar D.	R		300					300
Ola-a, Michael C.	R		300					300
Olvida, Casimiro V.	M	3,365		3,365				-
Orellanida, Kirbie B.	R	79,338		21,295				58,043
Orquina, Lilian B.	R	235,722		62,478				173,244
Others	R	461	8,992					9,453
Pademal, Aubrey Klara B.	R		300					300
Palma, Mifel Japely S.	R	210,293		62,515				147,778
Paramo, Joel G.	S	-	313,186					313,186
Parantar Jr., Simplicio B.	R	17,793		17,793				-
Parrenas, Gilbert Q.	R		300					300
Pasion, Romiro V.	S	16,274	303,293					319,567
Pat, Allan P.	R	-	750					750
Pechon, Ceferino R.	R		14,644					14,644
Pecolados, Randy	R	930	33,344	930				33,344
Peconcillo, Rolando T. Jr.	R		300					300
Pedrosa, Joel Allan C.	R		300					300

Name and Designation		Beginning Balance	Additions	Collected	Written-off	Current	Non-Current	Ending Balance
Perez, Nonito R.	R	-	26,093					26,093
Pol, Ran Gel T.	R	2,800		2,800				-
Presbitero, Feljun B.	R		750					750
Puas, Norguiadz S.	R	9,923						9,923
Rebucas, Hazel D.	R	41,738		15,538				26,200
Rendon, Michael D.	R		12,184					12,184
Rosacena, Welmer P.	R	75,744		71,612				4,132
Rulete, Abbey Joules Keith L.	R		300					300
Salihol, Edna L.	R		10,838					10,838
Salvatierra, Glenn Ariel M.	R		300					300
Samson, Earl John T.	R	93,769		73,105				20,664
Sarmiento, Jonald B.	R	2,201	300	2,201				300
Sayco, Donnard R.	R	25,667		25,167				500
Seno, Seth S.	S	76,444		43,594				32,850
Serato, Edward P.	S	25,925		25,925				-
Silva, Justine Jose Allan P.	S	47,660	266,031					313,691
Simon, Jennifer S.	R	38,500		38,500				-
Sobretodo, Angelito O.	R	12,256		973				11,283
Son, Reynold Y.	R		1,300					1,300
Soterio, Amalia A.	R	29,250		1,250				28,000
Suarez, Laurenz Julian	R	83,333		45,833				37,500
Sugal, Fredie C.	R	19,332	4,303					23,635
Suan, Alex M.	R		21,252					21,252
Sun, Elan Jay L.	R	205,105		63,459				141,646
Tacsan, Eric A.	R		300					300
Tagalogon, Harley J.	R	69,670		69,370				300
Talaugon, Billy D.	R	156,830		66,683				90,147
Tandoy, Reggie S.	R		41,250					41,250
Tapahin, Rannieboy F.	R	22,168		22,168				-
Tesoro, Bemalita D.	R	4,320						4,320
Tito, Janaisha Bai M.	S	145,705		69,910				75,795
Valdehueza, Halley Bryan P.	S	95,343		24,039				71,304
Valderama, Alex N.	S	126,303		67,898				58,405
Visitacion, Jade M.	R	8,400		8,400				-
Vivo, Melanie A.	R		320,342					320,342
Zuriaga, Kristian T.	R	80,446		38,700				41,746
		10,194,425	3,095,147	4,631,320	-	-	-	8,658,251

ACES TECHNICAL SERVICES CORPORATION

Name and Designation		Beginning Balance	Additions	Collected	Written-off	Current	Non-Current	Ending Balance
Bambalan, Anna Lyn S.	R	2,500						2,500
		2,500	-	-	-	-	-	2,500

SOUTHERN PHILIPPINES POWER CORPORATION

Name and Designation		Beginning Balance	Additions	Collected	Written-off	Current	Non-Current	Ending Balance
Basalo, Alexander S.	R	1,379		1,208				171
Bonayon, Edgardo L.	S	74,548		74,548				-
		75,927	-	75,756	-	-	-	171

WESTERN MINDANAO POWER CORPORATION

Name and Designation		Beginning Balance	Additions	Collected	Written-off	Current	Non-Current	Ending Balance
Aguilar, Dennis M.	R	277,356		60,399				216,957
Aranton, Raymond Roy O.	R	282,228		60,099				222,129
Bambalan, Anna Lyn S.	R	2,500		2,500				-
Banaag, John P.	S	33,333		8,333				25,000
Banaag, Ma. Melissa Margaret A.	S	161,376		16,116				145,260
Basilio, Albert B.	S	17,000		4,500				12,500
Camacho, Chester Jan D.	R		22,098					22,098
Candido, Amel P.	R		32,000					32,000
Castro, Rosnina S.	M	36,667	4,166					40,833
Dauba, Cesar T. Jr.	R	221,821		53,077				168,744
Dimasuhid, Guadencio M. Jr.	R	9,591		9,591				-
Ecla, Ma. Arlene A.	R	105,580		57,280				48,300
Enriquez, Shyrleen C.	R		12,750					12,750
Espinosa, Joy F.	S	346,955		66,928				280,027
Garcia, Aimee Grace A.	R		6,624					6,624
Guadalupe, Rogelio Jr. H	R	-	16,750					16,750
Guevara, Alvin C.	R		320,064					320,064
Guevara, Jasmine S.	R	596	10,000	596				10,000
Llorente, Thesalonica T.	R	65,650		50,650				15,000
Mapanao, Ray-an T.	R	5,333		5,333				-
Marcelino, Riel M.	R	57,750		57,750				-
Martinez, Angello Rey A.	R	1,000		1,000				-
Monteron, Leonil L.	S	-	229,400					229,400
Others	R	27,323		27,323				-
Revantad, Amedeo E	S	165,512		63,722				101,790
Sobretodo, Angelito O.	R	5,000		5,000				-
Soterio, Amalia A.	R	15,000		15,000				-
Uson, Victor P.	R	268,959		58,757				210,202
		2,106,530	653,853	623,954	-	-	-	2,136,429

Name and Designation		Beginning Balance	Additions	Collected	Written-off	Current	Non-Current	Ending Balance
Conal Holdings Corporation								
Others	R	7,259						7,259
		7,259	-	-	-	-	-	7,259
MAPALAD POWER CORPORATION								
Abejo, Sherwin L.	R		13,466					13,466
Alvarico, Ralph Francis Gregory C.	R	17,625		17,625				-
Bambalan, Anna Lyn S.	R	2,000		2,000				-
Blancaflor, Fernando B.	R	66,695		66,695				-
Bontuyan, Rodel F.	R		3,579					3,579
Cabaluna, Euler S.	R	15,489		15,489				-
Chabon, Mariel Alexandra	R	278		278				-
Chambers, Clint Robert L.	R	8,784	8,047					16,831
Deloa Reyes, Darie L.	R		28,647					28,647
Dolorican, Judy S	R	123,005		71,834				51,171
Megrino, Dana G.	R	5,568		5,568				-
Ranido, Judy Ann T.	R	23,463	32,200	23,463				32,200
Tiongco, Librada C	R	27,188		27,188				-
		290,094	85,939	230,139	-	-	-	145,894
KAMANGA								
Mirasol, Glyzah Mae T.	R	-	46,800					46,800
Bernal, Jerlyn L.	R	-	50,000					50,000
Allawan, Maximiano F.	R	-	42,000					42,000
Batalia, Rechelle S.	R	-	2,000					2,000
Alayon, Renna Mae P.	M	-	48,124					48,124
		-	188,924	-	-	-	-	188,924
SIGUIL HYDRO POWER CORP.								
Gasque, Mohajirah A.	R	-	30,814					30,814
Danao, Arc Dio G.	R	-	52,395					52,395
Manlangit, Norman	R	-	117,235					117,235
Serato, Edward P.	R		120,000					120,000
Murillo, Renie T.	R		110,293					110,293
Paras, Kahrenn Bilz A.	R		6,038					6,038
Aquino, Marlon	R		237,493					237,493
		-	674,267	-	-	-	-	674,267
BAGO HYDRO RESOURCES CORP.								
Ramos, RR	R	123,005		123,005				-
		123,005	-	123,005	-	-	-	-
SINDANGAN ZAMBO RIVER POWER CORP.								
Anna Lyn S. Bambalan	R	2,200		2,200				-
Cheslie Marielle B. Dugenia	R	2,100		2,100				-
Francis Ruther C. Icao	R	6,255		6,255				-
Juan Paolo A. Capin	R	1,327		1,327				-
Jaime Grace A. Erosido	R	677		677				-
Joseph E. Buenbrazo	R	23,664		23,664				-
Jasmine Q. Colong	R	1,900		1,900				-
Jane S. Manon-og	R	24,707		24,707				-
John Angelo T. Ruiz	R	316,103		316,103				-
Llewellyn R. Lisondra	R	216,785	70,291					287,076
Robelito C. Paratan	R	1,672		1,672				-
		597,390	70,291	380,605	-	-	-	287,076
TOTAL		13,615,508	4,855,468	6,085,380	-	-	-	12,385,597

Designation

R – Rank and File

S – Supervisory

M – Manager

O – Officer (Executive Office & Vice President)

ALSONS CONSOLIDATED RESOURCES, INC. AND SUBSIDIARIES
SCHEDULE C: Accounts Receivable from Related Parties which are Eliminated during the Consolidation of Financial Statements
For the year Ended December 31,2022

Entity with Receivable Balance	Amount
Alsons Consolidated Resources, Inc.	
Mapalad Power Corporation	19,891,730.00
Conal Holdings Corporation	109,689,683.00
Alsons Renewable Energy Corporation	206,250,000.00
Kamanga Agro-Industrial Ecozone Development Corporation	6,748,772.00
Alsons Land Corporation	7,333,693.00
MADE (Market Developers), Inc.	4,416,095.00
Bago Hydro Resources Corp.	43,688,889.00
Siguil Hydro Power Corporation	2,677,369,108.00
Sindangan Zamro-River Power Corp.	83,046,360.00
Alsons Thermal Energy Corporation	
San Ramon Power, Inc.	447,349,736.00
Sarangani Energy Corporation	695,144.00
Sarangani Energy Corporation	
Conal Holdings Corp.	11,459,823.00
Siguil Hydro Power Corporation	5,403,151.00
Alsons Land Corporation	4,178,528.00
Alsons Aquaculture Corporation	1,274,866.00
Sindangan Zambo-River Power Corporation	244,085.00
Bago Hydro Resources Corporation	223,241.00
Southern Philippines Power Corporation	25,938.00
Alto Power Management Corporation	25,134.00
Mapalad Power Corporation	101,665.00
Western Mindanao Power Corporation	792,392.00
ACES Technical Services Corporation	
Alsons Consolidated Resources, Inc.	1,349,384.00
San Ramon Power, Inc.	
Western Mindanao Power Corporation	11,055.00
Conal Holdings Corporation	
Alsons Consolidated Resources, Inc.	6,144,920.00
Alto Power Management Corp.	1,300,000.00
Alsons Power Supply Corporation	11,103.00
Mapalad Power Corp.	4,359.00
San Ramon Power, Inc.	499,127.00
Sarangani Energy Corp.	2,082.00
Siguil Hydro Power Corp.	18,114.00
Southern Philippines Power Corp.	361.00
Western Mindanao Power Corp.	182,294.00
Western Mindanao Power Corporation	
Alto Power Management Corp.	19,233.00
Alsons Power Supply Corporation	399,885.00
Alsons Renewable Energy Corporation	3,038.00
Alsons Thermal Energy Corporation	806,714.00
Bago Hydro Resources Corporation	22,232.00
Conal Holding Corp.	7,680,343.00
Kalaong Hydro Power Corp.	8,260.00
Mapalad Power Corporation	301,281.00
Sarangani Energy Corp.	72,519.00
Siguil Hydro Power Corp.	1,491,895.00
Sindangan Zambo-River Power Corporate	63,347.00

ALSONS CONSOLIDATED RESOURCES, INC. AND SUBSIDIARIES
SCHEDULE C: Accounts Receivable from Related Parties which are Eliminated during the Consolidation of Financial Statements
For the year Ended December 31,2022

Entity with Receivable Balance	Amount
Southern Philippines Power Corp.	34,964,561.00
Southern Philippines Power Corporation	
Conal Holdings Corp.	137,376.00
Kalaong Hydro Power Corp.	5,669.00
Mapalad Power Corporation	5,098.00
Bago Hydro Resources Corporation	
Siguil Hydro Power Corp.	6,513.00
Western Mindanao Power Corp.	3,785.00
Alto Power Management Corporation	
Alsons Consolidated Resources, Inc.	6,322,430.00
Conal Holdings Corp.	7,500,000.00
Mapalad Power Corporation	
Alsons Consolidated Resources, Inc.	2,742,477.00
Alto Power Management Corp.	24,300,000.00
Alsons Power Supply Corporation	29,820.00
Alsons Thermal Energy Corporation	369.00
Bago Hydro Resources Corporation	360.00
Conal Holdings Corp.	29,451.00
Sarangani Energy Corp.	61,895.00
Siguil Hydro Power Corp.	1,596.00
Sindangan Zambo-River Power Corp.	360.00
Western Mindanao Power Corp.	8,812.00
Alsons Renewable Energy Corporation	
Siguil Hydro Power Corporation	70,859,348.00
Kalaong Hydro Power Corp.	2,948,019.00
Siguil Hydro Power Corporation	
Kalaong Hydro Power	2,154,680.00
Bago Hydro Resources	117,196.00
Conal Holdings Corporation	4,816.00
Sindangan Zambo-River Power Corp.	9,840.00
Sindangan Zambo-River Corp.	
Kalaong Hydro Power Corp.	26,520.00
Alsons Land Corporation	
MADE (Market Developers) Inc.	11,324,570.00
Kamanga Agro-Industrial Ecozone Development Corporation	
SARANGANI ENERGY CORPORATION	647,925.00
ALSONS CONSOLIDATED RESOURCES INC	196,875.00
ALSONS LAND CORPORATION	20,000,000.00
Alsons Power Supply Corporation	
Sarangani Energy Corporation	16,575.00

ALSONS CONSOLIDATED RESOURCES, INC AND SUBSIDIARIES
Schedule D: TOTAL DEBT
For the Year Ended December 31,2022

Title of Issue and Type of Obligation	Loans Payable in the Balance Sheet	Short Term Notes Payable in the Balance Sheet	Current Portion of Long-Term Debt in the Balance Sheet	Noncurrent Portion of Long-Term Debt in the Balance Sheet	Total Long Term Debt
Parent Company					
Philippine peso-denominated debt:					
Five-year fixed rate corporate note			450,418,630	4,662,156,967	5,112,575,597
Seven-year fixed rate corporate note			15,066,736	756,365,063	771,431,799
DEVELOPMENT BANK OF THE PHILS	117,000,000				117,000,000
DEVELOPMENT BANK OF THE PHILS	63,000,000				63,000,000
DEVELOPMENT BANK OF THE PHILIPPINES	120,000,000				120,000,000
RCBC TRUST AND INVESTMENT GROUP	100,000,000				100,000,000
RCBC TRUST AND INVESTMENT GROUP	150,000,000				150,000,000
RCBC TRUST AND INVESTMENT GROUP	50,000,000				50,000,000
MISSIONARY SISTERS OF IMMACULATE HEART	3,301,094				3,301,094
RCBC TRUST AND INVESTMENTS GROUP	70,100,000				70,100,000
MISSIONARY SISTERS OF IMMACULATE HEART	7,495,592				7,495,592
MISSIONARY SISTERS OF IMMACULATE HEART	4,287,446				4,287,446
STELLA MARIS COLLEGE	5,985,860				5,985,860
PAG ASA HUMAN DEVELOPMENT FOUNDATION INC.	8,801,597				8,801,597
ST LOUIS SCHOOL INC.	3,903,391				3,903,391
ST. AUGUSTINE'S SCHOOL INC.	8,282,341				8,282,341
STELLA MARIS COLLEGE	5,978,148				5,978,148
ST. AUGUSTINE'S SCHOOL INC.	3,224,391				3,224,391
ST. AUGUSTINE'S SCHOOL INC.	2,138,127				2,138,127
PCCI TRUST AND INVESTMENT GROUP	15,000,000				15,000,000
PCCI TRUST AND INVESTMENT GROUP	60,000,000				60,000,000
ST. LOUIS SCHOOL, INC.	3,313,575				3,313,575
PCCI TIG AS INVESTMENT MANAGER	5,636,000				5,636,000
PAG ASA HUMAN DEVELOPMENT FOUNDATION INC.	5,330,037				5,330,037
CHRIST THE KING COLLEGE	6,148,817				6,148,817
RCBC TRUST AND INVESTMENT GROUP	263,500,000				263,500,000
RCBC TRUST AND INVESTMENT GROUP	155,500,000				155,500,000
RCBC TRUST AND INVESTMENT GROUP	89,000,000				89,000,000
RCBC TRUST AND INVESTMENT GROUP	10,000,000				10,000,000
PCCI TRUST AND INVESTMENT GROUP	5,130,000				5,130,000
PCCI TRUST AND INVESTMENT GROUP	39,500,000				39,500,000
PCCI TRUST AND INVESTMENT GROUP	6,000,000				6,000,000
PCCI TRUST AND INVESTMENT GROUP	15,000,000				15,000,000
PCCI TRUST AND INVESTMENT GROUP	50,000,000				50,000,000
THE CORPORATE PARTNERSHIP FOR MGMT IN BUSINESS	30,000,000				30,000,000
MIB CAPITAL CORPORATION	20,000,000				20,000,000
MIB CAPITAL CORPORATION	50,000,000				50,000,000

Title of Issue and Type of Obligation	Loans Payable in the Balance Sheet	Short Term Notes Payable in the Balance Sheet	Current Portion of Long-Term Debt in the Balance Sheet	Noncurrent Portion of Long-Term Debt in the Balance Sheet	Total Long Term Debt
RCBC TRUST AND INVESTMENT GROUP	24,500,000				24,500,000
RCBC TRUST AND INVESTMENT GROUP	27,800,000				27,800,000
RCBC TRUST AND INVESTMENT GROUP	24,000,000				24,000,000
PCCI TIG AS INVESTMENT MANAGER	60,000,000				60,000,000
PCCI TIG AS INVESTMENT MANAGER	6,623,000				6,623,000
RCBC TRUST AND INVESTMENT GROUP	16,000,000				16,000,000
PCCI TIG AS INVESTMENT MANAGER	14,000,000				14,000,000
PCCI TIG AS INVESTMENT MANAGER	34,000,000				34,000,000
PCCI TIG AS INVESTMENT MANAGER	22,000,000				22,000,000
PCCI TIG AS INVESTMENT MANAGER	11,500,000				11,500,000
THE CORPORATE PARTNERSHIP FOR MANAGEMENT IN BUSINESS	25,000,000				25,000,000
THE CORPORATE PARTNERSHIP FOR MANAGEMENT IN BUSINESS	5,620,000				5,620,000
PHILIPPINE BANK OF COMMUNICATIONS (PBCOM)	175,000,000				175,000,000
PHILIPPINE BANK OF COMMUNICATIONS (PBCOM)	35,000,000				35,000,000
PHILIPPINE BANK OF COMMUNICATIONS (PBCOM)	76,000,000				76,000,000
PHILIPPINE BANK OF COMMUNICATIONS (PBCOM)	44,000,000				44,000,000
PHILIPPINE BANK OF COMMUNICATIONS (PBCOM)	65,000,000				65,000,000
PHILIPPINE BANK OF COMMUNICATIONS (PBCOM)	40,000,000				40,000,000
PHILIPPINE BANK OF COMMUNICATIONS (PBCOM)	15,000,000				15,000,000
PHILIPPINE BANK OF COMMUNICATIONS (PBCOM)	40,000,000				40,000,000
PHILIPPINE BANK OF COMMUNICATIONS (PBCOM)	32,000,000				32,000,000
RCBC TRUST AND INVESTMENT GROUP	100,000,000				100,000,000
STERLING BANK OF ASIA TRUST GROUP	23,500,000				23,500,000
STERLING BANK OF ASIA TRUST GROUP	90,000,000				90,000,000
MULTINATIONAL FOUNDATION INC.	15,000,000				15,000,000
PHILIPPINE BANK OF COMMUNICATIONS (PBCOM)	40,000,000				40,000,000
PHILIPPINE BANK OF COMMUNICATIONS (PBCOM)	100,000,000				100,000,000
PRIVATE EDUCATION RETIREMENT ANNUITY ASS. (P.E.R.A.A) PLAN	30,000,000				30,000,000
PHILIPPINE BANK OF COMMUNICATIONS (PBCOM)	50,000,000				50,000,000
					0
OTHERS		486,612			486,612
PBCOM TRUST GROUP AS INVESTMENT MANAGER FOR IMA 9380		973,224			973,224
PBCOM TRUST GROUP AS INVESTMENT MANAGER FOR IMA 9212		19,464,474			19,464,474
PBCOM TRUST GROUP AS INVESTMENT MANAGER FOR IMA 7967		973,224			973,224
PBCOM TRUST GROUP AS INVESTMENT MANAGER FOR IMA 9268		9,732,237			9,732,237
PBCOM TRUST GROUP AS INVESTMENT MANAGER FOR IMA 9018		2,919,671			2,919,671
PBCOM TRUST GROUP AS INVESTMENT MANAGER FOR IMA 9332		973,224			973,224
PBCOM TRUST GROUP AS INVESTMENT MANAGER FOR IMA 9154		19,464,474			19,464,474
PBCOM TRUST GROUP AS INVESTMENT MANAGER FOR IMA 9227		2,919,671			2,919,671
PBCOM TRUST GROUP AS INVESTMENT MANAGER FOR IMA 9416		973,224			973,224
PBCOM TRUST GROUP AS INVESTMENT MANAGER FOR IMA 9415		3,892,895			3,892,895
PBCOM TRUST GROUP AS INVESTMENT MANAGER FOR IMA 9402		19,464,474			19,464,474
PBCOM TRUST GROUP AS INVESTMENT MANAGER FOR IMA 9403		973,224			973,224
PBCOM TRUST GROUP AS INVESTMENT MANAGER FOR IMA 9414		14,598,355			14,598,355
PBCOM TRUST GROUP AS INVESTMENT MANAGER FOR IMA 8778		9,732,237			9,732,237

Title of Issue and Type of Obligation	Loans Payable in the Balance Sheet	Short Term Notes Payable in the Balance Sheet	Current Portion of Long-Term Debt in the Balance Sheet	Noncurrent Portion of Long-Term Debt in the Balance Sheet	Total Long Term Debt
PBB TIC AS INVESTMENT MANAGER FAO IMA NO. 001-310-029701		1,946,447			1,946,447
PBB TIC AS INVESTMENT MANAGER FAO IMA NO. 001-310-024212		4,866,118			4,866,118
PBB TIC AS INVESTMENT MANAGER FAO IMA NO. 001-310-015008		4,866,118			4,866,118
PBB TIC AS INVESTMENT MANAGER FAO IMA NO. 001-310-026534		19,464,474			19,464,474
PBB TIC AS INVESTMENT MANAGER FAO IMA NO. 001-310-027012		1,946,447			1,946,447
PBB TIC AS INVESTMENT MANAGER FAO IMA NO. 001-310-027001		3,892,895			3,892,895
PBB TIC AS INVESTMENT MANAGER FAO IMA NO. 001-310-026878		2,919,671			2,919,671
PBB TIC AS INVESTMENT MANAGER FAO IMA NO. 001-310-031589		1,946,447			1,946,447
PBB TIC AS INVESTMENT MANAGER FAO IMA NO. 001-310-028590		8,564,369			8,564,369
PBB TIC AS INVESTMENT MANAGER FAO IMA NO. 001-310-024645		1,946,447			1,946,447
PBB TIC AS INVESTMENT MANAGER FAO IMA NO. 001-310-031590		1,946,447			1,946,447
PBB TIC AS INVESTMENT MANAGER FAO IMA NO. 001-310-028323		1,946,447			1,946,447
CITYSTATE SAVINGS BANK INC TRUST DEPT FAO TA NO 093 12 000033 3		486,612			486,612
CITYSTATE SAVINGS BANK INC TRUST DEPT FAO IMA NO 093 22 000003 5		486,612			486,612
CITYSTATE SAVINGS BANK INC TRUST DEPT FAO TA NO 093 12 000004 5		1,459,836			1,459,836
CITYSTATE SAVINGS BANK INC TRUST DEPT FAO TA NO 093 12 000002 1		973,224			973,224
THE CORPORATE PARTNERSHIP FOR MANAGEMENT IN BUSINESS INC		24,330,592			24,330,592
MULTINATIONAL FOUNDATION INC		38,831,625			38,831,625
OTHERS		1,459,836			1,459,836
OTHERS		486,612			486,612
OTHERS		4,866,118			4,866,118
OTHERS		3,892,895			3,892,895
SHOECAT INC		38,928,948			38,928,948
OTHERS		9,732,237			9,732,237
OTHERS		4,866,118			4,866,118
PHILIPPINE VETERANS BANK		194,644,739			194,644,739
STERLING BANK OF ASIA TRUST GROUP AS INVESTMENT MANAGER OF TA NO 280 001221		5,839,342			5,839,342
STERLING BANK OF ASIA TRUST GROUP AS INVESTMENT MANAGER OF TA NO 280 000704		9,732,237			9,732,237
STERLING BANK OF ASIA TRUST GROUP AS INVESTMENT MANAGER OF TA NO 280 000783		1,946,447			1,946,447
STERLING BANK OF ASIA TRUST GROUP AS INVESTMENT MANAGER OF TA NO 280 001880		973,224			973,224
STERLING BANK OF ASIA TRUST GROUP AS INVESTMENT MANAGER OF TA NO 280 001879		973,224			973,224
STERLING BANK OF ASIA TRUST GROUP AS INVESTMENT MANAGER OF TA NO 280 000897		2,919,671			2,919,671
STERLING BANK OF ASIA TRUST GROUP AS INVESTMENT MANAGER OF TA NO 280 002004		973,224			973,224
PCCI TIG AS INVESTMENT MANAGER FOR IMA 2379		5,839,342			5,839,342
PCCI TIG AS INVESTMENT MANAGER FOR IMA 2425		973,224			973,224
PCCI TIG AS INVESTMENT MANAGER FOR IMA 2260		2,141,092			2,141,092
PCCI TIG AS INVESTMENT MANAGER FOR IMA 2339		1,946,447			1,946,447
PCCI TIG AS INVESTMENT MANAGER FOR IMA 2397		29,196,711			29,196,711
ROBINSONS BANK TRUST AND INVESTMENTS GROUP IMA NUMBER 030180530092		1,070,546			1,070,546
ROBINSONS BANK TRUST AND INVESTMENTS GROUP IMA NUMBER 030180530255		2,919,671			2,919,671
ROBINSONS BANK TRUST AND INVESTMENTS GROUP IMA NUMBER 030180000262		1,946,447			1,946,447
ROBINSONS BANK TRUST AND INVESTMENTS GROUP IMA NUMBER 030180008326		2,919,671			2,919,671
ROBINSONS BANK TRUST AND INVESTMENTS GROUP IMA NUMBER 030180008390		1,946,447			1,946,447
ROBINSONS BANK TRUST AND INVESTMENTS GROUP IMA NUMBER 030180008241		1,946,447			1,946,447
ROBINSONS BANK TRUST AND INVESTMENTS GROUP IMA NUMBER 030180008136		5,839,342			5,839,342

Title of Issue and Type of Obligation	Loans Payable in the Balance Sheet	Short Term Notes Payable in the Balance Sheet	Current Portion of Long-Term Debt in the Balance Sheet	Noncurrent Portion of Long-Term Debt in the Balance Sheet	Total Long Term Debt
ROBINSONS BANK TRUST AND INVESTMENTS GROUP IMA NUMBER 030180000405		1,946,447			1,946,447
ROBINSONS BANK TRUST AND INVESTMENTS GROUP IMA NUMBER 030180007931		2,725,026			2,725,026
ROBINSONS BANK TRUST AND INVESTMENTS GROUP IMA NUMBER 030180008389		1,946,447			1,946,447
ROBINSONS BANK TRUST AND INVESTMENTS GROUP IMA NUMBER 030180530181		1,557,158			1,557,158
ROBINSONS BANK TRUST AND INVESTMENTS GROUP IMA NUMBER 030180008314		9,732,237			9,732,237
ROBINSONS BANK TRUST AND INVESTMENTS GROUP IMA NUMBER 030180530284		1,946,447			1,946,447
ROBINSONS BANK TRUST AND INVESTMENTS GROUP IMA NUMBER 030180530383		1,070,546			1,070,546
ROBINSONS BANK TRUST AND INVESTMENTS GROUP IMA NUMBER 030180530270		4,866,118			4,866,118
ROBINSONS BANK TRUST AND INVESTMENTS GROUP IMA NUMBER 030180530374		1,070,546			1,070,546
ROBINSONS BANK TRUST AND INVESTMENTS GROUP TA NUMBER 030172530299		5,352,730			5,352,730
ROBINSONS BANK TRUST AND INVESTMENTS GROUP TA NUMBER 030172530379		19,464,474			19,464,474
ROBINSONS BANK TRUST AND INVESTMENTS GROUP IMA NUMBER 030180530375		9,732,237			9,732,237
ROBINSONS BANK TRUST AND INVESTMENTS GROUP IMA NUMBER 030180530376		9,732,237			9,732,237
ROBINSONS BANK TRUST AND INVESTMENTS GROUP IMA NUMBER 030180530377		9,732,237			9,732,237
ROBINSONS BANK TRUST AND INVESTMENTS GROUP IMA NUMBER 030180530378		9,732,237			9,732,237
ROBINSONS BANK TRUST AND INVESTMENTS GROUP TA NUMBER 030002000002		486,612			486,612
RCBC TIG AS INVESTMENT MANAGER OF TA 51540026545		973,224			973,224
RCBC TIG AS INVESTMENT MANAGER OF TA 51540229934		1,459,836			1,459,836
RCBC TIG AS INVESTMENT MANAGER OF TA 51540090804		5,352,730			5,352,730
RCBC TIG AS INVESTMENT MANAGER OF TA 100000601		2,919,671			2,919,671
RCBC TIG AS INVESTMENT MANAGER OF TA 100002111		4,866,118			4,866,118
RCBC TIG AS INVESTMENT MANAGER OF TA 51540239158		2,919,671			2,919,671
RCBC TIG AS INVESTMENT MANAGER OF TA 51540242906		1,605,819			1,605,819
RCBC TIG AS INVESTMENT MANAGER OF TA 51540143150		8,759,013			8,759,013
RCBC TIG AS INVESTMENT MANAGER OF TA 51540098996		6,812,566			6,812,566
RCBC TIG AS INVESTMENT MANAGER OF TA 51540228458		1,751,803			1,751,803
RCBC TIG AS INVESTMENT MANAGER OF TA 900000424		2,141,092			2,141,092
RCBC TIG AS INVESTMENT MANAGER OF TA 100002109		973,224			973,224
RCBC TIG AS INVESTMENT MANAGER OF TA 100002041		973,224			973,224
RCBC TIG AS INVESTMENT MANAGER OF TA 100002110		4,866,118			4,866,118
RCBC TIG AS INVESTMENT MANAGER OF TA 51540127082		973,224			973,224
RCBC TIG AS INVESTMENT MANAGER OF TA 51540127139		1,946,447			1,946,447
RCBC TIG AS INVESTMENT MANAGER OF TA 51540242523		3,308,961			3,308,961
RCBC TIG AS INVESTMENT MANAGER OF TA 927813		10,024,204			10,024,204
RCBC TIG AS INVESTMENT MANAGER OF TA 100000882		973,224			973,224
RCBC TIG AS INVESTMENT MANAGER OF TA 51540124660		486,612			486,612
RCBC TIG AS INVESTMENT MANAGER OF TA 51540154195		1,946,447			1,946,447
RCBC TIG AS INVESTMENT MANAGER OF TA 51540084952		973,224			973,224
RCBC TIG AS INVESTMENT MANAGER OF TA 100000893		973,224			973,224
RCBC TIG AS INVESTMENT MANAGER OF TA 51540241616		3,503,605			3,503,605
RCBC TIG AS INVESTMENT MANAGER OF TA 51540241950		2,043,770			2,043,770
RCBC TIG AS INVESTMENT MANAGER OF TA 100001855		19,464,474			19,464,474
RCBC TIG AS INVESTMENT MANAGER OF TA 51540235020		2,919,671			2,919,671
RCBC TIG AS INVESTMENT MANAGER OF TA 51540240350		8,272,401			8,272,401
RCBC TIG AS INVESTMENT MANAGER OF TA 51540239921		2,919,671			2,919,671

Title of Issue and Type of Obligation	Loans Payable in the Balance Sheet	Short Term Notes Payable in the Balance Sheet	Current Portion of Long-Term Debt in the Balance Sheet	Noncurrent Portion of Long-Term Debt in the Balance Sheet	Total Long Term Debt
RCBC TIG AS INVESTMENT MANAGER OF TA 100002105		29,196,711			29,196,711
RCBC TIG AS INVESTMENT MANAGER OF TA 100002082		973,224			973,224
RCBC TIG AS INVESTMENT MANAGER OF TA 100002104		7,785,790			7,785,790
RCBC TIG AS INVESTMENT MANAGER OF TA 900000119		486,612			486,612
RCBC TIG AS INVESTMENT MANAGER OF TA 100002103		973,224			973,224
RCBC TIG AS INVESTMENT MANAGER OF TA 100002102		973,224			973,224
RCBC TIG AS INVESTMENT MANAGER OF TA 51541055340		32,894,961			32,894,961
RCBC TIG AS INVESTMENT MANAGER OF TA 51541125845		28,418,132			28,418,132
RCBC TIG AS INVESTMENT MANAGER OF TA 51541242957		15,084,967			15,084,967
RCBC TIG AS INVESTMENT MANAGER OF TA 51541155728		9,732,237			9,732,237
RCBC TIG AS INVESTMENT MANAGER OF TA 51541233346		9,732,237			9,732,237
OTHERS		486,612			486,612
RCBC CAPITAL CORPORATION		36,349,905			36,349,905
CITYSTATE SAVINGS BANK INC TRUST DEPT FAO TA NO 093 12 000001 4		486,612			486,612
CITYSTATE SAVINGS BANK INC TRUST DEPT FAO TA NO 093 12 000020 5		3,892,895			3,892,895
CITYSTATE SAVINGS BANK INC TRUST DEPT FAO TA NO 093 12 000029 6		973,224			973,224
CITYSTATE SAVINGS BANK INC TRUST DEPT FAO TA NO 093 12 000034 0		973,224			973,224
PBCOM TRUST GROUP AS TRUSTEE FOR TR200		9,732,237			9,732,237
PBCOM TRUST GROUP AS TRUSTEE FOR TR201		9,732,237			9,732,237
PBCOM TRUST GROUP AS TRUSTEE FOR TR309		1,459,836			1,459,836
PBCOM TRUST GROUP AS TRUSTEE FOR TR311		973,224			973,224
ROBINSONS BANK TRUST AND INVESTMENTS GROUP IMA NUMBER 030320530262		973,224			973,224
PCCI TIG AS INVESTMENT MANAGER FOR IMA 2265		486,612			486,612
PCCI TIG AS TRUSTEE FOR TOFA 1009		973,224			973,224
PBB TIC AS INVESTMENT FAO IMA NO. 001-310-031064		11,192,072			11,192,072
Pbcom Trust Group As Investment Manager For Ima 8919,		18,977,862			18,977,862
PBB TIC AS INVESTMENT FAO IMA NO. 001-310-024178		6,812,566			6,812,566
TELEVISION INTERNATIONAL CORPORATION		29,196,711			29,196,711
Pcci Tig As Investment Manager For Ima 2353,		4,866,118			4,866,118
PBB TIC AS INVESTMENT FAO IMA NO. 001-320-031066		4,866,118			4,866,118
Pcci Tig As Investment Manager For Ima 2435,		4,866,118			4,866,118
Pbcom Trust Group As Investment Manager For Ima 9542,		9,732,237			9,732,237
Robinsons Bank Trust And Investments Group Ima Number 030180008241,		4,866,118			4,866,118
Pbcom Trust Group As Investment Manager For Ima 9018,		4,866,118			4,866,118
KNIGHTS OF COLUMBUS FRATERNAL ASSOCIATION OF THE PHILIPPINES, INC.		9,732,237			9,732,237
Sterling Bank Of Asia-Trust Group As Inv. Mgr. Of Ta No.991-280-002221,		9,732,237			9,732,237
PBCOM TRUST GROUP AS TRUSTEE FOR TR201		4,866,118			4,866,118
PBCOM TRUST GROUP AS TRUSTEE FOR TR356		5,839,342			5,839,342
PBCOM TRUST GROUP AS TRUSTEE FOR TR200		4,866,118			4,866,118
ST THERESA'S COLLEGE OF QUEZON CITY		9,732,237			9,732,237
Robinsons Bank Trust And Investments Group Ima Number 030180008389,		1,946,447			1,946,447
Pbcom Trust Group As Investment Manager For Ima 9256,		973,224			973,224
Philippine Veterans Bank Trust and Asset Management Group FAO: TA 4450-40-000453		486,612			486,612
Pcci Tig As Investment Manager For Ima 2395,		1,946,447			1,946,447
Philippine Veterans Bank Trust and Asset Management Group FAO: TA 4450-40-000539		486,612			486,612

Title of Issue and Type of Obligation	Loans Payable in the Balance Sheet	Short Term Notes Payable in the Balance Sheet	Current Portion of Long-Term Debt in the Balance Sheet	Noncurrent Portion of Long-Term Debt in the Balance Sheet	Total Long Term Debt
Robinsons Bank Trust And Investments Group Ima Number 030310000226,		973,224			973,224
Pcci Tig As Investment Manager For Ima 2395,		3,892,895			3,892,895
Pbcom Trust Group As Investment Manager For Ima 9255,		1,459,836			1,459,836
Robinsons Bank Trust And Investments Group Ima Number 030180000405,		1,946,447			1,946,447
OTHERS		4,866,118			4,866,118
PBB TIC AS INVESTMENT FAO IMA NO. 001-310-026534		22,384,145			22,384,145
OTHERS		486,612			486,612
OTHERS		486,612			486,612
Pbcom Trust Group As Investment Manager For Ima 9541,		1,459,836			1,459,836
Pbcom Trust Group As Investment Manager For Ima 9202,		58,393,422			58,393,422
SHOECAT INC		14,598,355			14,598,355
KNIGHTS OF COLUMBUS FRATERNAL ASSOCIATION OF THE PHILIPPINES, INC.		9,732,237			9,732,237
Sterling Bank Of Asia-Trust Group As Inv. Mgr. Of Ta No.991-280-000783,		1,946,447			1,946,447
Pbcom Trust Group As Investment Manager For Ima 9540,		1,946,447			1,946,447
OTHERS		3,406,283			3,406,283
Pbcom Trust Group As Investment Manager For Ima 8520,		1,946,447			1,946,447
PBB TIC AS INVESTMENT FAO IMA NO. 001-310-031065		4,866,118			4,866,118
FRANCISCAN MISSIONARIES OF MARY		39,999,494			39,999,494
Robinsons Bank Trust And Investments Group Ima Number 030180000262,		4,866,118			4,866,118
PBCOM TRUST GROUP AS INVESTMENT MANAGER FOR IMA 9259		19,464,474			19,464,474
PBB TIC AS INVESTMENT FAO IMA NO. 001-310-028590		4,866,118			4,866,118
CONGREGATION OF THE MOST HOLY REDEEMER		41,751,296			41,751,296
Pbcom Trust Group As Investment Manager For Ima 7972,		973,224			973,224
OTHERS		486,612			486,612
Robinsons Bank Trust And Investments Group Ima Number 030180008302,		973,224			973,224
Robinsons Bank Trust And Investments Group Ima Number 030180008428,		1,459,836			1,459,836
Robinsons Bank Trust And Investments Group Ima Number 030180000961,		973,224			973,224
OTHERS		2,919,671			2,919,671
Sterling Bank Of Asia-Trust Group As Inv. Mgr. Of Ta No.991-280-001103,		973,224			973,224
Sterling Bank Of Asia-Trust Group As Inv. Mgr. Of Ta No.991-280-001524,		486,612			486,612
ARMED FORCES AND POLICE MUTUAL BENEFIT ASSOCIATION INC		102,188,488			102,188,488
OTHERS		973,224			973,224
Robinsons Bank Trust And Investments Group Ima Number 030180530414,		973,224			973,224
Pbcom Trust Group As Investment Manager For Ima 7762,		1,946,447			1,946,447
PBB TIC AS INVESTMENT FAO IMA NO. 001-310-024191		4,866,118			4,866,118
TELEVISION INTERNATIONAL CORPORATION		29,196,711			29,196,711
OTHERS		486,612			486,612
PBB TIC AS INVESTMENT FAO IMA NO. 001-310-024212		3,892,895			3,892,895
Pbcom Trust Group As Investment Manager For Ima 8536,		973,224			973,224
Robinsons Bank Trust And Investments Group Ima Number 030180008241,		7,299,178			7,299,178
Pbcom Trust Group As Investment Manager For Ima 9539,		1,946,447			1,946,447
Robinsons Bank Trust And Investments Group Ima Number 030180008415,		973,224			973,224
Rcbc Tig As Investment Manager Of Ta 51540085703,		4,866,118			4,866,118
MISSIONARY SISTERS OF THE IMMACULATE HEART OF MARY INC		14,598,355			14,598,355
OTHERS		1,459,836			1,459,836

Title of Issue and Type of Obligation	Loans Payable in the Balance Sheet	Short Term Notes Payable in the Balance Sheet	Current Portion of Long-Term Debt in the Balance Sheet	Noncurrent Portion of Long-Term Debt in the Balance Sheet	Total Long Term Debt
PBB TIC AS INVESTMENT FAO IMA NO. 001-310-031064		6,812,566			6,812,566
ANTRILIA RESOURCES CORPORATION		3,406,283			3,406,283
CHRIST THE KING COLLEGE SAN FERNANDO CITY LA UNION INC		9,732,237			9,732,237
ROBINSONS BANK TRUST AND INVESTMENTS GROUP IMA NUMBER 030320530262		973,224			973,224
SIGUIL HYDRO POWER CORP.					
Fifteen years peso demoninated debt			1,833,560		1,833,560
Fifteen and a half year peso denominated debt				1,179,000,756	1,179,000,756
ATEC's Subsidiaries					
Sarangani Energy Corporation					
Thirteen and a half year peso denominated debt floating rate debt - SEC 1			1,010,649,156	3,514,607,355	4,525,256,511
Ten and a half year peso denominated floating rate debt - SEC 2			889,650,055	7,575,267,702	8,464,917,757
122days peso denominated loan	200,000,000				200,000,000
32days peso denominated loan	200,000,000				200,000,000
	3,194,099,417	1,576,622,383	2,367,618,137	17,687,397,843	24,825,737,780

ALSONS CONSOLIDATED RESOURCES, INC AND SUBSIDIARIES
Schedule E: Indebtedness to related parties

Name of Related Party	Balance at Beginning of Period	Balance at End of Period
NONE		
	-	-

ALSONS CONSOLIDATED RESOURCES, INC AND SUBSIDIARIES
Schedules F- Guarantees of securities of other issuers

Name of Issuing Entity of Securities Guaranteed by the Company for which this Statement is filed	Title of Issue of each class of Securities Guaranteed	Total Amount of Guaranteed and Outstanding	Amount Owned by Person for which Statement is Filed	Nature of Guarantee

N/A

Schedule G: Capital Stock

Title of Issue (2)	Number of Share authorized	Number of shares issued and outstanding	Number of shares reserved for options,	Number of shares held by affiliates	Directors, officers and employees	Others
		at shown under related balance sheet caption	Warrants, conversion and other rights		(as of December 31, 2022)	
Common	11,945,000,000	6,291,500,000	None	5,031,047,697	100,406	1,260,351,897
Preferred	5,500,000,000	5,500,000,000		5,500,000,000		
	17,445,000,000	11,791,500,000		10,531,047,697	100,406	1,260,351,897

The features of the preferred shares were discussed in Note 21 of the Financial Statements.

Note: There were no significant changes in the Capital Stock of the Company since last 31 December 2021.

1) Indicate in a note any significant changes since the date of the last balance sheet filed.
2) Include in this column each type of issue authorized.
3) Affiliates referred to include affiliates for which separate financial statements are filed and those included in consolidated financial statements, other than the issuer of the particular security.

SCHEDULE FOR LISTED COMPANIES WITH A RECENT OFFERING OF SECURITIES TO THE PUBLIC

ALSONS CONSOLIDATED RESOURCES INC.

1. **Gross and net proceeds as disclosed in the Prospectus/ Offering Circular.**

A:

Proceeds as disclosed in the Offering Circular dated May 27, 2022	
Face Value of the Offer	₱ 1,265,000,000
Discount*	(46,049,154)
Gross Proceeds	1,218,950,846
Less: Underwriting Fees	(4,535,889)
Less: PDTC & PDEX fees**	(50,000)
Less: Documentary Stamp Tax	(8,491,027)
Less: Facility Agent Fee	(100,000)
Less: Issue Manager Fee	(200,000)
Net Proceeds	1,205,573,930

* Interest Discount – based on 3.7143% discount rate and 182 days tenor for Series R and 4.3228% discount rate and 364 days tenor for Series S

** PDTC and PDEx fees are estimates

Gross Proceeds – **Php 1,218,950,846**

Net Proceeds – **Php 1,205,573,930**

B:

Proceeds as disclosed in Final Prospectus dated December 13, 2022	
Face Value of the Offer	P 1,135,000,000
Interest Discount*	(76,287,472)
Gross Proceeds	1,058,712,528
Less:	
SEC Filing and Legal Research Fees	(1,325,655)
Documentary Stamp Tax (maximum assuming P1,135 million issued for 1 year)	(8,489,178)
Underwriting and Selling Fees (maximum)	(4,527,562)
Issue Management Fee	(800,000)
Financial Advisory Fee	(1,200,000)
Transaction Counsel Fees	(400,000)
Independent Counsel Fees	(200,000)
Facility Agency Fees**	(100,000)
Philratings credit rating report fees	(832,608)
PDTC Registry fees**	(150,000)
PDEx listing maintenance fees**	(50,000)
Estimated Costs of Printing and Publication	(30,000)
Total expenses	(18,105,003)
Net Proceeds	Php 1,040,607,525

*Interest Discount - (based on the final rate of 7.1265% and 364 days assuming true discount computation)

** The fees are payable annually for as long as CPs under the program remain outstanding
Note: PDTC and PDEx fees are estimates

Gross Proceeds – **Php 1,058,712,528**
Net Proceeds – **Php 1,040,607,525**

2. **Actual Gross and net proceeds**

A:

Actual Proceeds	
Face Value of the Offer	**₱ 1,265,000,000**
Series R	265,000,000
Series S	1,000,000,000
Interest Discount	**(46,049,154)**
Series R	(4,568,689)
Series S	(41,480,465)
Gross Proceeds	1,218,950,846
Less: Underwriting Fees	(4,535,889)
Less: PDTC & PDEX fees*	(21,083)
Less: Documentary Stamp Tax	(8,470,599)
Less: Facility Agent Fee**	(100,000)
Less: Issue Manager Fee	(200,000)
Net Proceeds	1,205,623,275

*PDTC & PDEx fees – does not include all fees, still waiting for other billings from the exchange
** Facility agency fees are estimates as there are still no billing

Actual Gross Proceeds – **Php 1,218,950,846**
Actual Net Proceeds – **Php 1,205,623,275**

B:

Actual Proceeds	
Face Value of the Offer	**620,000,000**
Series T	149,000,000
Series U	471,000,000
Interest Discount	**(36,279,989)**
Series T	(4,622,369)
Series U	(31,657,621)
Gross Proceeds	583,720,011
Less:	
SEC Filing and Legal Research Fees	(1,325,655)
Documentary Stamp Tax	(4,080,102)
Underwriting and Selling Fees (maximum)	(2,296,842)
Issue Management Fee	(842,105)
Financial Advisory Fee	(1,344,000)
Transaction Counsel Fees	(400,000)

Facility Agency Fees	(100,000)
Independent Counsel Fees	(200,000)
PDTC Registry fees*	(101,706)
PDEx listing maintenance fees*	(20,778)
Estimated Costs of Printing and Publication	(41,151)
Total expenses	(10,752,339)
Net Proceeds	572,967,672

* PDTC & PDEX fees billed as of January 2023. Does not include all fees, still waiting for other billings from the exchange.

Note: PRS credit rating fees - on going credit rating renewal thus not yet billed

Actual Gross Proceeds – **Php 583,720,011**
Actual Net Proceeds – **Php 572,967,672**

3. Expenditure items where the proceeds were used

A:

CP Series P maturity due July 14 2022	1,135,000,000
PNs	70,623,275
Total expenditure	1,205,623,275

B:

CP Series R maturity due December 26 2022	265,000,000
Total expenditure	265,000,000

4. Balance of the proceeds as of end of reporting period

A: Balance as of December 31, 2022 is **Php 0.**
B: Balance as of December 31, 2022 is **Php 307,967,672.**

Annex "D"

Alsons Consolidated Resources, Inc. and Subsidiaries

Reports on SEC Form 17-C filed during the Year Ended December 31, 2022

ALSONS CONSOLIDATED RESOURCES, INC.
SEC Form 17-C Summary

Summary of company disclosures filed to the Office of the Philippine Stock Exchange (PSE), Securities and Exchange Commission (SEC) and Philippine Dealing & Exchange Corporation (PDEx) during the year ended ***31 December 2022:***

Date Filed	Description
January 11, 2022	Report on Attendance of ACR Directors in 2021 Board Meetings.
January 26, 2022	Certificate of Compliance with the Manual of Corporate Governance for 2021
March 04 2022	A Press Release of the Company entitled "Alsons gets Credit Rating Upgrade from PhilRatings"
March 24, 2022	An advisory on the results of the Board of Directors meeting for the approval of the Audited Financial Statements for the year 2021; Setting the date of the Annual Stockholders' Meeting by remote communication on 26 May 2022, the record date on 08 April 2022; and a Press Release entitled "Alsons 2021 Attributable Net Income Rises by 24%".
April 12, 2022	A reply to the Exchange, covering the required Secretary's Certification for the 1st Quarter List of Top 100 Stockholder
April 13, 2022	A reply to the PSE for clarification of the news articles entitled "Alsons to build power plant in Bohol" posted in the Business World (Online Edition) on April 12, 2022 confirming the contents of the article.
May 26, 2022	The Board of Directors approved the Declaration of Cash Dividends in favor of the common and preferred stockholders out of the unrestricted retained earnings as of 31 December 2021; Disclosure on the Results of the Annual Stockholders' Meeting and the Organizational Meeting of the Board of Directors held on 26 May 2022 by remote communication.
May 26, 2022	An advisory on the retirement of Atty. Esguerra as Assistant Corporate Secretary and Compliance Officer; and appointment of Atty. Jimenez as the new Assistant Corporate Secretary and Compliance Officer
May 26, 2022	Statement of Changes in Beneficial Ownership of Securities, SEC Form 23-B of Atty. Esguerra, and SEC Form 23-A of Atty. Jimenez
May 27, 2022	A Press Release of the Company entitled "Alsons to Focus on Development of Hydro Power Plants in 2022"
May 27, 2022	A reply to the PSE for clarification of the news articles entitled "Alsons sets 3-year capex, eyes more RE investments" posted in the Business Mirror (Online Edition) on May 26, 2022 confirming the contents of the article.
May 31, 2022	Disclosure on the Certificate of Permit to Offer Securities for Sale issued by the Securities and Exchange Commission-Markets and Securities Regulations Department covering the 3rd tranche of ACR Commercial Paper Program.
June 13, 2022	A reply to the PSE for clarification of the news articles entitled "Alsons secures P3.3 billion DBP loan" posted in philSTAR.com on June 11, 2022 confirming the contents of the article.
June 27, 2022	A Press Release of the Company entitled "Alsons lists P1.265 Billion third tranche of Commercial Papers with PDEx"
July 12, 2022	A reply to the Exchange, covering the required Secretary's Certification for the 2nd Quarter Top 100 Shareholders Report
August 15, 2022	A Press Release of the Company entitled "Alsons Reports Net Income of P689 Million for the First Half of 2022"
August 25, 2022	Disclosure on the Board Approval of the new Commercial Paper Program worth up to Three Billion Pesos. Engagement of MIB Capital Corporation as the Financial Advisor, SB Capital Investment Corporation as Underwriter and Issue Manager, Acuna & Francisco Law as Transaction Counsel, AB Capital and Investment Corporation-Trust Investment Division as Facility Agent, and the Philippine Depository & Trust Corp. as Registrar and Paying Agent.

October 14, 2022	A reply to the Exchange, covering the required Secretary's Certification for the 3rd Quarter Top 100 Shareholders Report
November 21, 2022	A Press Release of the Company entitled "Alsons Net Earnings Up by 18% at P1.35 billion in the first nine months of 2022"
November 29, 2022	Advisement letter on the Certificate of Attendance of the Company's Directors and Officers to the Corporate Governance Webinar/Training.
December 1, 2022	A reply to the PSE for clarification of the news articles entitled "Alsons secures SC nod for diesel plants acquisition" posted in Malaya Business Insight (Online Edition) on December 1, 2022 confirming the contents of the article.
December 15, 2022	Disclosure on the Order of Registration and Certificate of Permit to Sell issued by the Securities and Exchange Commission-Markets and Securities Regulation Department covering the 1st tranche of the new commercial papers that forms part of the Three Billion pesos commercial paper program.
December 23, 2022	A Press Release of the Company entitled "Alsons lists first tranche of P3 billion Commercial Papers with PDEX"

Alsons Consolidated Resources, Inc.
ACR

PSE Disclosure Form 17-18 - Other SEC Forms/Reports/Requirements

Form/Report Type	Attendance of ACR Directors in 2021 Board Meetings
Report Period/Report Date	Jan 11, 2022

Description of the Disclosure

In compliance with SEC Memorandum Circular No. 1 Series of 2014, attached is the advisement letter on the attendance of directors to the meetings of ACR in the year 2021.

Filed on behalf by:

Name	Jose Saldivar, Jr.
Designation	Finance Manager

Alsons Consolidated Resources, Inc.
(Listed in the Philippine Stock Exchange Trading "ACR")
2nd Floor. Alsons Building , 2286 Chino Roces Avenue Makati City
1231 Metro Manila Philippines
Tel. Nos.: (632) 8982-3000 Fax Nos.: (632) 8982-3077
Website: www.acr.com.ph

January 11, 2022

Securities & Exchange Commission
Attn.: Director Rachel Esther J. Gumtang-Remalante
Corporate Governance and Finance Department; and
Director Vicente Graciano P. Felizmenio, Jr.
Markets and Securities Regulations Department
Secretariat Bldg., PICC Complex, Roxas Blvd., Pasay City

via PSE Edge
Philippine Stock Exchange, Inc.
Attn.: Ms. Janet A. Encarnacion, Head
Disclosure Department Listings and Disclosure Group
9th Floor, PSE Tower, BGC, Taguig City

via electronic mail
Philippine Dealing & Exchange Corp.
Attn.: Atty. Marie Rose M. Magallen-Lirio
Head-Issuer Compliance and Disclosures Dept.
Market Regulatory Services Group
29/F, BDO Equitable Tower,
8751 Paseo de Roxas, Makati City

Re: **Advisement Letter on Director's 2021 Board Meetings Attendance**

Gentlemen:

In compliance with the Manual on Corporate Governance of Alsons Consolidated Resources, Inc. (the "Corporation"), we hereby formally advise the Commission of the following:

1. The attendance of the directors of the Corporation in board meetings held during the calendar year 2021 is summarized below.

	Name	Date of Election/ Reelection	Number of Meetings Held During the Year	Number of Meetings Attended	Percentage
Chairman/President	Nicasio I. Alcantara	Feb 18, 2021	8	8	100%
Board Vice-Chair	Editha I. Alcantara	May 20, 2021	8	8	100%
Board Member	Tomas I. Alcantara	May 20, 2021	8	8	100%
Board Member	Alejandro I. Alcantara	May 20, 2021	8	8	100%

Board Member	Arturo B. Diago, Jr.	May 20, 2021	8	8	100%
Board Member	Tirso G. Santillan, Jr.	May 20, 2021	8	8	100%
Board Member	Honorio A. Poblador III	May 20, 2021	8	8	100%
Board Member	Ramon T. Diokno	May 20, 2021	8	7	88%
Independent Director	Jose Ben R. Laraya	May 20, 2021	8	8	100%
Independent Director	Jacinto C. Gavino, Jr.	May 20, 2021	8	8	100%
Independent Director	Thomas G. Aquino	May 20, 2021	8	8	100%

2. The Board of Directors of the Company held its meetings in the year 2021, specifically on the following dates:

Date of Meeting	***Meeting Type***
February 18, 2021	Special
March 18, 2021	Regular
May 20, 2021	Special
May 20, 2021	ASM/Organizational
July 23, 2021	Special
August 26, 2021	Regular
November 26, 2021	Regular
December 16, 2021	Special

3. Based on our records of the minutes of the above meetings of the Corporation, no director has absented himself for more than fifty percent (50%) of all meetings of the Board of Directors, both regular and special, during his incumbency or any twelve (12) month period during said incumbency. Attached as Annex "A" hereof is a summary of the attendance of the directors.

4. The Company held its annual stockholders' meeting on May 20, 2021. The Chairman of the Board and President and the Chairman of the Audit Committee likewise attended the said annual stockholders' meeting of the Company on May 20, 2021.

We trust that the foregoing is sufficient. Should you require any further information, please let us know.

Very truly yours,

Angel M. Esguerra, III
Corporate Compliance Officer &
Assistant Corporate Secretary

Annex "A"
Alsons Consolidated Resources, Inc.
Meetings of the Board of Directors for the Year 2021

Date of Special and Regular Board Meetings
[Legend: Present (√), Absent (x)]

	Feb. 18	March 18	May 20	May 20	July 23	Aug, 26	Nov 26	Dec 16
Names of Directors	Special	Regular	Special	ASM / OM	Special	Regular	Regular	Special
1. Nicasio I. Alcantara	√	√	√	√	√	√	√	√
2. Editha I. Alcantara	√	√	√	√	√	√	√	√
3. Tomas I. Alcantara	√	√	√	√	√	√	√	√
4. Alejandro I. Alcantara	√	√	√	√	√	√	√	√
5. Arturo B. Diago, Jr.	√	√	√	√	√	√	√	√
6. Tirso G. Santillan, Jr.	√	√	√	√	√	√	√	√
7. Honorio A. Poblador III	√	√	√	√	√	√	√	√
8. Ramon T. Diokno	√	√	√	√	X	√	√	√
9. Jose Ben R. Laraya	√	√	√	√	√	√	√	√
10. Jacinto C. Gavino, Jr.	√	√	√	√	√	√	√	√
11. Thomas G. Aquino	√	√	√	√	√	√	√	√

Legend:

√ - Present
X - Absent
ASM - Annual Stockholders' Meeting
OM - Organizational Meeting

CR00848-2022

Alsons Consolidated Resources, Inc.
ACR

PSE Disclosure Form 17-18 - Other SEC Forms/Reports/Requirements

Form/Report Type	Certificate of Compliance with the Manual of Corporate Governance for the Year 2021
Report Period/Report Date	Jan 26, 2022

Description of the Disclosure

Certification of the Company's compliance with the Revised Code of Corporate Governance, per SEC Memorandum Circular No. 24, Series of 2019

Filed on behalf by:

Name	Jose Saldivar, Jr.
Designation	Finance Manager

REPUBLIC OF THE PHILIPPINES)
CITY OF PARAÑAQUE) S.S.

COMPLIANCE OFFICER CERTIFICATION

I, ANGEL M. ESGUERRA, III, of legal age and with office address at Alsons Bldg., 2286 Chino Roces Avenue, Makati City, under oath, state:

1. I am the incumbent Assistant Corporate Secretary and Compliance Officer of **ALSONS CONSOLIDATED RESOURCES INC.** (the "Corporation"), a corporation duly organized and existing in accordance with the laws of the Republic of the Philippines, with principal office address at Alsons Building, 2286 Chino Roces Avenue, Makati City;

2. For the calendar year 2021, the Corporation substantially adopted and complied with all the provisions of the Manual on Corporate Governance, as prescribed by SEC Memorandum Circular No. 24, Series of 2019 and does not have any significant deviation therefrom; and

3. I am issuing this Certificate in compliance with the requirement of the Securities and Exchange Commission on the annual reporting of the annual reporting on the Corporation's compliance with the Manual of Corporate Governance.

ANGEL M. ESGUERRA, III
Assistant Corporate Secretary and
Compliance Officer

Countersigned by:

NICASIO I. ALCANTARA
President

SUBSCRIBED AND SWORN TO before me this___day of JAN 25 2022, at ________, Philippines, affiant exhibiting to me his TIN 121-413-569.

Atty. Vilma Hilda Villanueva-Fabella
NOTARY PUBLIC
Until December 31, 2022
IBP No. 145508/1-07-2021/PPLM
PTR No. 2573468/1-04-2021/Parañaque
Roll No. 41901
Not. Com. No. 119-2021/1-04-2021

Doc. No. 85 ;
Page No. 18 ;
Book No. 11 ;
Series of 2022.

Alsons Consolidated Resources, Inc.
ACR

PSE Disclosure Form 4-31 - Press Release
References: SRC Rule 17 (SEC Form 17-C)
Section 4.4 of the Revised Disclosure Rules

Subject of the Disclosure

"Alsons gets Credit Rating Upgrade from PhilRatings".

Background/Description of the Disclosure

please see attached

Other Relevant Information

-

Filed on behalf by:

Name	Jose Saldivar, Jr.
Designation	Finance Manager

Alsons Consolidated Resources, Inc
(Listed in the Philippine Stock Exchange Trading "ACR")
Alsons Building 2286 Chino Roces Avenue,
Makati City 1231 Metro Manila Philippines
Tel. Nos.: (632) 8982-3000 Fax Nos.: (632) 8982-3077
Website: www.acr.com.ph

March 04, 2022

via PSE EDGE
Philippine Stock Exchange, Inc.
Attn.: Ms. Janet A. Encarnacion, Head
Disclosure Department Listings and Disclosure Group
9th Floor, PSE Tower, BGC, Taguig City

via electronic mail
Securities & Exchange Commission
Attn.: Atty. Vicente Graciano P. Felizmenio, Director
Markets and Securities Regulations Department
Secretariat Bldg., PICC Complex, Roxas Blvd., Pasay City

via electronic mail
Philippine Dealing & Exchange Corp.
Attn.: Atty. Marie Rose M. Magallen-Lirio
Head-Issuer Compliance and Disclosures Dept.
Market Regulatory Services Group
29/F, BDO Equitable Tower,
8751 Paseo de Roxas, Makati City

Gentlemen:

We are furnishing the Exchange with a copy of the Press Statement by the Company entitled: **"Alsons gets Credit Rating Upgrade from PhilRatings".**

We trust that you will find the foregoing in order.

Very truly yours,

Angel M. Esguerra, III
Assistant Corporate Secretary &
Compliance Officer

Alsons Consolidated Resources, Inc.

PRESS RELEASE

Please Refer to: Philip E.B. Sagun, Deputy Chief Financial Officer and Head of Investor Relations,
Alsons Consolidated Resources, Inc. psagun@alcantaragroup.com

Alsons gets Credit Rating Upgrade from PhilRatings

Alsons Consolidated Resources Inc., (ACR) recently received an issuer credit rating upgrade from the Philippine Rating Services Corporation (PhilRatings). ACR's credit rating advanced to PRS Aa minus (corp.) from PRS A plus (corp). The rating upgrade was made in relation to ACR's issuance of up to ₱3.0 billion in Commercial Papers (CP).

According to PhilRatings, a company with a PRS Aa rating "has a strong capacity to meet its financial commitments relative to other Philippine corporates." Among the factors cited by PhilRatings for the upgrade of ACR's credit rating were: ACR's "planned expansion projects which will further diversify its generation mix"; "the Company's ability to establish joint ventures with strong partners for particular projects"; and ACR's "strong profitability despite the ongoing COVID-19 pandemic."

ACR- the publicly-listed company of the Alcantara Group listed its first tranche of CPs worth ₱1.4 billion with the Philippine Dealing and Exchange Corporation in July 2021. The second tranche of CPs worth ₱600 million was listed in November 2021. Proceeds from the issuance are being used primarily for general working capital purposes.

ACR, which is Mindanao's first private-sector power generator, has a portfolio of four power facilities with an aggregate capacity of 468 mega-watts (MW) serving over eight million people in 14 cities and 11 provinces in the country's second largest island.

For the long-term, ACR is slated to focus on renewables with the company's first renewable energy facility- a ₱4.5 billion 14.5 MW hydroelectric power plant currently under construction at the Siguil River basin in Sarangani Province. The Siguil Hydro Power plant will be the first of eight hydropower facilities that ACR plans to develop.

###

Alsons Consolidated Resources, Inc.
ACR

PSE Disclosure Form 7-1 - Notice of Annual or Special Stockholders' Meeting
References: SRC Rule 17 (SEC Form 17-C) and
Sections 7 and 4.4 of the Revised Disclosure Rules

Subject of the Disclosure

The Annual Stockholders' Meeting of Alsons Consolidated Resources, Inc. (ACR)

Background/Description of the Disclosure

The Board of Directors approved a date of the annual stockholders' meeting, which will be held on 26 May 2022 at 2:00 p.m. by remote communication.

Only stockholders on record at the close of business on 08 April 2022 shall be entitled to notice of the meeting and to participate in, and/or vote at, the said meeting.

Type of Meeting

- ☒ Annual
- ☐ Special

Date of Approval by Board of Directors	Mar 24, 2022
Date of Stockholders' Meeting	May 26, 2022
Time	2:00 PM
Venue	by remote communication
Record Date	Apr 8, 2022
Agenda	TBA

Inclusive Dates of Closing of Stock Transfer Books

Start Date	N/A
End Date	N/A

Alsons Consolidated Resources, Inc.
ACR

PSE Disclosure Form ETF-12- Material Information/Transactions
Reference: Section 6 of the Rules on Exchange Traded Funds

Subject of the Disclosure

Approval of the Audited Financial Statements and appointment of RCBC Capital Corporation as the new Lead Underwriter and Joint-Issue Manager for the remaining balance of the commercial papers program.

Background/Description of the Disclosure

Please see attached.

Other Relevant Information

-

Filed on behalf by:

Name	Jose Saldivar, Jr.
Designation	Finance Manager

Alsons Consolidated Resources, Inc.
ACR

PSE Disclosure Form 4-31 - Press Release
References: SRC Rule 17 (SEC Form 17-C)
Section 4.4 of the Revised Disclosure Rules

Subject of the Disclosure

Press Statement by the Company entitled: "Alsons 2021 Attributable Net Income Rises by 24%"

Background/Description of the Disclosure

Please see attached.

Other Relevant Information

-

Filed on behalf by:

Name	Jose Saldivar, Jr.
Designation	Finance Manager

Alsons Consolidated Resources, Inc
(Listed in the Philippine Stock Exchange Trading "ACR")
Alsons Building 2286 Chino Roces Avenue,
Makati City 1231 Metro Manila Philippines
Tel. Nos.: (632) 8982-3000 Fax Nos.: (632) 8982-3077
Website: www.acr.com.ph

24 March 2022

via PSE EDGE
Philippine Stock Exchange, Inc.
Attn.: Ms. Janet A. Encarnacion, Head
Disclosure Department Listings and Disclosure Group
9th Floor, PSE Tower, BGC, Taguig City

via electronic mail
Securities & Exchange Commission
Attn.: Atty. Vicente Graciano P. Felizmenio, Director
Markets and Securities Regulations Department
Secretariat Bldg., PICC Complex, Roxas Blvd., Pasay City

via electronic mail
Philippine Dealing & Exchange Corp.
Attn.: Atty. Marie Rose M. Magallen-Lirio
Head-Issuer Compliance and Disclosures Dept.
Market Regulatory Services Group
29/F, BDO Equitable Tower,
8751 Paseo de Roxas, Makati City

Gentlemen:

Please be informed that in a board meeting held, 24 March 2022, the Board of Directors of Alsons Consolidated Resources, Inc. ("ACR"), approved the Audited Financial Statement for the year 2021 as audited by the firm, Sycip Gorres Velayo & Co.

The Board of Directors also approved a date of the annual stockholders' meeting, which will be held on **26 May 2022** at 2:00 p.m. by remote communication Only stockholders on record at the close of business on 08 April 2022 shall be entitled to notice of the meeting, and to participate in, and/or vote at, the said meeting.

The Company also engaged the services of RCBC Capital Corporation as the new Lead Underwriter and Joint-Issue Manager for the remaining balance of the commercial papers program approved by the Securities and Exchange Commission on June 25, 2021.

We are also furnishing the Exchange with a copy of the Press Statement by the Company entitled: **"Alsons 2021 Attributable Net Income Rises by 24%"**

Very truly yours,

Angel M. Esguerra, III
Assistant Corporate Secretary &
Compliance Officer

Alsons Consolidated Resources, Inc.

PRESS RELEASE

Please Refer to: Philip E.B. Sagun, Deputy Chief Financial Officer and Head of Investor Relations,
Alsons Consolidated Resources, Inc. psagun@alcantaragroup.com

Alsons 2021 Attributable Net Income Rises by 24%

Alsons Consolidated Resources Inc., (ACR) posted an increase in full-year net income attributable to the parent in 2021. Full-year attributable net income rose 24% to ₱ 405 million from ₱325 million in 2020. The publicly-listed company of the Alcantara Group reported that consolidated revenues for 2021 grew 6% to ₱10.05 billion from ₱9.47 billion in the prior year.

ACR's 210 mega-watt (MW) Sarangani Energy Corporation (SEC) baseload power plant continued to be the key revenue and income driver for the company. SEC currently provides power to key areas in Mindanao including Sarangani Province, General Santos, Cagayan de Oro, and Iligan.

ACR, which is Mindanao's first private-sector power generator, has a portfolio of four power facilities with an aggregate capacity of 468 MW serving over eight million people in 14 cities and 11 provinces in the country's second largest island.

For the long-term, ACR is slated to focus on renewables with the company's first renewable energy facility- a ₱4.5 billion 14.5 MW hydroelectric power plant currently under construction at the Siguil River basin in Sarangani Province. The Siguil Hydro Power plant will be the first of eight hydropower facilities that ACR plans to develop.

The company recently received an issuer credit rating upgrade from the Philippine Rating Services Corporation (PhilRatings)to PRS Aa minus (corp.) from PRS A plus (corp). The rating upgrade was made in relation to ACR's issuance of up to ₱3.0 billion in Commercial Papers (CP). Among the factors cited by PhilRatings for the upgrade were: ACR's "planned expansion projects which will further diversify its generation mix"; "the Company's ability to establish joint ventures with strong partners for particular projects"; and ACR's "strong profitability despite the ongoing COVID-19 pandemic."

###

Alsons Consolidated Resources, Inc.
ACR

PSE Disclosure Form 4-32 - Reply to Exchange's Query

Subject of the Disclosure

Covering Certification for the Quarterly List of Top 100 Stockholders

Description of the Disclosure

ACR Secretary's Certificate attached as a supporting document required for the List of Top 100 Stockholders (the "Top 100 Shareholders Report").

Information Requested

Please see attached.

Filed on behalf by:

Name	Jose Saldivar, Jr.
Designation	Finance Manager

REPUBLIC OF THE PHILIPPINES)
CITY OF PARAÑAQUE) S.S.

SECRETARY'S CERTIFICATE

I, **ANA MARIA MARGARITA A. KATIGBAK**, Filipino, of legal age, with principal office at Alsons Building, 2286 Chino Roces Avenue, Makati City, after having been sworn according to law, hereby depose and state:

1. I am the duly elected and qualified Corporate Secretary of **ALSONS CONSOLIDATED RESOURCES, INC.** (the "Corporation"), a corporation duly organized and existing under the laws of the Philippines, with principal address at Alsons Building, 2286 Chino Roces Avenue, Makati City and listed on The Philippine Stock Exchange, Inc. since April 12, 1993;

2. As Corporate Secretary, I have the custody and access to the corporate records of the Corporation, including, but not limited to, the books and records of the transfer agent;

3. Based on the records of the Corporation as of **March 31, 2022** (the "Covered Period"), the Corporation's capital structure is as follows:

Authorized Capital Stock, Common Shares	11,945,000,000
Number, Classes of Shares, Par Value per Share	11,945,000,000, Common, Php1.00
Issued and Outstanding Shares	6,291,500,000
Fully paid Shares	6,291,500,000
Partially Paid Shares	0
Treasury Shares	0
Outstanding Shares	6,291,500,000
Listed Shares	6,291,500,000
Certificated Shares	5,061,718.949

Authorized Capital Stock, Preferred Shares	5,500,000,000
Number, Classes of Shares, Par Value per Share	5,500,000,000, Preferred, Php0.01
Issued and Outstanding Shares	5,500,000,000
Fully paid Shares	0
Partially Paid Shares	5,298,333,300
Treasury Shares	0
Outstanding Shares	0
Listed Shares	0
Certificated Shares	0

4. Based on the records of PDTC as of **March 31, 2022**, there are **1,229,781,051** lodged common shares, broken down, as follows:

PCD Nominee – Filipino	1,175,980,550
PCD Nominee – Non-Filipino	53,800,501

5. All issued shares are duly and validly issued in accordance with existing laws, rules and regulations and are likewise listed in The Philippine Stock Exchange, Inc. ("PSE").

6. All lodged common shares are validly issued and listed on the PSE.

Ana Maria Margarita A. Katigbak
Corporate Secretary

SUBSCRIBED AND SWORN TO before me this 07 APR 2022, at Paranaque, Philippines, affiant exhibiting to me her TIN 173-182-955. and Driver's License No. N02-89-111447 valid until 2024-03 21.

Atty. Vilma Hilda Villanueva-Fabella
NOTARY PUBLIC
Until December 31, 2022
IBP No. 145508/1-07-2021/PPLM
PTR No. 2573468/1-04-2021/Parañaque
Roll No. 41901
Not. Com. No. 119-2021/1-04-2021

Doc. No. 276;
Page No. 57;
Book No. 11;
Series of 2022.

VILMA HILDA D. VILLANUEVA-FABELLA
NOTARY PUBLIC
PARAÑAQUE CITY

Alsons Consolidated Resources, Inc.
ACR

PSE Disclosure Form 4-13 - Clarification of News Reports
References: SRC Rule 17 (SEC Form 17-C) and
Section 4.4 of the Revised Disclosure Rules

Subject of the Disclosure

Clarification to news article entitled "Alsons to build power plant in Bohol"

Source	BusinessWorld (Online Edition)
Subject of News Report	"Alsons to build power plant in Bohol"
Date of Publication	Apr 12, 2022

Clarification of News Report

We reply to your email dated April 13, 2022 with regard to the attached news article entitled "Alsons to build power plant in Bohol" posted in BusinessWorld (Online Edition) on April 12, 2022

Other Relevant Information

Please see attached

Filed on behalf by:

Name	Jose Saldivar, Jr.
Designation	Finance Manager

Alsons Consolidated Resources, Inc.
Alsons Building, 2286 Chino Roces Avenue
1231 Makati City, Philippines
Tel. No. (632) 8982-3000
Website: www.acr.com.ph

April 13, 2022

Philippine Stock Exchange, Inc.
Listings and Disclosure Group
9th Floor, PSE Tower, BGC
Taguig City

Attention.	:	Ms. Janet A. Encarnacion Head - Disclosure Department
Subject	:	Alsons Consolidated Resources, Inc. News Article in the Business World Online

Dear Madam:

We reply to your email dated April 13, 2022 with regard to the attached news article entitled "Alsons to build power plant in Bohol" posted in BusinessWorld (Online Edition) on April 12, 2022, which reported, among others, the following:

. . . .

Conal Holdings Corp. (CHC), a wholly-owned subsidiary of Alsons Power Group, will put up a 95.2 megawatts (MW) diesel power plant in Bohol worth at least P1.8 billion. The construction of the proposed power facility is expected to start in August and is targeted to be completed by May 2024. The total engineering, procurement, construction (EPC) cost is estimated at P1,538,051,000, non-EPC cost at P244,478,000, and operation and management (O&M) cost at P91,411,814.55 per annum. The EPC cost includes civil works while the non-EPC cost includes fuel and lubrication oil commissioning, project development and implementation cost, and project land acquisition. The O&M component includes labor, consumable cost, and administration cost. The power plant will be connected to the electricity grid through a 138-kilovolt transmission line connecting to the Ubay substation of the National Grid Corporation of the Philippines. It is envisioned to serve the combined power requirements of Bohol Light Company Inc., Bohol Electric Cooperative (BOHECO) I, and BOHECO II that will start at 50MW by 2024 and up to 83MW by 2023. "The proposed project aims to develop a 95.2 MW diesel power plant in Barangay Imelda, Ubay, Bohol. In order to comply with the 100 percent dependable capacity requirements as indicated in the Terms of Reference of the One Bohol Joint Distribution Utilities Competitive Selection Process, the capacity of the in island baseload (backup) power plant will be the same as the contracted capacity of the power supply," CHC

Alsons Consolidated Resources, Inc.
Alsons Building, 2286 Chino Roces Avenue
1231 Makati City, Philippines
Tel. No. (632) 8982-3000
Website: www.acr.com.ph

said in a filing with the Environmental Management Bureau of the Department of Environment and Natural Resources. A public hearing on the project's Environmental Impact Assessment is scheduled this month. Alsons current power portfolio includes 468MW of operating capacity– 258MW is diesel and 210MW is coal. Its expansion pipeline includes over 230MW of coal and hydro projects under different stages of development. "The purpose of this backup diesel power plant is to provide reliable and affordable 24/7 backup service to the households and resorts within the island during the outage of the baseload power supply."

. . . ."

We can confirm that the information contained in the article did indeed come from ACR.

Very truly yours,

ANA MARIA KATIGBAK-LIM
Corporate Secretary

Alsons to build power plant in Bohol

BM businessmirror.com.ph/2022/04/12/alsons-to-build-power-plant-in-bohol/

April 12, 2022

Conal Holdings Corp. (CHC), a wholly-owned subsidiary of Alsons Power Group, will put up a 95.2 megawatts (MW) diesel power plant in Bohol worth at least P1.8 billion.

The construction of the proposed power facility is expected to start in August and is targeted to be completed by May 2024. The total engineering, procurement, construction (EPC) cost is estimated at P1,538,051,000, non-EPC cost at P244,478,000, and operation and management (O&M) cost at P91,411,814.55 per annum.

The EPC cost includes civil works while the non-EPC cost includes fuel and lubrication oil commissioning, project development and implementation cost, and project land acquisition. The O&M component includes labor, consumable cost, and administration cost.

The power plant will be connected to the electricity grid through a 138-kilovolt transmission line connecting to the Ubay substation of the National Grid Corporation of the Philippines.

It is envisioned to serve the combined power requirements of Bohol Light Company Inc., Bohol Electric Cooperative (BOHECO) I, and BOHECO II that will start at 50MW by 2024 and up to 83MW by 2023.

"The proposed project aims to develop a 95.2 MW diesel power plant in Barangay Imelda, Ubay, Bohol. In order to comply with the 100 percent dependable capacity requirements as indicated in the Terms of Reference of the One Bohol Joint Distribution Utilities Competitive Selection Process, the capacity of the in island baseload (backup) power plant will be the same as the contracted capacity of the power supply," CHC said in a filing with the Environmental Management Bureau of the Department of Environment and Natural Resources.

A public hearing on the project's Environmental Impact Assessment is scheduled this month.

Alsons current power portfolio includes 468MW of operating capacity–258MW is diesel and 210MW is coal. Its expansion pipeline includes over 230MW of coal and hydro projects under different stages of development.

"The purpose of this backup diesel power plant is to provide reliable and affordable 24/7 backup service to the households and resorts within the island during the outage of the baseload power supply."

Alsons Consolidated Resources, Inc.
ACR

PSE Disclosure Form 6-1 - Declaration of Cash Dividends
References: SRC Rule 17 (SEC Form 17-C) and
Sections 6 and 4.4 of the Revised Disclosure Rules

Subject of the Disclosure

Cash Dividends on the Common Shares

Background/Description of the Disclosure

Please see attached

Type of Securities

- ☑ Common
- ☐ Preferred -
- ☐ Others -

Cash Dividend

Date of Approval by Board of Directors	May 26, 2022
Other Relevant Regulatory Agency, if applicable	-
Date of Approval by Relevant Regulatory Agency, if applicable	N/A
Type (Regular or Special)	Regular
Amount of Cash Dividend Per Share	Php0.02 per share
Record Date	Jun 30, 2022
Payment Date	Jul 23, 2022

Source of Dividend Payment

Alsons Consolidated Resources, Inc.
ACR

PSE Disclosure Form 4-30 - Material Information/Transactions
References: SRC Rule 17 (SEC Form 17-C) and
Sections 4.1 and 4.4 of the Revised Disclosure Rules

Subject of the Disclosure

Cash Dividends on the Preferred Shares

Background/Description of the Disclosure

Please be advised that at the special meeting of the Board of Directors (the "Board") of Alsons Consolidated Resources, Inc. ("ACR") held May 26, 2022, the Board declared a cash dividend, out of unrestricted retained earnings of the Corporation as of December 31, 2021 of Php0.0008 per share in favor of the preferred stockholders as of record date June 30, 2022 and payable on or before July 23, 2022.

Other Relevant Information

Please see attached.

Filed on behalf by:

Name	Jose Saldivar, Jr.
Designation	Finance Manager

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-C

CURRENT REPORT UNDER SECTION 17
OF THE SECURITIES REGULATION CODE
AND SRC RULE 17.2(c) THEREUNDER

1. **May 26, 2022**
Date of Report (Date of earliest event reported)

2. SEC Identification Number **59366** 3. BIR Tax Identification No. **001-748-412**

4. **ALSONS CONSOLIDATED RESOURCES, INC.**
Exact name of issuer as specified in its charter

5. **Philippines**
Province, country or other jurisdiction of Incorporation

6. [ ] (SEC Use Only)
Industry Classification Code:

7. **Alsons Bldg., 2286 Chino Roces Extension, Makati City**
Address of principal office
1231
Postal Code

8. **(632) 8982-3000**
Issuer's telephone number, including area code

9. **N/A**
Former name or former address, if changed since last report

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 of Common Stock Outstanding
Common Stock ₱1.00 par value	**6,291,500,000 Shares**

11. Indicate the item numbers reported herein: **Item 9** (Other Events)

We furnish herewith the Commission with the attached ACR's Disclosure Letter re: Declaration of Cash Dividends dated May 26, 2022 filed with the Philippine Stock Exchange thru its PSE EDGE on even date.

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 hereunto duly authorized.

ALSONS CONSOLIDATED RESOURCES, INC.
Issuer

By:

Date May 26, 2022

JONATHAN E. JIMENEZ
Assistant Corporate Secretary & Compliance Officer
Signature and Title

Alsons Consolidated Resources, Inc.
(Listed in the Philippine Stock Exchange Trading "ACR")
Alsons Building, 2286 Chino Roces Avenue,
Makati City 1231 Metro Manila, Philippines
Tel. Nos.: (632) 8982-3000; Fax Nos.: (632) 8982-3077
Website: www.acr.com.ph

26 May 2022

via PSE Edge
Philippine Stock Exchange, Inc.
Attn.: ***Ms. Alexandra D. Tom Wong, Officer-In-Charge***
Disclosure Department Listings and Disclosure Group
9th Floor, PSE Tower, BGC, Taguig City

via electronic mail
Securities & Exchange Commission
Attn.: ***Director Vicente Graciano P. Felizmenio***
Markets and Securities Regulations Department
Secretariat Bldg., PICC Complex, Roxas Blvd., Pasay City

via electronic mail
Philippine Dealing & Exchange Corp.
Attn.: ***Atty. Marie Rose M. Magallen-Lirio***
Head-Issuer Compliance and Disclosures Dept.
Market Regulatory Services Group. 29/F, BDO Equitable Tower,
8751 Paseo de Roxas, Makati City

Re : **Declaration of Cash Dividend**

Gentlemen:

Please be advised that at the special meeting of the Board of Directors (the "Board) of Alsons Consolidated Resources, Inc. ("ACR") held 26 May 2022, the Board approved the declaration of ~~a~~ cash dividends of ₱0.02 ~~per~~ share or a total of ₱125,830,000.00 out of the unrestricted retained earnings of ACR as of 31 December 2021 in favor of holders of common shares, as of record date 30 June 2022 and payable on or before 23 July 2022.

Pursuant to the terms of the preferred voting shares, ACR also distributed cash dividends in the amount of ₱0.0008 per share or a total of ₱4,400,000.00 out of the unrestricted retained earnings of ACR as of 31 December 2021 in favor of the holders of preferred voting shares as of record date 30 June 2022 and payable on or before 23 July 2022.

Please be guided accordingly.

Very truly yours,

ALSONS CONSOLIDATED RESOURCES, INC.
By:

JONATHAN F. JIMENEZ
Assistant Corporate Secretary and
Corporate Compliance Officer

Alsons Consolidated Resources, Inc.
ACR

PSE Disclosure Form 4-24 - Results of Annual or Special Stockholders' Meeting
References: SRC Rule 17 (SEC Form 17-C) and
Section 4.4 of the Revised Disclosure Rules

Subject of the Disclosure

Annual Stockholders' Meeting

Background/Description of the Disclosure

Results of the Virtual Annual Stockholders' Meeting held May 26, 2022

List of elected directors for the ensuing year with their corresponding shareholdings in the Issuer

Name of Person	Shareholdings in the Listed Company		Nature of Indirect Ownership
	Direct	Indirect	
NICASIO I. ALCANTARA	100	0	-
TOMAS I. ALCANTARA	1	0	-
EDITHA I. ALCANTARA	100,000	0	-
ALEJANDRO I. ALCANTARA	1	0	-
TIRSO G. SANTILLAN, JR.	1	0	-
RAMON T. DIOKNO	1	0	-
ARTURO B. DIAGO, JR.	1	0	-
HONORIO A. POBLADOR III	100	0	-
JOSE BEN R. LARAYA	100	0	-
THOMAS G. AQUINO	100	0	-
JACINTO C. GAVINO JR.	1	0	-

External auditor SYCIP GORRES VELAYO & CO.

List of other material resolutions, transactions and corporate actions approved by the stockholders

1. Approval of the Minutes of the Annual Meeting of Stockholders' held on 20 May 2021;
2. Approval of the Annual Report of Management and Audited Financial Statements for the year 2021;
3. Ratification of Acts and Resolutions of the Board, its Committees and Management;
4. Approval of authority to issue corporate guarantees and sureties in favor of the Company's subsidiaries and affiliates;
4. Re-appointment of Sycip, Gorres, Velayo & Co.as Election Inspectors and External Auditor for year 2022-2023;
5. Election of Directors of the Company for the year 2022-2023;

Other Relevant Information

Please see attached.

Filed on behalf by:

Name	Jose Saldivar, Jr.
Designation	Finance Manager

Alsons Consolidated Resources, Inc.
ACR

PSE Disclosure Form 4-25 - Results of Organizational Meeting
References: SRC Rule 17 (SEC Form 17-C) and
Section 4.4 of the Revised Disclosure Rules

Subject of the Disclosure

ACR ORGANIZATIONAL MEETING

Background/Description of the Disclosure

Results of the Organizational Meeting of ACR Board of Directors held May 26, 2022, immediately after the Virtual Annual Stockholders' Meeting.

List of elected officers for the ensuing year with their corresponding shareholdings in the Issuer

Name of Person	Position/Designation	Shareholdings in the Listed Company		Nature of Indirect Ownership
		Direct	Indirect	
NICASIO I. ALCANTARA	Chairman & President	100	0	-
EDITHA I. ALCANTARA	Vice-Chair & Treasurer	100,000	0	-
TIRSO G. SANTILLAN, JR.	Executive Vice President	1	0	-
ANTONIO MIGUEL B. ALCANTARA	Chief Investment & Strategy Officer	0	0	-
ALEXANDER BENHUR M. SIMON	VP & Group Chief Financial Officer	0	0	-
PHILIP EDWARD B. SAGUN	Deputy Chief Financial Officer	0	0	-
ANA MARIA MARGARITA A. KATIGBAK	Corporate Secretary	0	0	-
JONATHAN F. JIMENEZ	Assistant Corporate Secretary and Compliance Officer	0	0	-
ALEXIS B. DELA CUESTA	Internal Auditor	0	0	-

List of Committees and Membership

Name of Committees	Members	Position/Designation in Committee

Executive & Corporate Governance Committee	NICASIO I. ALCANTARA	Chairman
Executive & Corporate Governance Committee	TOMAS I. ALCANTARA	Member
Executive & Corporate Governance Committee	EDITHA I. ALCANTARA	Member
Executive & Corporate Governance Committee	THOMAS G. AQUINO (IND.DIR)	Member
Executive & Corporate Governance Committee	JOSE BEN R. LARAYA (IND.DIR)	Member
Executive & Corporate Governance Committee	TIRSO G. SANTILLAN, JR.	Member
Audit, Risk Oversight & Related Party Transaction Committee	JOSE BEN R. LARAYA (IND.DIR)	Chairman
Audit, Risk Oversight & Related Party Transaction Committee	EDITHA I. ALCANTARA	Member
Audit, Risk Oversight & Related Party Transaction Committee	THOMAS G. AQUINO (IND.DIR)	Member
Audit, Risk Oversight & Related Party Transaction Committee	JACINTO C. GAVINO JR (IND.DIR)	Member
Audit, Risk Oversight & Related Party Transaction Committee	RAMON T. DIOKNO	Member
Compensation Committee	NICASIO I. ALCANTARA	Chairman
Compensation Committee	TOMAS I. ALCANTARA	Member
Compensation Committee	HONORIO A. POBLADOR III	Member
Compensation Committee	TIRSO G. SANTILLAN, JR.	Member
Compensation Committee	JOSE BEN R. LARAYA (IND.DIR)	Member
Nomination & Election Committee	NICASIO I. ALCANTARA	Chairman
Nomination & Election Committee	TOMAS I. ALCANTARA	Member
Nomination & Election Committee	JOSE BEN R. LARAYA (IND.DIR)	Member
Nomination & Election Committee	ARTURO B. DIAGO, JR.	Member
Retirement Committee	EDITHA I. ALCANTARA	Chairman
Retirement Committee	HONORIO A. POBLADOR III	Member
Retirement Committee	TIRSO G. SANTILLAN, JR.	Member

List of other material resolutions, transactions and corporate actions approved by the Board of Directors

Please see attached.

Other Relevant Information

-

Filed on behalf by:

Name	Jose Saldivar, Jr.
Designation	Finance Manager

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-C

**CURRENT REPORT UNDER SECTION 17
OF THE SECURITIES REGULATION CODE
AND SRC RULE 17.2(c) THEREUNDER**

1. **May 26, 2022**
Date of Report (Date of earliest event reported)

2. SEC Identification Number **59366** 3. BIR Tax Identification No. **001-748-412**

4. **ALSONS CONSOLIDATED RESOURCES, INC.**
Exact name of issuer as specified in its charter

5. **Philippines**
Province, country or other jurisdiction of Incorporation

6. [ ] (SEC Use Only)
Industry Classification Code:

7. **Alsons Bldg., 2286 Chino Roces Extension, Makati City**
Address of principal office

1231
Postal Code

8. **(632) 8982-3000**
Issuer's telephone number, including area code

9. **N/A**
Former name or former address, if changed since last report

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 of Common Stock Outstanding
Common Stock ₱1.00 par value	**6,291,500,000 Shares**

11. Indicate the item numbers reported herein: **Item 9** (Other Events)

We furnish herewith the Commission with the attached ACR's Disclosure Letter re: Results of the Virtual Annual Stockholders' Meeting and Organizational Board Meeting dated May 26, 2022 filed with the Philippine Stock Exchange thru its PSE EDGE on even date.

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 hereunto duly authorized.

ALSONS CONSOLIDATED RESOURCES, INC.
Issuer

By:

JONATHAN E. JIMENEZ
Assistant Corporate Secretary & Compliance Officer
Signature and Title

Date May 26, 2022

Alsons Consolidated Resources, Inc.
(Listed in the Philippine Stock Exchange Trading "ACR")
Alsons Building, 2286 Chino Roces Avenue,
Makati City 1231 Metro Manila, Philippines
Tel. Nos.: (632) 8982-3000; Fax Nos.: (632) 8982-3077
Website: www.acr.com.ph

26 May 2022

Securities & Exchange Commission
Attn.: Director Vicente Graciano P. Felizmenio, Jr.
Markets and Securities Regulation Department
Secretariat Bldg., PICC Complex, Roxas Blvd., Pasay City

via PSE EDGE
Philippine Stock Exchange, Inc.
Attn.: Ms. Alexandra D. Tom Wong, Officer-In-Charge
Head – Disclosure Department
Listings and Disclosure Group
9th Floor, PSE Tower, BGC, Taguig City

via electronic mail
Philippine Dealing & Exchange Corp.
Attn.: Atty. Marie Rose M. Magallen-Lirio
Head-Issuer Compliance and Disclosures Dept.
Market Regulatory Services Group
29/F, BDO Equitable Tower,
8751 Paseo de Roxas, Makati City

Gentlemen:

We advise that the following matters were taken up and approved at the Annual Stockholders' Meeting and Organizational Board Meeting of Alsons Consolidated Resources, Inc. (the "Company") separately held on 26 May 2022 by remote communication:

A. **Annual Stockholders' Meeting**

1. Approval of the Minutes of the Annual Meeting of Stockholders' held on 20 May 2021:
2. Approval of the Annual Report of Management and Audited Financial Statements for the year 2021;
3. Ratification of Acts and Resolutions of the Board, its Committees and Management;
4. Approval of authority to issue corporate guarantees and sureties in favor of the Company's subsidiaries and affiliates:
5. Re-appointment of Sycip, Gorres, Velayo & Co.as External Auditor for year 2022-2023:
6. Election of the following Directors for the year 2022-2023;
    1. Nicasio I. Alcantara
    2. Tomas I. Alcantara
    3. Editha I. Alcantara
    4. Alejandro I. Alcantara
    5. Honorio A. Poblador III
    6. Tirso G. Santillan, Jr.
    7. Arturo B. Diago, Jr.
    8. Ramon T. Diokno
    9. Jose Ben R. Laraya (Independent Director)
    10. Thomas G. Aquino (Independent Director)
    11. Jacinto C. Gavino, Jr. (Independent Director)

B. Organizational Meeting

1, Election of the Officers for 2022-2023:

Chairman and President	-	**Nicasio I. Alcantara**
Vice-Chair & Treasurer	-	**Editha I. Alcantara**
Executive Vice President	-	**Tirso G. Santillan, Jr.**
Chief Investment & Strategy Officer	-	**Antonio Miguel B. Alcantara**
VP & Group Chief Finance Officer	-	**Alexander Benhur M. Simon**
Deputy Chief Finance Officer	-	**Philip Edward B. Sagun**
Corporate Secretary	-	**Ana Maria Margarita A. Katigbak**
Assistant Corporate Secretary	-	**Jonathan F. Jimenez**
Internal Auditor (Also known as "Chief Audit Executive)	-	**Alexis B. Dela Cuesta**

2. Appointment of the following chairmen and members of the Board Committees:

Executive & Corporate Governance Committee:
Nicasio I. Alcantara, Chairman
Tomas I. Alcantara
Editha I. Alcantara
Thomas G. Aquino (Ind. Director)
Jose Ben R. Laraya (Ind. Director)
Tirso G. Santiilan, Jr.

Retirement Committee:
Editha I. Alcantara, Chairman
Honorio A. Poblador III
Tirso G. Santillan, Jr.

Compensation Committee:
Nicasio I. Alcantara, Chairman
Tomas I. Alcantara
Honorio A. Poblador, III
Tirso G. Santillan, Jr.
Jose Ben R. Laraya (Ind. Director)

Nomination & Election Committee:
Nicasio I. Alcantara, Chairman
Tomas I. Alcantara
Jose Ben. R. Laraya (Ind. Director)
Arturo B. Diago, Jr.

Audit, Risk, Oversight & Related Party Transaction Committee:
Jose Ben R. Laraya, Chairman (Ind. Director)
Editha I. Alcantara
Thomas G. Aquino (Ind. Director)
Jacinto C. Gavino, Jr. (Ind. Director)
Ramon T. Diokno

The Board also designated the undersigned as Data Protection Officer, as well as SEC Compliance Officer and PSE / PDEX Corporate Information Officer.

Very truly yours,

ALSONS CONSOLIDATED RESOURCES, INC.
By:

JONATHAN F. JIMENEZ
Assistant Corporate Secretary and
Corporate Information Officer / Compliance Officer

CR03512-2022

Alsons Consolidated Resources, Inc.
ACR

PSE Disclosure Form 17-7 - Statement of Changes in Beneficial Ownership of Securities
References: SRC Rule 23 and Section 17.5 of the Revised Disclosure Rules

Name of Reporting Person	ANGEL M. ESGUERRA, III
Relationship of Reporting Person to Issuer	ASSISTANT CORPORATE SECRETARY AND COMPLIANCE OFFICER

Description of the Disclosure

Please see attached SEC Form 23-B of Atty. Esguerra.

Filed on behalf by:

Name	Jose Saldivar, Jr.
Designation	Finance Manager

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-C

CURRENT REPORT UNDER SECTION 17 OF THE SECURITIES REGULATION CODE AND SRC RULE 17.2(c) THEREUNDER

1. **May 26, 2022**
   Date of Report (Date of earliest event reported)

2. SEC Identification Number **59366** 3. BIR Tax Identification No. **001-748-412**

4. **ALSONS CONSOLIDATED RESOURCES, INC.**
   Exact name of issuer as specified in its charter

5. **Philippines**
   Province, country or other jurisdiction of incorporation
6. [ ] (SEC Use Only)
   Industry Classification Code:

7. **Alsons Bldg., 2286 Chino Roces Extension, Makati City** **1231**
   Address of principal office Postal Code

8. **(632) 8982-3000**
   Issuer's telephone number, including area code

9. **N/A**
   Former name or former address, if changed since last report

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 of Common Stock Outstanding
Common Stock ₱1.00 par value	**6,291,500,000 Shares**

11. Indicate the item numbers reported herein: **Item 9** (Other Events)

We advise you of the retirement of Atty. Angel M. Esguerra, III and the appointment of Atty. Jonathan F. Jimenez as the new Assistant Corporate Secretary and Compliance Officer effective today.

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 hereunto duly authorized.

ALSONS CONSOLIDATED RESOURCES, INC.
Issuer

By:

Date May 26, 2022

JONATHAN F. JIMENEZ
Assistant Corporate Secretary & Compliance Officer
Signature and Title

SECURITIES AND EXCHANGE COMMISSION
Metro Manila, Philippines

FORM 23-B

REVISED

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 23 of the Securities Regulation Code

[/] Check box if no longer subject to filing requirement

1. Name and Address of Reporting Person	2. Issuer Name and Trading Symbol		7. Relationship of Reporting Person to Issuer (Check all applicable)
ESGUERRA ANGEL M. III (Last) (First) (Middle)	ALSONS CONSOLIDATED RESOURCES, INC.		___ Director _/_ Officer (give title below) ___ 10% Owner ___ Other (specify below) Assistant Corporate Secretary and Compliance Officer
52 DONA INES ALABANG HILLS VILLAGE (Street)	3. Tax Identification Number 121-413-569	5. Statement for Month/Year MAY 2022	
MUNTINLUPA CITY (City) (Province) (Postal Code)	4. Citizenship FILIPINO	6. If Amendment, Date of Original (MonthYear)	

Table 1 - Equity Securities Beneficially Owned

1. Class of Equity Security	2. Transaction Date (Month/Day/Year)	4. Securities Acquired (A) or Disposed of (D)			3. Amount of Securities Owned at End of Month		4 Ownership Form: Direct (D) or Indirect (I) *	6. Nature of Indirect Beneficial Ownership
		Amount	(A) or (D)	Price	%	Number of Shares		
Not Applicable					0.00%	0		

(Print or Type Responses)

If the change in beneficial ownership is 50% of the previous shareholdings or is equal to 5% of the outstanding capital stock of the issuer, provide the disclosure requirements set forth on page 3 of this form.

Reminder: Report on a separate line for each class of equity securities beneficially owned directly or indirectly.
(1) A person is directly or indirectly the beneficial owner of any equity security with respect to which he has or shares:
(A) Voting power which includes the power to vote, or to direct the voting of, such security; and/or
(B) Investment power which includes the power to dispose of, or to direct the disposition of, such security.
(2) A person will be deemed to have an indirect beneficial interest in any equity security which is:
(A) held by members of a person's immediate family sharing the same household;
(B) held by a partnership in which such person is a general partner;
(C) held by a corporation of which such person is a controlling shareholder; or
(D) subject to any contract, arrangement or understanding which gives such person voting power or investment power with respect to such security.

FORM 23-B (continued)

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned
(e.g., warrants, options, convertible securities)

1 Derivative Security	2 Conversion or Exercise Price of Derivative Security	3 Transaction Date (Month/Day/Yr)	4 Number of Derivative Securities Acquired (A) or Disposed of (D)		5. Date Exercisable and Expiration Date (Month/Day/Year)		6 Title and Amount of Underlying Securities		7 Price of Derivative Security	8. No. of Derivative Securities Beneficially Owned at End of Month	9. Owner-ship Form of Derivative Security; Direct (D) or Indirect (I) *	10. Nature of Indirect Beneficial Ownership
			Amount	(A) or (D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares				
			********* NO	ENTRIES	************							

Explanation of Responses

ANGEL M. ESGUERRA, III
Signatuer of Reporting Person

2 6 MAY 2022
Date

Note File three (3) copies of this form, one of which must be manually signed
Attach additional sheets if space provided is insufficient

CR03513-2022

Alsons Consolidated Resources, Inc.
ACR

PSE Disclosure Form 17-6 - Initial Statement of Beneficial Ownership of Securities
References: SRC Rule 23 and
Section 17.5 of the Revised Disclosure Rules

Name of Reporting Person	JONATHAN F. JIMENEZ
Date of Event Requiring Statement	May 26, 2022
Relationship of Reporting Person to Issuer	ASSISTANT CORPORATE SECRETARY AND COMPLIANCE OFFICER

Description of the Disclosure

Please see attached SEC Form 23-A of Atty. Jimenez.

Filed on behalf by:

Name	Jose Saldivar, Jr.
Designation	Finance Manager

SECURITIES AND EXCHANGE COMMISSION
Metro Manila, Philippines

FORM 23-A

INITIAL STATEMENT OF BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Sections 23 of the Securities Regulation Code

1. Name and Address of Reporting Person

JIMENEZ (Last) JONATHAN (First) F (Middle)

B59 L6 CONSTANTINE ST.,BF RESORT VILLAGE, TALON 2 (Street)

LAS PINAS CITY (City) (Province) (Postal Code)

2. Date of Event Requiring Statement (Month/Day/Year): 05/26/2022

3. Tax Identification Number:

4. Citizenship: Filipino

5. Issuer Name and Trading Symbol: ALSONS CONSOLIDATED RESOURCES, INC.

6. Relationship of Reporting Person to Issuer (Check all applicable)

____ Director ____ 10% Owner
_/_ Officer (give title below) ____ Other (specify below)

Assistant Corporate Secretary
Compliance Officer / Corporate Information Officer

7. If Amendment, Date of Original (Month/Day/Year):

Table 1 - Equity Securities Beneficially Owned

1. Class of Equity Security	2. Amount of Securities Beneficially Owned %	Number	3. Ownership Form: Direct (D) or Indirect (I) *	4. Nature of Indirect Beneficial Ownership
- NOT APPLICABLE -	0.00%	0		

Reminder: Report on a separate line for each class of equity securities beneficially owned directly or indirectly.

(Over)

(Print or Type Responses)

* (1) A person is directly or indirectly the beneficial owner of any equity security with respect to which he has or shares:
(A) Voting power which includes the power to vote, or to direct the voting of, such security; and/or
(B) Investment power which includes the power to dispose of, or to direct the disposition of, such security.

(2) A person will be deemed to have an indirect beneficial interest in any equity security which is:
(A) held by members of a person's immediate family sharing the same household;
(B) held by a partnership in which such person is a general partner;
(C) held by a corporation of which such person is a controlling shareholder; or
(D) subject to any contract, arrangement or understanding which gives such person voting power or investment power with respect to such security.

FORM 23-A (continued) Table II - Derivative Securities Beneficially Owned (e.g., warrants, options, convertible securities)

1 Derivative Security	2 Date Exercisable and Expiration Date (Month/Day/Year)		3 Title and Amount of Equity Securities Underlying the Derivative Security		4 Conversion or Exercise Price of Derivative Security	5 Ownership Form of Derivative Security Direct (D) or Indirect (I) *	6. Nature of Indirect Beneficial Ownership
	Date Exercisable	Expiration Date	Title	Amount or Number of Shares			
- NOT APPLICABLE -							

Explanation of Responses

JONATHAN F. JIMENEZ — 2 6 MAY 2022

Signature of Reporting Person — Date

Intentional misstatements or omissions of facts constitute Criminal Violations under the SRC

Note File five (5) copies of this form, one of which must be manually signed Attach additional sheets if space provided is insufficient.

(Print or Type Responses)

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-C

CURRENT REPORT UNDER SECTION 17
OF THE SECURITIES REGULATION CODE
AND SRC RULE 17.2(c) THEREUNDER

1. **May 27, 2022**
   Date of Report (Date of earliest event reported)

2. SEC Identification Number **59366**   3. BIR Tax Identification No. **001-748-412**

4. **ALSONS CONSOLIDATED RESOURCES, INC.**
   Exact name of issuer as specified in its charter

5. **Philippines**
   Province, country or other jurisdiction of Incorporation   6. [ ] (SEC Use Only)
   Industry Classification Code:

7. **Alsons Bldg., 2286 Chino Roces Extension, Makati City**   **1231**
   Address of principal office   Postal Code

8. **(632) 8982-3000**
   Issuer's telephone number, including area code

9. **N/A**
   Former name or former address, if changed since last report

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 of Common Stock Outstanding
Common Stock ₱1.00 par value	**6,291,500,000 Shares**

11. Indicate the item numbers reported herein: **Item 9** (Other Events)

(For PSE Disclosure Form 4-30 – Material Information/Transactions)
The relevant material information contained in the ACR press release are as follows:

1. ACR is developing 3 run of river hydroelectric power plants in various areas of the Philippines
   a. A 21 mega-watt (MW) hydro power plant in Zamboanga del Norte being developed by ACR's Sindangan Zambo-River Power Corporation
   b. A hydro power plant in the Bago River in Negros Occidental with a capacity of at least 42 MW
   c. And the 14.5 MW Siguil Hydro plant in Sarangani Province which is expected to commence commercial operations in the second quarter of 2023
2. ACR's 210 MW Sarangani Energy Corporation (SEC) baseload power plant continued to be the key revenue and income driver for the company. SEC currently provides power to key areas in Mindanao including Sarangani Province, General Santos, Cagayan de Oro, and Iligan.
3. Another key revenue contributor for ACR was the continuing operation of the company's 100 MW Western Mindanao Power Corporation (WMPC) diesel plant in Zamboanga City. WMPC is the only major power generation facility in the Zamboanga Peninsula, providing power to Zamboanga City and supplying vital ancillary services to stabilize the power grid in the Western Mindanao Region.

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 hereunto duly authorized.

ALSONS CONSOLIDATED RESOURCES, INC.
Issuer

By:

JONATHAN E. JIMENEZ
Assistant Corporate Secretary & Compliance Officer
Signature and Title

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-C

CURRENT REPORT UNDER SECTION 17
OF THE SECURITIES REGULATION CODE
AND SRC RULE 17.2(c) THEREUNDER

1. **May 27, 2022**
   Date of Report (Date of earliest event reported)

2. SEC Identification Number **59366** 3. BIR Tax Identification No. **001-748-412**

4. **ALSONS CONSOLIDATED RESOURCES, INC.**
   Exact name of issuer as specified in its charter

5. **Philippines**
   Province, country or other jurisdiction of Incorporation 6. [ ] (SEC Use Only) Industry Classification Code:

7. Alsons Bldg., 2286 Chino Roces Extension, Makati City **1231**
   Address of principal office Postal Code

8. **(632) 8982-3000**
   Issuer's telephone number, including area code

9. **N/A**
   Former name or former address, if changed since last report

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 of Common Stock Outstanding
Common Stock ₱1.00 par value	**6,291,500,000 Shares**

11. Indicate the item numbers reported herein: **Item 9** (Other Events)

Please see attached Press Release
(For PSE Disclosure Form 4-31 - Press Release)

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 hereunto duly authorized.

ALSONS CONSOLIDATED RESOURCES, INC.
Issuer

By:

JONATHAN F. JIMENEZ
Assistant Corporate Secretary & Compliance Officer
Signature and Title

Alsons Consolidated Resources, Inc
(Listed in the Philippine Stock Exchange Trading "ACR")
Alsons Building 2286 Chino Roces Avenue,
Makati City 1231 Metro Manila Philippines
Tel. Nos.: (632) 8982-3000 Fax Nos.: (632) 8982-3077
Website: www.acr.com.ph

May 27, 2022

via PSE EDGE
Philippine Stock Exchange, Inc.
Attn.: **Ms. Alexandra D. Tom Wong**
Officer-In-Charge, Disclosure Department Listings and Disclosure Group
9th Floor, PSE Tower, BGC, Taguig City

via electronic mail
Securities & Exchange Commission
Attn.: **Atty. Vicente Graciano P. Felizmenio**
Director, Markets and Securities Regulations Department
Secretariat Bldg., PICC Complex, Roxas Blvd., Pasay City

via electronic mail
Philippine Dealing & Exchange Corp.
Attn.: **Atty. Marie Rose M. Magallen-Lirio**
Head, Issuer Compliance and Disclosures Department
Market Regulatory Services Group
29/F, BDO Equitable Tower, 8751 Paseo de Roxas, Makati City

Gentlemen:

We furnish the Exchange with a copy of the *Press Statement* by the Company entitled: **"Alsons to Focus on Development of Hydro Power Plants in 2022."**

We trust that you find the foregoing in order.

Very truly yours,

JONATHAN F. JIMENEZ
Assistant Corporate Secretary & Compliance Officer
Alsons Consolidated Resources, Inc.

Alsons Consolidated Resources, Inc.

PRESS RELEASE

Please Refer to: Tirso G. Santillan, Jr., Executive Vice President, Alsons Consolidated Resources, Inc.
tgsantillan@alsonspower.com

Alexander Benhur M. Simon, Group Chief Finance Officer, Alsons Consolidated Resources, Inc.
amsimon@alcantaragroup.com

Alsons to Focus on Development of Hydro Power Plants in 2022

Alsons Consolidated Resources Inc., (ACR) will focus on advancing the development of two run of river hydroelectric power projects in the Zamboanga Peninsula and Negros Occidental in 2022. At the company's annual stockholders meeting, ACR Executive Vice President Tirso G. Santillan, Jr. named these projects as a 21 mega-watt (MW) hydro power plant in Zamboanga del Norte being developed by ACR's Sindangan Zambo-River Power Corporation and the Bago river hydroelectric power plant in Negros Occidental, the company's first power project outside of Mindanao, with a planned capacity of up to 42 MW.

Mr. Santillan also noted that the company's initial hydro power project, the 14.5 MW Siguil Hydro Plant in Sarangani Province would be commencing commercial operations in the second quarter of 2023.

"The Siguil, Sindangan, and Bago river hydro power plants will be the first three of at least eight run of river hydroelectric power plants that ACR plans to develop in the years to come. This is all in keeping with the Department of Energy's mandate to ensure that all key areas have access to readily available sources of renewable energy," Mr. Santillan stated.

In his financial report at the same meeting ACR Group Chief Finance Officer Alexander Benhur M. Simon declared, "Despite a challenging business environment and the impact of the COVID-19 pandemic, we managed to achieve higher revenues and net income attributable to parent due to operating efficiencies and cost cutting measures. "

The publicly-listed company of the Alcantara Group had earlier reported that consolidated revenues for 2021 grew 6% to ₱10.05 billion from ₱9.47 billion in the prior year with full-year attributable net income rising 24% to ₱ 405 million from ₱325 million in 2020.

ACR's 210 MW Sarangani Energy Corporation (SEC) baseload power plant continued to be the key revenue and income driver for the company. SEC currently provides power to key areas in Mindanao including Sarangani Province, General Santos, Cagayan de Oro, and Iligan.

"Sarangani Energy Corporation continued to be the major revenue driver, delivering a combined output of 974 gigawatt hours in 2021, versus 952 gigawatt hours in 2020," Mr. Simon stated in his report. "For the rest of the year... We expect higher revenues and profit margins as we continue to realize incremental revenues from ancillary services and additional utilization of the available capacity of SEC."

Another key revenue contributor for ACR was the continuing operation of the company's 100 MW Western Mindanao Power Corporation (WMPC) diesel plant in Zamboanga City. WMPC is the only major power generation facility in the Zamboanga Peninsula, providing power to Zamboanga City and supplying vital ancillary services to stabilize the power grid in the Western Mindanao Region.

ACR, which is Mindanao's first private-sector power generator, has a portfolio of four power facilities with an aggregate capacity of 468 MW serving over eight million people in 14 cities and 11 provinces in the country's second largest island.

###

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-C

CURRENT REPORT UNDER SECTION 17
OF THE SECURITIES REGULATION CODE
AND SRC RULE 17.2(c) THEREUNDER

1. **May 27, 2022**
Date of Report (Date of earliest event reported)

2. SEC Identification Number **59366**   3. BIR Tax Identification No. **001-748-412**

4. **ALSONS CONSOLIDATED RESOURCES, INC.**
Exact name of issuer as specified in its charter

5. **Philippines**
Province, country or other jurisdiction of Incorporation
6. [ ] (SEC Use Only)
Industry Classification Code:

7. **Alsons Bldg., 2286 Chino Roces Extension, Makati City**   **1231**
Address of principal office   Postal Code

8. **(632) 8982-3000**
Issuer's telephone number, including area code

9. **N/A**
Former name or former address, if changed since last report

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 of Common Stock Outstanding
Common Stock ₱1.00 par value	**6,291,500,000 Shares**

11. Indicate the item numbers reported herein: **Item 9** (Other Events)

Please see attached ACR reply to the PSE email dated May 27, 2022 re: news article posted by Business Mirror (Online Edition) for clarification.

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 hereunto duly authorized.

ALSONS CONSOLIDATED RESOURCES, INC.
Issuer

By:

JONATHAN E. JIMENEZ
Assistant Corporate Secretary & Compliance Officer
Signature and Title

Alsons Consolidated Resources, Inc.
(Listed in the Philippine Stock Exchange Trading "ACR")
Alsons Building, 2286 Chino Roces Avenue,
Makati City 1231 Metro Manila, Philippines
Tel. Nos.: (632) 8982-3000; Fax Nos.: (632) 8982-3077
Website: www.acr.com.ph

May 27, 2022

Philippine Stock Exchange, Inc.
Listing and Disclosure Department
9th Floor, Tower, BGC
Taguig City, Philippines

Attention : **Ms. Alexandra D. Tom Wong**
Officer-In-Charge, Disclosure Department

Subject : Alsons Consolidated Resources, Inc.
News article in the Business Mirror

Dear Madam:

We reply to your email dated May 27, 2022, with respect to the attached news article entitled "Alsons sets 3-year capex, eyes more RE investments" posted in Business Mirror (Online Edition) on May 26, 2022, which article reported, among others, the following:

"Alsons Consolidated Resources Inc. (ACR), the publicly-listed company of the Alcantara Group, is setting aside P6 billion in capital expenditures (capex) for three years to finance various power projects.

'Estimated capex for the group is around P6 billion. As our previous strategy of funding these projects, we shall be funding them through a combination of project finance as well as internally generated funds,' said company chief financial officer Alexander Benhur Simon during the company's annual stockholders' meeting held Thursday afternoon.

. . . .

In the next five years, ACR will undertake more renewable energy (RE) projects such as solar and hydro.

'We are planning to embark on a 21 MW hydro project in the Sindangan River in Zamboanga del Norte, 42 MW hydro along the Bago River in Negros occidental. Both are at advance stages of project development. Those two projects form part of eight potential hydro projects we are developing.

Aside from these, we are also aggressively developing suitable sites to harness solar energy. There are promising sites with highest irradiance levels in the Philippines,' said ACR Deputy Chief Executive Officer Antonio Alcantara during the meeting.

Its 14.5 MW Siguil hydroelectric power plant in Sarangani Province, meanwhile, experienced delays in construction due to challenges brought about by the pandemic. However, the construction of the P4.5-billion hydro project is now in full swing.

'Expected commercial operations date has been updated and now projected for May 2023,' said ACR Executive Vice President Tirso Santillan.

Also, Alcantara added that ACR is considering opportunities in contestable markets; Green Energy Auction Program; Visayas-Mindanao interconnection project, which is expected by the end of 2022; and the upcoming launch of Wholesale Electricity Spot Market in Mindanao as possible new markets that will hasten the development of the planned hydro and solar projects.

. . . ."

We can confirm that the information contained in the article did indeed come from ACR during the company's annual stockholders' meeting held virtually yesterday, 26 May 2022.

We trust that this sufficiently complies with your requirements. Thank you.

Very truly yours,

JONATHAN F. JIMENEZ
Assistant Corporate Secretary
And Compliance Officer

Alsons sets 3-year capex,eyes more RE investments

BM businessmirror.com.ph/2022/05/26/alsons-sets-3-year-capexeyes-more-re-investments/

May 26, 2022

Alsons Consolidated Resources Inc. (ACR), the publicly-listed company of the Alcantara Group, is setting aside P6 billion in capital expenditures (capex) for three years to finance various power projects.

"Estimated capex for the group is around P6 billion. As our previous strategy of funding these projects, we shall be funding them through a combination of project finance as well as internally generated funds," said company chief financial officer Alexander Benhur Simon during the company's annual stockholders' meeting held Thursday afternoon.

ACR has a portfolio of four power facilities with an aggregate capacity of 468 megawatts (MW) serving over 8 million people in 14 cities and 11 provinces in Mindanao, the country's second largest island.

In the next five years, ACR will undertake more renewable energy (RE) projects such as solar and hydro.

"We are planning to embark on a 21 MW hydro project in the Sindangan River in Zamboanga del Norte, 42 MW hydro along the Bago River in Negros occidental. Both are at advance stages of project development. Those two projects form part of eight potential hydro projects we are developing.

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"Expected commercial operations date has been updated and now projected for May 2023," said ACR Executive Vice President Tirso Santillan.

Also, Alcantara added that ACR is considering opportunities in contestable markets; Green Energy Auction Program; Visayas-Mindanao interconnection project, which is expected by the end of 2022; and the upcoming launch of Wholesale Electricity Spot Market in Mindanao as possible new markets that will hasten the development of the planned hydro and solar projects.

In 2021, ACR reported a 24-percent jump in its net income to P405 million from P325 million in 2020.

ACR's 210MW Sarangani Energy Corp. (SEC) baseload power plant continued to be the key revenue and income driver for the company. ACR's revenues last year grew by 6 percent to P10.05 billion from P9.47 billion in the prior year. SEC currently provides power to key areas in Mindanao including Sarangani Province, General Santos, Cagayan de Oro, and Iligan.

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-C

CURRENT REPORT UNDER SECTION 17
OF THE SECURITIES REGULATION CODE
AND SRC RULE 17.2(c) THEREUNDER

1. May 31, 2022
Date of Report (Date of earliest event reported)

2. SEC Identification Number 59366

3. BIR Tax Identification No. 001-748-412

4. ALSONS CONSOLIDATED RESOURCES, INC.
Exact name of issuer as specified in its charter

5. Philippines
Province, country or other jurisdiction of incorporation

6. [ ] (SEC Use Only)
Industry Classification Code:

7. Alsons Bldg., 2286 Chino Roces Extension, Makati City
Address of principal office

1231
Postal Code

8. (632) 8982-3000
Issuer's telephone number, including area code

9. N/A
Former name or former address, if changed since last report

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 of Common Stock Outstanding
Common Stock ₱1.00 par value	**6,291,500,000 Shares**

11. Indicate the item numbers reported herein: Item 9 (Other Events)

We furnish herewith the Commission with the attached ACR's Disclosure Letter re: ACR Certificate of Permit to Offer Securities for Sale – 3rd tranche Commercial Paper program dated May 31, 2022 filed with the Philippine Stock Exchange thru its PSE EDGE on even date.

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 hereunto duly authorized.

ALSONS CONSOLIDATED RESOURCES, INC.
Issuer

By:

JONATHAN F. JIMENEZ
Assistant Corporate Secretary & Compliance Officer
Signature and Title

Alsons Consolidated Resources, Inc.
(Listed in the Philippine Stock Exchange Trading "ACR")
Alsons Building, 2286 Chino Roces Avenue,
Makati City 1231 Metro Manila, Philippines
Tel. Nos.: (632) 8982-3000; Fax Nos.: (632) 8982-3077
Website: www.acr.com.ph

May 31, 2022

via PSE Edge
Philippine Stock Exchange, Inc.
Attn.: ***Ms. Alexandra D. Tom Wong, Officer-In-Charge***
Disclosure Department Listings and Disclosure Group
9th Floor. PSE Tower, BGC, Taguig City

via electronic mail
Securities & Exchange Commission
Attn.: ***Director Vicente Graciano P. Felizmenio***
Markets and Securities Regulations Department
Secretariat Bldg., PICC Complex, Roxas Blvd., Pasay City

via electronic mail
Philippine Dealing & Exchange Corp.
Attn.: ***Atty. Marie Rose M. Magallen-Lirio***
Head-Issuer Compliance and Disclosures Dept.
Market Regulatory Services Group. 29/F, BDO Equitable Tower,
8751 Paseo de Roxas, Makati City

Re: **Certificate of Permit to Offer Securities for Sale**

Gentlemen:

Please be informed that Alsons Consolidated Resources, Inc. (the "Company") received today from the Securities and Exchange Commission - Markets and Securities Regulations Department a Certificate of Permit to Offer Securities for Sale covering the registration of "ONE BILLION TWO HUNDRED SIXTY-FIVE MILLION PESOS (P1,265,000,000.00) worth of Commercial Papers", copy attached. These securities represent the third (3rd) tranche issuance, and form part, of the Three Billion Pesos (P3,000,000,000.00) Commercial Paper Program of the Company.

Thank you.

Very truly yours,

ALSONS CONSOLIDATED RESOURCES, INC.
By:

JONATHAN F. JIMENEZ
Assistant Corporate Secretary and
Corporate Compliance Officer

Republic of the Philippines
Department of Finance
Securities and Exchange Commission

MARKETS AND SECURITIES REGULATION DEPARTMENT

CERTIFICATE OF PERMIT TO OFFER SECURITIES FOR SALE

THE ISSUANCE OF THIS PERMIT IS PERMISSIVE ONLY AND DOES NOT CONSTITUTE A RECOMMENDATION OR ENDORSEMENT OF THE SECURITIES PERMITTED TO BE ISSUED

THIS IS TO CERTIFY that the securities of

ALSONS CONSOLIDATED RESOURCES, INC.

consisting of ONE BILLION TWO HUNDRED SIXTY FIVE MILLION PESOS (P1,265,000,000.00) worth of Commercial Papers which include the re-issuance of Two Hundred Sixty Five Million (P265,000,000) 182-day Series R Commercial Papers with discount rate of 3.47% per annum and the issuance of One Billion Pesos (P1,000,000,000.00) 364-day Series S Commercial Papers with discount rate of 4.28%, covered under SEC MSRD Order No. 34, Series of 2021, have been registered under the Commercial Paper Program pursuant to the requirements of Sections 8 and 12 of the Securities Regulation Code ("Code"). As such, these securities may now be offered for sale or sold to the public subject to full compliance with the provisions of the said Code and its Implementing Rules and Regulations, as amended, Revised Code of Corporate Governance and other applicable laws and orders as may be issued by the Commission. The 364-day Series S Commercial Papers represent the third tranche that forms part of the Three Billion Pesos (P3,000,000,000.00) Commercial Paper Program of the Company while the 182-day Series R Commercial Papers are a part of a continuous issuance of the first tranche of the said Commercial Paper Program. The permit to sell for the first and second tranches with an aggregate principal amount of One Billion Eight Hundred Sixty Million Pesos (P1,865,000,000.00), worth of Commercial Papers, were issued on 25 June 2021 and 02 November 2021, respectively. Upon full issuance of the aforementioned Commercial Papers, the Three Billion Pesos (P3,000,000,000.00) Commercial Paper Program would have been completely issued and no additional Commercial Papers can be issued under the same program.

Issued at Pasay City, Philippines this 30th day of May Two Thousand and Twenty-two.

VICENTE GRACIANO P. FELIZMENIO, JR.
Director

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-C

CURRENT REPORT UNDER SECTION 17 OF THE SECURITIES REGULATION CODE AND SRC RULE 17.2(c) THEREUNDER

1. **June 13, 2022**
   Date of Report (Date of earliest event reported)

2. SEC Identification Number **59366** 3. BIR Tax Identification No. **001-748-412**

4. **ALSONS CONSOLIDATED RESOURCES, INC.**
   Exact name of issuer as specified in its charter

5. **Philippines**
   Province, country or other jurisdiction of Incorporation
   6. [ ] (SEC Use Only)
   Industry Classification Code:

7. **Alsons Bldg., 2286 Chino Roces Extension, Makati City**
   Address of principal office
   1231
   Postal Code

8. **(632) 8982-3000**
   Issuer's telephone number, including area code

9. **N/A**
   Former name or former address, if changed since last report

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 of Common Stock Outstanding
Common Stock ₱1.00 par value	**6,291,500,000 Shares**

11. Indicate the item numbers reported herein: **Item 9** (Other Events)

We furnish herewith the Commission with the attached ACR's Disclosure Letter re: Clarification of News Report filed with the Philippine Stock Exchange thru its PSE EDGE on even date

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 hereunto duly authorized.

ALSONS CONSOLIDATED RESOURCES, INC.
Issuer

By:

Date **June 13, 2022**

JONATHAN E. JIMENEZ
Assistant Corporate Secretary & Compliance Officer
Signature and Title

Alsons Consolidated Resources, Inc.
(Listed in the Philippine Stock Exchange Trading "ACR")
Alsons Building, 2286 Chino Roces Avenue,
Makati City 1231 Metro Manila, Philippines
Tel. Nos.: (632) 8982-3000; Fax Nos.: (632) 8982-3077
Website: www.acr.com.ph

June 13, 2022

via PSE Edge
Philippine Stock Exchange, Inc.
Attn.: ***Ms. Alexandra D. Tom Wong, Officer-In-Charge***
Disclosure Department Listings and Disclosure Group
9th Floor, PSE Tower, BGC, Taguig City

via electronic mail
Securities & Exchange Commission
Attn.: ***Director Vicente Graciano P. Felizmenio***
Markets and Securities Regulations Department
Secretariat Bldg., PICC Complex, Roxas Blvd., Pasay City

via electronic mail
Philippine Dealing & Exchange Corp.
Attn.: ***Atty. Marie Rose M. Magallen-Lirio***
Head-Issuer Compliance and Disclosures Dept.
Market Regulatory Services Group. 29/F, BDO Equitable Tower,
8751 Paseo de Roxas, Makati City

Gentlemen:

We reply to the Philippine Stock Exchange (PSE) email dated June 13, 2022, with respect to the attached news article entitled "Alsons secures P3.3 billion DBP loan" posted in philSTAR.com on June 11, 2022, which article reported, among others, the following:

"MANILA, Philippines — The Alsons Power Group, the power platform of Alsons Consolidated Resources Inc., has secured a P3.3-billion loan from the Development Bank of the Philippines (DBP) to complete the company's first renewable energy project.

In a statement yesterday, Alsons said it signed a P3.3-billion omnibus loan and security agreement (OLSA) with the state-run bank for its 14.5-megawatt (MW) Siguil Hydro run of river hydroelectric power plant currently under construction in Maasim, Sarangani Province.

. . . ."

We confirm the information written in the above quotations from the said article.

We trust that this sufficiently complies with your requirements. Thank you.

Very truly yours,

JONATHAN F. JIMENEZ
Alsons Consolidated Resources Inc.
Assistant Corporate Secretary
And Compliance Officer

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-C

CURRENT REPORT UNDER SECTION 17
OF THE SECURITIES REGULATION CODE
AND SRC RULE 17.2(c) THEREUNDER

1. **June 27, 2022**
   Date of Report (Date of earliest event reported)

2. SEC Identification Number **59366**   3. BIR Tax Identification No. **001-748-412**

4. **ALSONS CONSOLIDATED RESOURCES, INC.**
   Exact name of issuer as specified in its charter

5. **Philippines**
   Province, country or other jurisdiction of Incorporation
   6. [ ] (SEC Use Only)
   Industry Classification Code:

7. **Alsons Bldg., 2286 Chino Roces Extension, Makati City**   **1231**
   Address of principal office   Postal Code

8. **(632) 8982-3000**
   Issuer's telephone number, including area code

9. **N/A**
   Former name or former address, if changed since last report

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 of Common Stock Outstanding
Common Stock ₱1.00 par value	**6,291,500,000 Shares**

11. Indicate the item numbers reported herein: **Item 9** (Other Events)

Please see attached Press Release
(For PSE Disclosure Form 4-31)

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 hereunto duly authorized.

ALSONS CONSOLIDATED RESOURCES, INC.
Issuer

By:

JONATHAN E. JIMENEZ
Assistant Corporate Secretary & Compliance Officer
Signature and Title

Alsons Consolidated Resources, Inc.
(Listed in the Philippine Stock Exchange Trading "ACR")
Alsons Building, 2286 Chino Roces Avenue,
Makati City 1231 Metro Manila, Philippines
Tel. Nos.: (632) 8982-3000; Fax Nos.: (632) 8982-3077
Website: www.acr.com.ph

June 27, 2022

via PSE Edge
Philippine Stock Exchange, Inc.
Attn.: ***Ms. Alexandra D. Tom Wong,*** *Officer-In-Charge*
Disclosure Department Listings and Disclosure Group
9th Floor, PSE Tower, BGC, Taguig City

via electronic mail
Securities & Exchange Commission
Attn.: ***Director Vicente Graciano P. Felizmenio***
Markets and Securities Regulations Department
Secretariat Bldg., PICC Complex, Roxas Blvd., Pasay City

via electronic mail
Philippine Dealing & Exchange Corp.
Attn.: ***Atty. Marie Rose M. Magallen-Lirio***
Head-Issuer Compliance and Disclosures Dept.
Market Regulatory Services Group. 29/F, BDO Equitable Tower,
8751 Paseo de Roxas, Makati City

Gentlemen:

We furnish the Exchange with a copy of the Press Statement by the Company entitled: **"Alsons lists ₱1.265 Billion third tranche of Commercial Papers with PDEx".**

We trust that you find the foregoing in order.

Very truly yours,

JONATHAN F. JIMENEZ
Assistant Corporate Secretary
and Compliance Officer

Alsons Consolidated Resources, Inc.

PRESS RELEASE

Please Refer to: Philip E.B. Sagun, Deputy Chief Financial Officer, Alsons Consolidated Resources, Inc.
psagun@alcantaragroup.com

Alsons lists ₱1.265 Billion third tranche of Commercial Papers with PDEx

Alsons Consolidated Resources, Inc. (ACR) has listed with the Philippine Dealing and Exchange Corporation (PDEx), the third tranche – worth ₱1.265 billion – of the company's ₱3 billion Commercial Paper (CP) Program.

ACR- the publicly-listed company of the Alcantara Group listed its first tranche of CPs worth ₱1.4 billion in July 2021. The second tranche of CPs worth ₱600 million was listed in November 2021. Proceeds from the issuance will be used primarily for general working capital purposes.

At the listing ceremony, ACR Executive Vice President Tirso G. Santillan, Jr. said, "We at Alsons are now focused on developing several run of river hydroelectric power plants which will be sources of clean, reliable, affordable and renewable energy for the people of Mindanao and the rest of the Southern Philippines. Our commitment to POWER with CARE has been made easier by the opportunity to continue to tap the short-term capital market. For this, we are truly appreciative of our continuing partnership with PDEX."

In the first quarter of this year, ACR received an issuer credit rating upgrade from the Philippine Rating Services Corporation (PhilRatings) advancing to PRS Aa minus (corp.) from PRS A plus (corp). According to PhilRatings, a company with a PRS Aa rating "has a strong capacity to meet its financial commitments relative to other Philippine corporates." Among the factors cited by PhilRatings for the upgrade of ACR's credit rating were: ACR's "planned expansion projects which will further diversify its generation mix"; "the Company's ability to establish joint ventures with strong partners for particular projects"; and ACR's "strong profitability despite the ongoing COVID-19 pandemic."

ACR is Mindanao's first private sector power generator providing electricity to over eight million people in 14 cities and 11 provinces in the country's second largest island. The company currently has a portfolio of four power plants in Mindanao with a total capacity of 468 mega-watts (MW).

ACR is currently constructing a ₱4.5 billion 14.5 MW hydroelectric power plant at the Siguil River basin in Sarangani Province which is expected to begin operating in the second quarter of 2023. The Siguil Hydro Power plant will be the first of eight hydropower facilities that the company plans to develop.

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Alsons Consolidated Resources, Inc.
ACR

PSE Disclosure Form 4-32 - Reply to Exchange's Query

Subject of the Disclosure

Covering Certification for the Quarterly List of Top 100 Stockholders as of June 30, 2022

Description of the Disclosure

Please see attached ACR Secretary's Certificate as a supporting document required for the List of Top 100 Stockholders Report as of June 30, 2022

Information Requested

-

Filed on behalf by:

Name	Jose Saldivar, Jr.
Designation	Finance Manager

REPUBLIC OF THE PHILIPPINES)
CITY OF PARAÑAQUE) S.S.

SECRETARY'S CERTIFICATE

I, **JONATHAN F. JIMENEZ**, Filipino, of legal age, with principal office at Alsons Building, 2286 Chino Roces Avenue, Makati City, after having been sworn according to law, hereby depose and state:

1. I am the duly elected and qualified Assistant Corporate Secretary & Compliance Officer of **ALSONS CONSOLIDATED RESOURCES, INC.** (the "Corporation"), a corporation duly organized and existing under the laws of the Philippines, with principal address at Alsons Building, 2286 Chino Roces Avenue, Makati City and listed on The Philippine Stock Exchange, Inc. since April 12, 1993;

2. As Assistant Corporate Secretary, I have the custody and access to the corporate records of the Corporation, including, but not limited to, the books and records of the transfer agent;

3. Based on the records of the Corporation as of **June 30, 2022** (the "Covered Period"), the Corporation's capital structure is as follows:

Authorized Capital Stock, Common Shares	11,945,000,000
Number, Classes of Shares, Par Value per Share	11,945,000,000, Common, Php1.00
Issued and Outstanding Shares	6,291,500,000
Fully paid Shares	6,291,500,000
Partially Paid Shares	0
Treasury Shares	0
Outstanding Shares	6,291,500,000
Listed Shares	6,291,500,000
Certificated Shares	5,061,708.949

Authorized Capital Stock, Preferred Shares	5,500,000,000
Number, Classes of Shares, Par Value per Share	5,500,000,000, Preferred, Php0.01
Issued and Outstanding Shares	5,500,000,000
Fully paid Shares	0
Partially Paid Shares	5,298,333,300
Treasury Shares	0
Outstanding Shares	0
Listed Shares	0
Certificated Shares	0

4. Based on the records of PDTC as of **June 30, 2022**, there are **1,229,791,051** lodged common shares, broken down, as follows:

PCD Nominee – Filipino	1,178,447,550
PCD Nominee – Non-Filipino	51,343,501

5. All issued shares are duly and validly issued in accordance with existing laws, rules and regulations and are likewise listed in The Philippine Stock Exchange, Inc. ("PSE").

6. All lodged common shares are validly issued and listed on the PSE.

7. The Assistant Corporate Secretary and Compliance Officer is authorized to sign.

JONATHAN F. JIMENEZ
Assistant Corporate Secretary and
Compliance Officer

SUBSCRIBED AND SWORN TO before me this 0 8 JUL 2022, at Paranaque, Philippines, affiant exhibiting to me his TIN 154-892-623.

Atty. Vilma Hilda Villanueva-Fabella
NOTARY PUBLIC
Until December 31, 2022
IBP No. 196528/1-05-2022/PPLM
PTR No. 2910162/1-07-2022/Parañaque
Roll No. 41901
Not. Com. No. 119-2021/1-04-2021

Doc. No. 490;
Page No. 100;
Book No. 11;
Series of 2022.

VILMA HILDA D. VILLANUEVA-FABELLA
NOTARY PUBLIC
PARAÑAQUE CITY

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-C

CURRENT REPORT UNDER SECTION 17
OF THE SECURITIES REGULATION CODE
AND SRC RULE 17.2(c) THEREUNDER

1. August 25, 2022
   Date of Report (Date of earliest event reported)

2. SEC Identification Number 59366 3. BIR Tax Identification No. 001-748-412

4. ALSONS CONSOLIDATED RESOURCES, INC.
   Exact name of issuer as specified in its charter

5. Philippines
   Province, country or other jurisdiction of Incorporation

6. [ ] (SEC Use Only)
   Industry Classification Code:

7. Alsons Bldg., 2286 Chino Roces Extension, Makati City — 1231
   Address of principal office — Postal Code

8. (632) 8982-3000
   Issuer's telephone number, including area code

9. N/A
   Former name or former address, if changed since last report

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 of Common Stock Outstanding
Common Stock ₱1.00 par value	**6,291,500,000 Shares**

11. Indicate the item numbers reported herein: Item 9 (Other Events)

Please see attached SEC Form 17-C disclosure letter on the board approval on the New Commercial Paper Program

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 hereunto duly authorized.

ALSONS CONSOLIDATED RESOURCES, INC.
Issuer

By:

JONATHAN F. JIMENEZ
Assistant Corporate Secretary & Compliance Officer
Signature and Title

Alsons Consolidated Resources, Inc.
(Listed in the Philippine Stock Exchange Trading "ACR")
Alsons Building, 2286 Chino Roces Avenue,
Makati City 1231 Metro Manila, Philippines
Tel. Nos.: (632) 8982-3000; Fax Nos.: (632) 8982-3077
Website: www.acr.com.ph

25 August 2022

via PSE Edge
Philippine Stock Exchange, Inc.
Attn.: ***Ms. Alexandra D. Tom Wong**, Officer-In-Charge*
Disclosure Department Listings and Disclosure Group
9th Floor, PSE Tower, BGC, Taguig City

via electronic mail
Securities & Exchange Commission
Attn.: ***Mr. Vicente Graciano P. Felizmenio**, Director*
Markets and Securities Regulations Department
Secretariat Bldg., PICC Complex, Roxas Blvd., Pasay City

via electronic mail
Philippine Dealing & Exchange Corp.
Attn.: ***Atty. Marie Rose M. Magallen-Lirio**, Head-Issuer*
Compliance and Disclosures Department
Market Regulatory Services Group. 29/F, BDO Equitable Tower,
8751 Paseo de Roxas, Makati City

Re: **Board Approval of the New Commercial Paper Program**

Gentlemen:

This is to inform the Exchange that during its regular board meeting on 25 August 2022, the Board of Directors of Alsons Consolidated Resources, Inc. approved the program for the issuance of new short-term Commercial Paper worth up to Three Billion Pesos (P3,000,000,000.00) to be issued in one or more tranches.

The Board, for this purpose, also authorized the engagement of MIB Capital Corporation as the Financial Advisor, SB Capital Investment Corporation as Underwriter and Issue Manager, Acuña & Francisco Law as Transaction Counsel, AB Capital and Investment Corporation-Trust Investment Division as Facility Agent, and the Philippine Depository & Trust Corp. as Registrar and Paying Agent.

We trust that you will find the foregoing in order.

Thank you.

Very truly yours,

ALSONS CONSOLIDATED RESOURCES, INC.
By:

JONATHAN F. JIMENEZ
Assistant Corporate Secretary and
Corporate Compliance Officer

Alsons Consolidated Resources, Inc.
ACR

PSE Disclosure Form 4-32 - Reply to Exchange's Query

Subject of the Disclosure

Covering Certification for the ACR Quarterly Report on the List of Top 100 Stockholders (Common Shares) as of September 30, 2022

Description of the Disclosure

Please see attached ACR Secretary's Certificate

Information Requested

-

Filed on behalf by:

Name	Jose Saldivar, Jr.
Designation	Finance Manager

REPUBLIC OF THE PHILIPPINES)
CITY OF PARAÑAQUE) S.S.

SECRETARY'S CERTIFICATE

I, **JONATHAN F. JIMENEZ**, Filipino, of legal age, with principal office at Alsons Building, 2286 Chino Roces Avenue, Makati City, after having been sworn according to law, hereby depose and state:

1. I am the duly elected and qualified Assistant Corporate Secretary & Compliance Officer of **ALSONS CONSOLIDATED RESOURCES, INC.** (the "Corporation"), a corporation duly organized and existing under the laws of the Philippines, with principal address at Alsons Building, 2286 Chino Roces Avenue, Makati City and listed on The Philippine Stock Exchange, Inc. since April 12, 1993;

2. As Assistant Corporate Secretary, I have the custody and access to the corporate records of the Corporation, including, but not limited to, the books and records of the transfer agent;

3. Based on the records of the Corporation as of **September 30, 2022** (the "Covered Period"), the Corporation's capital structure is as follows:

Authorized Capital Stock, Common Shares	11,945,000,000
Number, Classes of Shares, Par Value per Share	11,945,000,000, Common, Php1.00
Issued and Outstanding Shares	6,291,500,000
Fully paid Shares	6,291,500,000
Partially Paid Shares	0
Treasury Shares	0
Outstanding Shares	6,291,500,000
Listed Shares	6,291,500,000
Certificated Shares	5,061,708.949

Authorized Capital Stock, Preferred Shares	5,500,000,000
Number, Classes of Shares, Par Value per Share	5,500,000,000, Preferred, Php0.01
Issued and Outstanding Shares	5,500,000,000
Fully paid Shares	5,500,000,000
Partially Paid Shares	0
Treasury Shares	0
Outstanding Shares	0
Listed Shares	0
Certificated Shares	0

4. Based on the records of PDTC as of **September 30, 2022**, there are 1,229,791,051 lodged common shares, broken down, as follows:

PCD Nominee – Filipino	1,178,672,150
PCD Nominee – Non-Filipino	51,118,901

5. All issued shares are duly and validly issued in accordance with existing laws, rules and regulations and are likewise listed in The Philippine Stock Exchange, Inc. ("PSE").

6. All lodged common shares are validly issued and listed on the PSE.

7. The Assistant Corporate Secretary and Compliance Officer is authorized to sign.

JONATHAN F. JIMENEZ
Assistant Corporate Secretary and
Compliance Officer

SUBSCRIBED AND SWORN TO before me this 13 OCT 2022, at Paranaque, Philippines, affiant exhibiting to me his TIN 154-892-623.

Atty. Vilma Hilda Villanueva-Fabella
NOTARY PUBLIC
Until December 31, 2022
IBP No. 196528/1-05-2022/PPLM
PTR No. 2910162/1-07-2022/Parañaque
Roll No. 41901
Not. Com. No. 119-2021/1-04-2021

Doc. No. 356;
Page No. 72;
Book No. 12;
Series of 2022.

VILMA HILDA D. VILLANUEVA-FABELLA
NOTARY PUBLIC
PARAÑAQUE CITY

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-C

CURRENT REPORT UNDER SECTION 17
OF THE SECURITIES REGULATION CODE
AND SRC RULE 17.2(c) THEREUNDER

1. **November 21, 2022**
   Date of Report (Date of earliest event reported)

2. SEC Identification Number **59366**   3. BIR Tax Identification No. **001-748-412**

4. **ALSONS CONSOLIDATED RESOURCES, INC.**
   Exact name of issuer as specified in its charter

5. **Philippines**
   Province, country or other jurisdiction of Incorporation   6. [ ] (SEC Use Only)
   Industry Classification Code:

7. **Alsons Bldg., 2286 Chino Roces Extension, Makati City**   **1231**
   Address of principal office   Postal Code

8. **(632) 8982-3000**
   Issuer's telephone number, including area code

9. **N/A**
   Former name or former address, if changed since last report

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 of Common Stock Outstanding
Common Stock ₱1.00 par value	**6,291,500,000 Shares**

11. Indicate the item numbers reported herein: **Item 9** (Other Events)

Please see attached Press Release
(For PSE Disclosure Form 4-31)

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 hereunto duly authorized.

ALSONS CONSOLIDATED RESOURCES, INC.
Issuer

By:

JONATHAN E. JIMENEZ
Assistant Corporate Secretary & Compliance Officer
Signature and Title

Alsons Consolidated Resources, Inc.
(Listed in the Philippine Stock Exchange Trading "ACR")
Alsons Building, 2286 Chino Roces Avenue,
Makati City 1231 Metro Manila, Philippines
Tel. Nos.: (632) 8982-3000; Fax Nos.: (632) 8982-3077
Website: www.acr.com.ph

November 21, 2022

via PSE Edge
Philippine Stock Exchange, Inc.
Attn.: ***Ms. Alexandra D. Tom Wong**, Officer-In-Charge*
Disclosure Department Listings and Disclosure Group
9th Floor, PSE Tower, BGC, Taguig City

via electronic mail
Securities & Exchange Commission
Attn.: ***Director Vicente Graciano P. Felizmenio***
Markets and Securities Regulations Department
Secretariat Bldg., PICC Complex, Roxas Blvd., Pasay City

via electronic mail
Philippine Dealing & Exchange Corp.
Attn.: ***Atty. Marie Rose M. Magallen-Lirio***
Head-Issuer Compliance and Disclosures Dept.
Market Regulatory Services Group. 29/F, BDO Equitable Tower,
8751 Paseo de Roxas, Makati City

Gentlemen:

We furnish the Exchange with a copy of the Press Statement by the Company entitled: **"Alsons Net Earnings Up by 18% at ₱1.35 billion in the first nine months of 2022."**

We trust that you find the foregoing in order.

Very truly yours,

JONATHAN F. JIMENEZ
Assistant Corporate Secretary
and Compliance Officer

Alsons Consolidated Resources, Inc.

PRESS RELEASE

Please Refer to: Philip E.B. Sagun, Deputy Chief Financial Officer and Head of Investor Relations,
Alsons Consolidated Resources, Inc. psagun@alcantaragroup.com

Alsons Net Earnings Up by 18% at ₱1.35 billion in the first nine months of 2022

Alsons Consolidated Resources Inc., (ACR) posted an 18% increase in net earnings for the first nine months of 2022, to ₱1.35 billion from the ₱1.14 billion recorded in the first nine months of 2021. Net earnings for the third quarter of 2022 surged over 140% to ₱658.22 million from ₱272.93 million in the same period last year.

The publicly-listed company of the Alcantara Group reported 2022 revenues of ₱9.25 billion for the first nine months and ₱3.85 billion in the third quarter. Revenue for this year was higher than 2021's nine-month revenue of ₱7.05 billion and third quarter revenue of ₱2.42 billion.

The steady rise in revenues from operations during this period was mainly due to the constant improvement in power demand in Mindanao, as day to day activities in the island continue to normalize and recover from the effects of the pandemic. "We expect power demand in Mindanao to be stable for the rest of the year," said ACR Deputy Chief Financial Officer Philip Edward B. Sagun.

ACR's 210 mega-watt (MW) Sarangani Energy Corporation (SEC) baseload power plant continued to be the key revenue and income driver for the company. SEC currently provides power to key areas in Mindanao including Sarangani Province, General Santos, Cagayan de Oro, Iligan, Dipolog, Dapitan, Pagadian, Samal, Tagum, Kidapawan, and Butuan.

Another key revenue contributor for ACR for this period was the continuing operation of the company's 100 MW Western Mindanao Power Corporation (WMPC) diesel plant in Zamboanga City. WMPC is the only major power generation facility in the Zamboanga Peninsula, providing power to Zamboanga City and supplying vital ancillary services to the National Grid Corporation of the Philippines to help stabilize the power grid in the Western Mindanao Region.

ACR is now focused on building up its renewable energy capacity in the next few years, with around eight run-of-river hydroelectric power facilities in the company's pipeline. The first of these hydroelectric power plants is the 14.5 MW Siguil Hydro power plant currently under construction in Maasim, Sarangani, which is targeting to begin operations in 2023.

The next two hydro power facilities slated for development are a hydro power project in Zamboanga del Norte with a capacity of up to 21 MW, and a hydro power project in the Bago River in Negros Occidental with a planned capacity of up to 42 MW. "...Eventually, renewable energy sources will comprise at least half of ACR's long-term energy mix," ACR Chairman and President Nicasio I. Alcantara stated earlier this year.

The company which is Mindanao's first private-sector power generator, currently has a portfolio of four power facilities with an aggregate capacity of 468 MW serving over eight million people in 14 cities and 11 provinces in the country's second largest island.

###

Disclaimer: This press release may contain some statements which constitute "forward-looking statements" that are subject to a number of risks and opportunities that could affect the Company's business and results of operations. Although the Company believes that expectations reflected in any forward-looking statements are reasonable, it can give no guarantee of future performance, action, or events.

CR07732-2022

Alsons Consolidated Resources, Inc.
ACR

PSE Disclosure Form 17-18 - Other SEC Forms/Reports/Requirements

Form/Report Type	ACR Advisement Letter on Attendance of Directors and Officers in Corporate Governance Training
Report Period/Report Date	Nov 29, 2022

Description of the Disclosure

Please see attached Certificates of participation.

Filed on behalf by:

Name	Jose Saldivar, Jr.
Designation	Finance Manager

Alsons Consolidated Resources, Inc.
(Listed in the Philippine Stock Exchange Trading "ACR")
Alsons Building, 2286 Chino Roces Avenue,
Makati City 1231 Metro Manila, Philippines
Tel. Nos.: (632) 8982-3000; Fax Nos.: (632) 8982-3077
Website: www.acr.com.ph

November 29, 2022

via PSE Edge
Philippine Stock Exchange, Inc.
Attn.: ***Ms. Alexandra D. Tom Wong,*** Officer-In-Charge
Disclosure Department Listings and Disclosure Group
9th Floor, PSE Tower, BGC, Taguig City

via electronic mail
Securities & Exchange Commission
Attn.: ***Dir. Vicente Graciano P. Felizmenio, Jr.***
Markets and Securities Regulation Department
Attn.: ***Dir. Rachel Esther J. Gumtang-Remalante***
Corporate Governance and Finance Department
Secretariat Bldg., PICC Complex, Roxas Blvd., Pasay City

via electronic mail
Philippine Dealing & Exchange Corp.
Attn.: ***Atty. Marie Rose M. Magallen-Lirio***
Head-Issuer Compliance and Disclosures Dept.
Market Regulatory Services Group. 29/F, BDO Equitable Tower,
8751 Paseo de Roxas, Makati City

Re : **ACGR Advisement Letter on Corporate Governance**

Gentlemen:

In compliance with the requirements of the Securities and Exchange Commission (**"SEC"**) Memorandum Circular No. 20 Series of 2013, Alsons Consolidated Resources, Inc.'s (**"ACR"**) directors and key officers as cited below, attended a **Corporate Governance** on "SEC Updates' and "Economic Briefing" via Zoom on November 24, 2022, Thursday, conducted by the Center for Global Best Practices (CGBP), a corporate governance training provider accredited by the SEC.

1.	Nicasio I. Alcantara	Director, Chairman of the Board of Directors and President
2.	Tomas I. Alcantara	Director
3.	Editha I. Alcantara	Director, Vice-Chair & Treasurer
4.	Alejandro I. Alcantara	Director
5.	Tirso G. Santillan, Jr	Director, Executive Vice President
6.	Arturo B. Diago, Jr.	Director
7.	Jose Ben R. Laraya	Independent Director
8.	Jacinto C. Gavino, Jr	Independent Director
9.	Thomas G. Aquino	Independent Director

10.	Antonio Miguel B. Alcantara	Chief Investment and Strategy Officer
11.	Alexander Benhur M. Simon	VP & Group Chief Finance Officer
12.	Philip Edward B. Sagun	Deputy Chief Finance Officer
13.	Alexis B. Dela Cuesta	Internal Auditor
14.	Carina U. Matutina	Comptroller
15.	Jose D. Saldivar, Jr.	Finance Manager
16.	Jonathan F. Jimenez	Assistant Corporate Secretary, Data Protection Officer and Compliance Officer

The ACR Corporate Secretary, Atty. Ana Maria Margarita A. Katigbak-Lim, attended her separate zoom webinar last August 4, 2022, conducted by Risks, Opportunities, Assessment and Management (ROAM), Inc.; while Mr. Honorio A. Poblador III, a director, attended his Corporate Governance Webinar on September 27, 2022, which was also conducted by ROAM, Inc.

Pursuant to SEC Memorandum Circular Nos. 1 and 13, Series of 2014, we hereby submit this Advisement Letter and copies of the certificates which will serve to update item 6 on the Orientation and Education Program of ACR Annual Corporate Governance report.

Very truly yours,

ALSONS CONSOLIDATED RESOURCES, INC.
By:

JONATHAN F. JIMENEZ
Assistant Corporate Secretary and
Compliance Officer

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-C

**CURRENT REPORT UNDER SECTION 17
OF THE SECURITIES REGULATION CODE
AND SRC RULE 17.2(c) THEREUNDER**

1. **December 1, 2022**
   Date of Report (Date of earliest event reported)

2. SEC Identification Number **59366** 3. BIR Tax Identification No. **001-748-412**

4. **ALSONS CONSOLIDATED RESOURCES, INC.**
   Exact name of issuer as specified in its charter

5. **Philippines**
   Province, country or other jurisdiction of Incorporation 6. [ ] (SEC Use Only)
   Industry Classification Code:

7. **Alsons Bldg., 2286 Chino Roces Extension, Makati City** **1231**
   Address of principal office Postal Code

8. **(632) 8982-3000**
   Issuer's telephone number, including area code

9. **N/A**
   Former name or former address, if changed since last report

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 of Common Stock Outstanding
Common Stock ₱1.00 par value	**6,291,500,000 Shares**

11. Indicate the item numbers reported herein: **Item 9** (Other Events)

We furnish herewith the Commission with the attached ACR's Disclosure Letter re: Clarification of News Report filed with the Philippine Stock Exchange thru its PSE EDGE on even date

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 hereunto duly authorized.

ALSONS CONSOLIDATED RESOURCES, INC.
Issuer

By:

JONATHAN E. JIMENEZ
Assistant Corporate Secretary & Compliance Officer
Signature and Title

Date **December 01, 2022**

Alsons Consolidated Resources, Inc.
(Listed in the Philippine Stock Exchange Trading "ACR")
Alsons Building, 2286 Chino Roces Avenue,
Makati City 1231 Metro Manila, Philippines
Tel. Nos.: (632) 8982-3000; Fax Nos.: (632) 8982-3077
Website: www.acr.com.ph

December 1, 2022

via PSE Edge
Philippine Stock Exchange, Inc.
Attn.: ***Ms. Alexandra D. Tom Wong, Officer-In-Charge***
Disclosure Department Listings and Disclosure Group
9th Floor, PSE Tower, BGC, Taguig City

via electronic mail
Securities & Exchange Commission
Attn.: ***Director Vicente Graciano P. Felizmenio***
Markets and Securities Regulations Department
Secretariat Bldg., PICC Complex, Roxas Blvd., Pasay City

via electronic mail
Philippine Dealing & Exchange Corp.
Attn.: ***Atty. Marie Rose M. Magallen-Lirio***
Head-Issuer Compliance and Disclosures Dept.
Market Regulatory Services Group. 29/F, BDO Equitable Tower,
8751 Paseo de Roxas, Makati City

Gentlemen:

We reply to the Philippine Stock Exchange (PSE) email dated December 1, 2022, with respect to the attached news article entitled "Alsons secures SC nod for diesel plants acquisition" posted in Malaya Business Insight (Online Edition) on December 1, 2022, which article reported, among others, the following:

"Alsons Consolidated Resources Inc. (ACR) through its energy arm Alsons Power Group said the Supreme Court (SC) recently upheld its decision on the Commission on Audit's (COA) approval of the Iligan City government's sale of two diesel power plants to the group's Conal Holdings Corp. (CHC) in 2012.

The company said the SC en banc dismissed a petition that questioned COA's approval of the negotiated sale of the diesel plants by the city government in a resolution dated last August and made public last October.

Alsons Power said SC's decision was needed as there was a petition filed to oppose the sale of the diesel assets to CHC, alleging the sale of the diesel plants with a combined capacity of up to 103 megawatts (MW) had given unwarranted benefit to the company. The petition also alleged the valuation method made by COA was incorrect.

. . . .

'The SC's decision en banc validates the agreement we reached with the city government. Upon the COA's approval of the sale, we were able to rehabilitate and operate the MPC Iligan diesel power plants just in time to deliver much needed power to Iligan city and other key areas in Mindanao during the May 2013 elections,' said Tirso Santillan, Jr., Alsons Power chief executive officer and MPC president, in a statement.

.. . . ."

We confirm the information written in the above quotations from the said article.

We trust that this sufficiently complies with your requirements. Thank you.

Very truly yours,

JONATHAN F. JIMENEZ
Alsons Consolidated Resources Inc.
Assistant Corporate Secretary
And Compliance Officer

Alsons secures SC nod for diesel plants acquisition

Malaya Business Insight

Alsons Consolidated Resources Inc. (ACR) through its energy arm Alsons Power Group said the Supreme Court (SC) recently upheld its decision on the Commission on Audit's (COA) approval of the Iligan City government's sale of two diesel power plants to the group's Conal Holdings Corp. (CHC) in 2012.

The company said the SC en banc dismissed a petition that questioned COA's approval of the negotiated sale of the diesel plants by the city government in a resolution dated last August and made public last October.

Alsons Power said SC's decision was needed as there was a petition filed to oppose the sale of the diesel assets to CHC, alleging the sale of the diesel plants with a combined capacity of up to 103 megawatts (MW) had given unwarranted benefit to the company. The petition also alleged the valuation method made by COA was incorrect.

At present, the power plants are owned and operated by ACR's Mapalad Power Corp. (MPC), which began operating in 2013, after securing COA's September 2012 approval of the validity of the sale.

"The SC's decision en banc validates the agreement we reached with the city government. Upon the COA's approval of the sale, we were able to rehabilitate and operate the MPC Iligan diesel power plants just in time to deliver much needed power to Iligan city and other key areas in Mindanao during the May 2013 elections," said Tirso Santillan, Jr., Alsons Power chief executive officer and MPC president, in a statement.

The company said the two diesel plants were originally developed, built and operated in the 1990s by the Alcantara Group's Alsons International, Inc., a forerunner of Alsons Power and operated as the Northern Mindanao Power Corp. under two build, operate, transfer, (BOT) agreements with the National Powe r Corporation (NPC).

At the end of the BOT period, ownership and possession of both plants were turned over to NPC in 2003 and 2004 that were subsequently acquired by the city government of Iligan prior to their sale to CHC in 2012. – ***Jed Macapagal***

Alsons Consolidated Resources, Inc.
ACR

PSE Disclosure Form 4-30 - Material Information/Transactions
References: SRC Rule 17 (SEC Form 17-C) and
Sections 4.1 and 4.4 of the Revised Disclosure Rules

Subject of the Disclosure

SEC-MSRD Order of Registration of Commercial Papers and Permit to Offer Securities for Sale

Background/Description of the Disclosure

Please see attached.

Other Relevant Information

-

Filed on behalf by:

Name	Jose Saldivar, Jr.
Designation	Finance Manager

Alsons Consolidated Resources, Inc.
(Listed in the Philippine Stock Exchange Trading Symbol "ACR")
2nd Floor, Alsons Building
2286 Chino Roces Ext., (formerly P. Tamo Ext.,) Makati City
1231 Metro Manila Philippines
Tel. Nos.: (632) 982-3000 Fax Nos.: (632) 982-3077
Website: www.acr.com.ph

15 December 2022

via PSE Edge
Philippine Stock Exchange, Inc.
Attn.: ***Ms. Alexandra D. Tom Wong, Officer-In-Charge***
Disclosure Department Listings and Disclosure Group
9th Floor, PSE Tower, BGC, Taguig City

via electronic mail
Securities & Exchange Commission
Attn.: ***Director Vicente Graciano P. Felizmenio***
Markets and Securities Regulations Department
Secretariat Bldg., PICC Complex, Roxas Blvd., Pasay City

via electronic mail
Philippine Dealing & Exchange Corp.
Attn.: ***Atty. Marie Rose M. Magallen-Lirio***
Head-Issuer Compliance and Disclosures Dept.
Market Regulatory Services Group. 29/F, BDO Equitable Tower,
8751 Paseo de Roxas, Makati City

Re: **Order of Registration and Certificate of Permit to Sell**

Gentlemen:

We are furnishing the Exchange with the copy of the Securities and Exchange Commission-MSRD Order of Registration of Commercial Papers and Certificate of Permit to Offer Securities For Sale issued to Alsons Consolidated Resources, Inc., which we received thru electronic mail dated December 15, 2022. covering the registration of ONE BILLION ONE HUNDRED THIRTY FIVE MILLION PESOS (₱1,135,000,000.00) worth of Commercial Papers consisting of 182-day Series T Commercial Papers. The foregoing represents the first (1st) tranche of commercial papers that forms part of the Three Billion Pesos (₱3,000,000,000.00) Commercial Paper Program.

Thank you,

ALSONS CONSOLIDATED RESOURCES, INC.
By:

JONATHAN F. JIMENEZ
Assistant Corporate Secretary and
Corporate Compliance Officer

Republic of the Philippines
Department of Finance
Securities and Exchange Commission

Markets and Securities Regulation Department

IN THE MATTER OF	:	SEC MSRD Order No. 90
	:	Series of 2022
ALSONS CONSOLIDATED RESOURCES, INC. - Registrant -	:	**Registration of Commercial Papers**

x - x

ORDER OF REGISTRATION

Upon consideration of the Registration Statement and other papers and documents attached thereto ("Registration Statement") which were filed on behalf of **ALSONS CONSOLIDATED RESOURCES, INC.**, the Commission, resolved in its meeting on 6 December 2022 to favorably consider the same for the registration of Commercial Paper Program in the aggregate principal amount of up to **Three Billion Pesos (₱3,000,000,000.00)** worth of Commercial Papers to be issued and offered for sale to the general public in one or more tranches within a period of three (3) years reckoned from the date of effectivity of the Registration Statement, pursuant to Sections 8 and 12 of the Securities Regulation Code.

The first tranche shall be comprised of a base principal amount of **One Billion One Hundred Thirty Five Million Pesos (₱1,135,000,000.00) worth of Commercial Papers** to be issued and offered for sale to the public.

These Commercial Papers will be listed and traded at the Philippine Dealing & Exchange Corporation (PDEx).

In this regard and after determining that the company has complied with the required submissions as directed in the Pre-Effective Letter issued on 7 December 2022, **the subject Registration Statement is now rendered effective.**

Let a **Certificate of Permit to Offer Securities for Sale** be issued in favor of subject company authorizing the sale and distribution of the aforementioned securities.

Let this **Order** be published at the expense of the Issuer in a newspaper of general circulation and uploaded in its website within two (2) business days from its issuance. The company is hereby directed to furnish the Commission with a copy of the affidavit of publication of this Order.

SO ORDERED.

Makati City, Philippines;
15 December 2022.

VICENTE GRACIANO P. FELIZMENIO, JR.
Director

Republic of the Philippines
Department of Finance
Securities and Exchange Commission

MARKETS AND SECURITIES REGULATION DEPARTMENT

CERTIFICATE OF PERMIT TO OFFER SECURITIES FOR SALE

THE ISSUANCE OF THIS PERMIT IS PERMISSIVE ONLY AND DOES NOT CONSTITUTE A RECOMMENDATION OR ENDORSEMENT OF THE SECURITIES PERMITTED TO BE ISSUED

THIS IS TO CERTIFY that the securities of

ALSONS CONSOLIDATED RESOURCES, INC.

consisting of ONE BILLION ONE HUNDRED THIRTY FIVE MILLION PESOS (P1,135,000,000.00) worth of Commercial Papers consisting of 182-day Series T Commercial Papers with discount rate of 6.3328% per annum and 364-day Series U Commercial Papers with discount rate of 7.1265% covered under SEC MSRD Order No. 90, Series of 2022 have been registered under the Commercial Paper Program pursuant to the requirements of Sections 8 and 12 of the Securities Regulation Code ("Code"). As such, these securities may now be offered for sale or sold to the public subject to full compliance with the provisions of the said Code and its Implementing Rules and Regulations, as amended, Revised Code of Corporate Governance and other applicable laws and orders as may be issued by the Commission. The foregoing Commercial Papers represent the first (1st) tranche commercial papers that forms part of the Three Billion Pesos (P3,000,000,000.00) Commercial Paper Program.

Issued at Makati City, Philippines this 15th day of December Two Thousand and Twenty-two.

VICENTE GRACIANO P. FELIZMENIO, JR.
Director

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-C

CURRENT REPORT UNDER SECTION 17
OF THE SECURITIES REGULATION CODE
AND SRC RULE 17.2(c) THEREUNDER

1. **December 23, 2022**
   Date of Report (Date of earliest event reported)

2. SEC Identification Number **59366** 3. BIR Tax Identification No. **001-748-412**

4. **ALSONS CONSOLIDATED RESOURCES, INC.**
   Exact name of issuer as specified in its charter

5. **Philippines**
   Province, country or other jurisdiction of Incorporation

6. [ ] (SEC Use Only)
   Industry Classification Code:

7. **Alsons Bldg., 2286 Chino Roces Extension, Makati City** **1231**
   Address of principal office Postal Code

8. **(632) 8982-3000**
   Issuer's telephone number, including area code

9. **N/A**
   Former name or former address, if changed since last report

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 of Common Stock Outstanding
Common Stock ₱1.00 par value	**6,291,500,000 Shares**

11. Indicate the item numbers reported herein: **Item 9** (Other Events)

Please see attached Press Release
(For PSE Disclosure Form 4-31)

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 hereunto duly authorized.

ALSONS CONSOLIDATED RESOURCES, INC.
Issuer

By:

JONATHAN E. JIMENEZ
Assistant Corporate Secretary & Compliance Officer
Signature and Title

Alsons Consolidated Resources, Inc.
(Listed in the Philippine Stock Exchange Trading "ACR")
Alsons Building, 2286 Chino Roces Avenue,
Makati City 1231 Metro Manila, Philippines
Tel. Nos.: (632) 8982-3000; Fax Nos.: (632) 8982-3077
Website: www.acr.com.ph

December 23, 2022

via PSE Edge
Philippine Stock Exchange, Inc.
Attn.: ***Ms. Alexandra D. Tom Wong***, *Officer-In-Charge*
Disclosure Department Listings and Disclosure Group
9th Floor, PSE Tower, BGC, Taguig City

via electronic mail
Securities & Exchange Commission
Attn.: ***Director Vicente Graciano P. Felizmenio***
Markets and Securities Regulations Department
Secretariat Bldg., PICC Complex, Roxas Blvd., Pasay City

via electronic mail
Philippine Dealing & Exchange Corp.
Attn.: ***Atty. Marie Rose M. Magallen-Lirio***
Head-Issuer Compliance and Disclosures Dept.
Market Regulatory Services Group. 29/F, BDO Equitable Tower,
8751 Paseo de Roxas, Makati City

Gentlemen:

We furnish the Exchange with a copy of the Press Statement by the Company entitled: **"Alsons lists first tranche of P3 billion Commercial Papers with PDEx."**

We trust that you find the foregoing in order.

Very truly yours,

JONATHAN F. JIMENEZ
Assistant Corporate Secretary
and Compliance Officer

Alsons Consolidated Resources, Inc.

PRESS RELEASE

Please Refer to: Philip E.B. Sagun, Deputy Chief Financial Officer, Alsons Consolidated Resources, Inc.
psagun@alcantaragroup.com

Alsons lists first tranche of ₱3 billion Commercial Papers with PDEx

Alsons Consolidated Resources, Inc. (ACR) has listed with the Philippine Dealing and Exchange Corporation (PDEx), ₱620 million from the first tranche of the company's ₱3 billion Commercial Paper (CP) Program.

This is the third CP Program for the publicly-listed company of the Alcantara Group which had its first CP issuance in 2018. Proceeds from the issuance will be used primarily for general working capital purposes.

At the listing ceremony, ACR Chairman and President Nicasio I. Alcantara said, "Our continuing partnership with PDEx has helped us in fulfilling our commitment to provide clean, reliable, affordable and renewable energy for the people of Mindanao and key areas of the Visayas." Mr Alcantara continued," In the coming years, renewable energy will comprise at least half of ACR's energy portfolio. The steadfast support of partners like you has helped make all this possible, while allowing us as well to provide investors with an attractive alternative investment outlet thru our CP issuances".

The company is now focused on building up its renewable energy capacity in the next few years, with around eight run-of-river hydroelectric power facilities in the company's pipeline. The first of these hydroelectric power plants is the 14.5 mega-watt (MW) Siguil Hydro power plant currently under construction in Maasim, Sarangani Province, which is targeting to begin operations in 2023.

ACR is Mindanao's first private sector power generator providing electricity to over eight million people in 14 cities and 11 provinces in the country's second largest island. The company currently has a portfolio of four power plants in Mindanao with a total capacity of 468 MW.

In the first quarter of this year, ACR received an issuer credit rating upgrade from the Philippine Rating Services Corporation (PhilRatings) advancing to PRS Aa minus (corp.) from PRS A plus (corp). According to PhilRatings, a company with a PRS Aa rating "has a strong capacity to meet its financial commitments relative to other Philippine corporates." Among the factors cited by PhilRatings for the upgrade of ACR's credit rating were: ACR's "planned expansion projects which will further diversify its generation mix" and the company's "ability to establish joint ventures with strong partners for particular projects."

###

Disclaimer: This press release may contain some statements which constitute "forward-looking statements" that are subject to a number of risks and opportunities that could affect the Company's business and results of operations. Although the Company believes that expectations reflected in any forward-looking statements are reasonable, it can give no guarantee of future performance, action, or events.

Annual Corporate Governance Report (ACGR)
Consolidated Changes for the year 2022

CR03598-2022

SECURITIES AND EXCHANGE COMMISSION

SEC FORM - I-ACGR

INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT

1. For the fiscal year ended
   Dec 31, 2021
2. SEC Identification Number
   59366
3. BIR Tax Identification Number
   001-748-412
4. Exact name of issuer as specified in its charter
   ALSONS CONSOLIDATED RESOURCES, INC.
5. Province, country or other jurisdiction of incorporation
   Philippines
6. Industry Classification Code(SEC Use Only)

7. Address of principal office
   2286 CHINO ROCES AVENUE (FORMERLY PASONG TAMO EXT) MAKATI CITY
   Postal Code
   1231
8. Issuer's telephone number, including area code
   89823060
9. Former name, former address, and former fiscal year, if changed since last report
   I-ACGR

Alsons Consolidated Resources, Inc.
ACR

PSE Disclosure Form I-ACGR - Integrated Annual Corporate Governance Report
Reference: SEC Code of Corporate Governance for Publicly-Listed Companies, PSE Corporate Governance Guidelines, and ASEAN Corporate Governance Scorecard

Description of the Disclosure

Please see attached 2021 Integrated Annual Corporate Governance Report (I-ACGR) of Alsons Consolidated Resources, Inc.

Filed on behalf by:

Name	Jose Saldivar, Jr.
Designation	Finance Manager

Securities and Exchange Commission

SEC FORM – I-ACGR

INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT

1. For the fiscal year ended **December 31, 2021**

2. SEC Identification Number **59366** 3. BIR Tax Identification No. **001-748-412**

4. Exact name of issuer as specified in its charter **ALSONS CONSOLIDATED RESOURCES, INC.**

5. Province, Country or other jurisdiction of incorporation
Metro Manila, Philippines

6. ______ (SEC Use Only)
Industry Classification Code:

7. **ALSONS Bldg., 2286 Chino Roces Avenue, Makati City**
Address of principal office
1231
Postal Code

8. **(+632) 8982-3000**
Issuer's telephone number, including area code

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

	Compliant/ Non-Compliant	Additional Information	Explanation
The Board's Governance Responsibilities			
" Principle 1: The company should be headed by a competent, working board to foster the long-term success of the corporation, and to sustain its competitiveness and profitability in a manner consistent with its corporate objectives and the long-term best interests of its shareholders and other stakeholders."			
Recommendation 1.1			
"1. The Board is composed of directors with a collective working knowledge, experience or expertise that is relevant to the company's industry/sector."	Compliant	As set forth in the Company's Information Statement pursuant to section 20 of the Securities Regulation Code ("20-IS"), filed with the Commission, and found in www.acr.com.ph/filings.php as "I. Definitive Information-Statement & Management Report", pages 9 through 13, the Company's Directors have a collective working knowledge, experience or expertise that is relevant to the company's industry/sector, the Board has an appropriate mix of competence and expertise, and the Directors remain qualified for their positions individually and collectively, to enable them to fulfill its roles and responsibilities and respond to the needs of the organization	
"2. Board has an appropriate mix of competence and expertise"	Compliant		
"3. Directors remain qualified for their positions individually and collectively, to enable them to fulfill its roles and responsibilities and respond to the needs of the organization."	Compliant		
Recommendation 1.2			
"1. Board is composed of a majority of non-executive directors.	Compliant	Of the Company's 11 Directors, only 3 are "executive directors", i.e. (1) the Chairman & President, (2) the Treasurer, and (3) the Executive Vice President.	
Recommendation 1.3			
"1. Company provides in its Board Charter and Manual on Corporate Governance a policy on training of directors."	Compliant	In www.acr.com.ph/corp_governance.php, the Company's New Manual on Corporate Governance, 1.3, provides that "The Company shall train its Directors, and provide an orientation program for first-time Directors and relevant annual continuing training for all Directors." The Company also ensures that all of its Directors attend an annual corporate governance seminar.	
"2. Company has an orientation program for first time directors."	Compliant		
"3. Company has relevant annual continuing training for all directors."	Compliant		
Recommendation 1.4			
"1. Board has a policy on board diversity."	Compliant	The Company's Board approved its Board Diversity Policy on 24 April 2017 along with the New Corporate Governance Manual, found in www.acr.com.ph/corp_governance.php.	
Optional Recommendation 1.4			
"1. Company has a policy on and discloses measurable objectives for implementing its board diversity and reports on progress in achieving its objectives."	Compliant	The Company's Board Diversity Policy of 24 April 2017, attached to the New Manual on Corporate Governance, found in www.acr.com.ph/corp_governance.php, shows the Company has a policy on, and discloses, measurable	

Recommended CG Practice/Policy	Compliant/Non Compliant	Additional Information	Explanation
		objectives for implementing its board diversity, and reports on progress in achieving its objectives.	
Recommendation 1.5			
"1. Board is assisted by a Corporate Secretary."	Compliant	As set forth in the Company's articles and by-laws, as amended, and its GISs, all found at www.acr.com.ph, the Board always appoints a Corporate Secretary who assists the Board, but who is not the Compliance Officer, or a Director, and who attends the annual corporate governance seminars. The qualifications and duties of the Corporate Secretary are set forth in the Company's New Manual on Corporate Governance, found in www.acr.com.ph/corp_governance.php, 1.5.	
"2. Corporate Secretary is a separate individual from the Compliance Officer."	Compliant		
"3. Corporate Secretary is not a member of the Board of Directors."	Compliant		
"4. Corporate Secretary attends training/s on corporate governance."	Compliant		
Recommendation 1.6			
"1. Board is assisted by a Compliance Officer."	Compliant	As set forth in the Company's filings and disclosures, all found at www.acr.com.ph, the Board – since the requirement was imposed – always appoints a Compliance Officer who assists the Board, who has a rank of Senior Vice President or an equivalent position with adequate stature and authority in the Company, who is not a Director, and who attends the annual corporate governance seminars. The qualifications and duties of the Compliance Officer are set forth in the Company's New Manual on Corporate Governance, found in www.acr.com.ph/corp_governance.php, 1.6.	
"2. Compliance Officer has a rank of Senior Vice President or an equivalent position with adequate stature and authority in the corporation."	Compliant		
"3. Compliance Officer is not a member of the board."	Compliant		
"4. Compliance Officer attends training/s on corporate governance."	Compliant		
"Principle 2: The fiduciary roles, responsibilities and accountabilities of the Board as provided under the law, the company's articles and by-laws, and other legal pronouncements and guidelines should be clearly made known to all directors as well as to stockholders and other stakeholders."			
Recommendation 2.1			
"1. Directors act on a fully informed basis, in good faith, with due diligence and care, and in the best interest of the company."	Compliant	As set forth in the Company's filings and disclosures, all found at www.acr.com.ph, the Board acts on a fully informed basis, in good faith, with due diligence and care, and in the best interest of the Company.	
Recommendation 2.2			
"1. Board oversees the development, review and approval of the company's business objectives and strategy."	Compliant	As set forth in the Company's filings and disclosures, all found at www.acr.com.ph, the Board oversees and/or monitors the development, review, approval, and implementation of the Company's business objectives and strategy.	
"2. Board oversees and monitors the implementation of the company's business objectives and strategy."			
Supplement to Recommendation 2.2			
"1. Board has a clearly defined and updated	Compliant	The Company's vision, mission, and core values are all	

Recommended CG Practice/Policy	Compliant/Non-Compliant	Additional Information	Explanation
vision, mission and core values."		found at www.acr.com.ph/mission_vision.php.	
"2. Board has a strategy execution process that facilitates effective management performance and is attuned to the company's business environment, and culture."	Compliant	The Board's strategy execution process involves overseeing and/or monitoring the development, review, approval, and implementation of the Company's business objectives and strategy, which process facilitates effective management performance, and is attuned to the Company's business environment, and culture.	
Recommendation 2.3			
"1. Board is headed by a competent and qualified Chairperson."	Compliant	As set forth in the 20-IS, and found in www.acr.com.ph/filings.php, the Board is headed by a competent and qualified Chairman, Mr. Tomas I. Alcantara.	
Recommendation 2.4			
"1. Board ensures and adopts an effective succession planning program for directors, key officers and management."	Compliant	The Company's New Manual on Corporate Governance, found in www.acr.com.ph/corp_governance.php, 2.4, states: "Subject to the Company's size, risk profile and complexity of operations, the Board may include in this program a retirement age for Directors and Officers as part of Management succession and to promote dynamism in the Company."	
"2. Board adopts a policy on the retirement for directors and key officers."			
Recommendation 2.5			
"1. Board aligns the remuneration of key officers and board members with long-term interests of the company."	Compliant	The New Manual on Corporate Governance, in www.acr.com.ph/corp_governance.php, 2.5, states: "Subject to the Company's size, risk profile and complexity of operations, the Board may align the remuneration of Officers with the Company's long-term interests, and adopt a policy specifying the relationship between remuneration and performance. The By-Laws shall govern the remuneration of Directors." Currently, the Company's "key officers and board members" are NOT employees of the Company, and the remuneration of all Directors and some key officers consists solely of fixed per diem (Board Resolution N° ACR 2012/III-03, ratified by the stockholders on 18 May 2012).	
"2. Board adopts a policy specifying the relationship between remuneration and performance."			
"3. Directors do not participate in discussions or deliberations involving his/her own remuneration."			
Optional: Recommendation 2.5			
"1. Board approves the remuneration of senior executives."	Compliant	The Company's New Manual on Corporate Governance, found in www.acr.com.ph/corp_governance.php, 2.5, first sentence, states: "Subject to the Company's size, risk profile and complexity of operations, the Board may	
"2. Company has measurable standards to align the performance-based			

Recommended CG Practice/Policy	Compliant/Non-Compliant	Additional Information	Explanation
remuneration of the executive directors and senior executives with long-term interest, such as claw back provision and deferred bonuses."		align the remuneration of Officers with the Company's long-term interests, and adopt a policy specifying the relationship between remuneration and performance." Currently, the Company's senior executives and executive Directors are NOT employees of the Company, and their remuneration from the Company, if any, consists solely of fixed *per diem* (Board Resolution N° ACR 2012/III-03, ratified by the stockholders on 18 May 2012).	
Recommendation 2.6			
"1. Board has a formal and transparent board nomination and election policy."	Compliant	The Company's Board approved its formal and transparent Nomination and Election Policy on 24 April 2017, along with the New Corporate Governance Manual. The said Policy is annexed to the same Manual found in www.acr.com.ph/corp_governance.php. The said Policy includes how the Company accepts nominations from minority shareholders, and how the Board shortlists candidates.	
"2. Board nomination and election policy is disclosed in the company's Manual on Corporate Governance."			
"3. Board nomination and election policy includes how the company accepted nominations from minority shareholders."			
"4. Board nomination and election policy includes how the board shortlists candidates."			
"5. Board nomination and election policy includes an assessment of the effectiveness of the Board's processes in the nomination, election or replacement of a director."	Compliant	Similar to the Board's strategy execution process, the Board continuously assesses the effectiveness of its formal and transparent Nomination and Election Policy adopted on 24 April 2017, along with the Company's New Manual on Corporate Governance, found in www.acr.com.ph/corp_governance.php.	
"6. Board has a process for identifying the quality of directors that is aligned with the strategic direction of the company."	Compliant	The formal and transparent Nomination and Election Policy adopted on 24 April 2017, and attached to the Company's New Manual on Corporate Governance, found in www.acr.com.ph/corp_governance.php, is the process for identifying the quality of directors that is aligned with the strategic direction of the Company.	
Optional: Recommendation 2.6			
"1. Company uses professional search firms or other external sources of candidates (such as director databases set up by director or shareholder bodies) when searching for candidates to the board of directors."	Compliant	In the same manner that the Group uses professional search firms when searching for candidates to senior officers of the Group, the Board - if necessary – is open to using professional search firms if searching for candidates to the board of directors.	

Recommended CG Practice/Policy	Compliant/Non-Compliant	Additional Information	Explanation
Recommendation 2.7			
"1. Board has overall responsibility in ensuring that there is a group-wide policy and system governing related party transactions (RPTs) and other unusual or infrequently occurring transactions."	Compliant	The Board has adopted a group-wide RPT policy, and it is set forth in www.acr.com.ph/company_policy.php, which policy guarantees fairness and transparency of the transactions.	
"2. RPT policy includes appropriate review and approval of material RPTs, which guarantee fairness and transparency of the transactions."			
"3. RPT policy encompasses all entities within the group, taking into account their size, structure, risk profile and complexity of operations."	Compliant	The **group-wide** RPT policy, set forth in www.acr.com.ph/company_policy.php, encompasses all entities within the group, taking into account their ownership, size, structure, risk profile and complexity of operations	
Supplement to Recommendation 2.7			
"1. Board clearly defines the threshold for disclosure and approval of RPTs and categorizes such transactions according to those that are considered *de minimis* or transactions that need not be reported or announced, those that need to be disclosed, and those that need prior shareholder approval. The aggregate amount of RPTs within any twelve (12) month period should be considered for purposes of applying the thresholds for disclosure and approval."	Compliant	Insofar as this supplement to Recommendation 2.7(1) provides for a minimum, the Company exceeds the same by considering all RPTs reportable and/or subject to disclosure.	
"2. Board establishes a voting system whereby a majority of non-related party shareholders approve specific types of related party transactions during shareholders' meetings."	Compliant	The "voting system" for RPTs follows the Revised Corporation Code, sec. 32, in that RPTs are treated as contracts between entities with inter-locking directors.	
Recommendation 2.8			
"1. Board is primarily responsible for approving the selection of Management led by the Chief Executive Officer (CEO) and the heads of the other control functions (Chief Risk Officer,	Compliant	The Board complies with the Revised Corporation Code, sec. 24, by electing, immediately after their own election, the President and Chief Executive Officer, the Executive Vice President, the Treasurer, the Chief Financial Officer, the Corporate Secretary, the Chief Audit	

Recommended CG Practice/Policy	Compliant/Non-Compliant	Additional Information	Explanation
Chief Compliance Officer and Chief Audit Executive)."		Executive, and other officers of the Company.	
"2. Board is primarily responsible for assessing the performance of Management led by the Chief Executive Officer (CEO) and the heads of the other control functions (Chief Risk Officer, Chief Compliance Officer and Chief Audit Executive)."	Compliant	The Board complies with the Revised Corporation Code, sec. 22, in that unless otherwise provided in the said Code, the Board: (1) exercises all corporate powers; (2) conducts all business; and (3) holds all property of the Company. Thus, the Board is ultimately responsible for assessing the performance of all Company officers.	
Recommendation 2.9			
"1. Board establishes an effective performance management framework that ensures that Management's performance is at par with the standards set by the Board and Senior Management."	Compliant	As set forth in the Company's New Corporate Governance Manual, 2.9, found in www.acr.com.ph/corp_governance.php, the Board ensures that the performance by Management, including the Chief Executive Officer and other personnel, is at par with the standards set by the Board.	
"2. Board establishes an effective performance management framework that ensures that personnel's performance is at par with the standards set by the Board and Senior Management."	Compliant	Consistent with the Company's New Corporate Governance Manual, 2.9, found in www.acr.com.ph/corp_governance.php, the Board also ensures that personnel's performance is at par with the standards set by the Board and Senior Management.	
Recommendation 2.10			
"1. Board oversees that an appropriate internal control system is in place." "2. The internal control system includes a mechanism for monitoring and managing potential conflict of interest of the Management, members and shareholders." "3. Board approves the Internal Audit Charter."	Compliant	Consistent with the Company's New Corporate Governance Manual, 2.10, found in www.acr.com.ph/corp_governance.php, the Board "shall establish an appropriate Internal control system, set up a mechanism for monitoring and managing potential conflicts of interest of Management, Directors, and shareholders, and approve the internal audit charter."	
Recommendation 2.11			
"1. Board oversees that the company has in place a sound enterprise risk management (ERM) framework to effectively identify, monitor, assess and manage key business risks."	Compliant	The Board has adopted an ERM framework as found in www.acr.com.ph/ent_risk_management.php, where it has identified some of the risks to which the Company and its subsidiaries are exposed, and the measures to manage each of such risks. This ERM framework effectively identifies, monitors, assesses and manages key business risks.	

Recommended CG Practice/Policy	Compliant/Non-Compliant	Additional Information	Explanation
"2. The risk management framework guides the board in identifying units/business lines and enterprise-level risk exposures, as well as the effectiveness of risk management strategies."		The ERM framework found in www.acr.com.ph/ent_risk_management.php also guides the Board in identifying units/business lines and enterprise-level risk exposures, and assists the Board in assessing the effectiveness of its risk management strategies.	
Recommendation 2.12			
"1. Board has a Board Charter that formalizes and clearly states its roles, responsibilities and accountabilities in carrying out its fiduciary role." "2. Board Charter serves as a guide to the directors in the performance of their functions." "3. Board Charter is publicly available and posted on the company's website."	Compliant	The Company's New Manual on Corporate Governance, found in www.acr.com.ph/corp_governance.php, 2.12, states: "The Board shall formulate its charter that: (i) clearly states its roles, responsibilities and accountabilities in carrying out its fiduciary duties; (ii) serves as a guide in the performance of the Board's functions; (iii) is publicly available; and (iv) is posted on the Company's website."	
"Additional Recommendation to Principle 2"			
"1. Board has a clear insider trading policy."	Compliant	The Board has adopted a clear policy on insider trading, as found in www.acr.com.ph/company_policy.php.	
"Optional: Principle 2"			
"1. Company has a policy on granting loans to directors, either forbidding the practice or ensuring that the transaction is conducted at arm's length basis and at market rates."	Compliant	The Board has adopted a group-wide RPT policy, and it is set forth in www.acr.com.ph/company_policy.php, which policy covers "loans to directors", if any, and which ensures that the transaction is conducted at arm's length basis and at market rates, therefore guaranteeing fairness and transparency of the transactions.	
"2. Company discloses the types of decision requiring board of directors' approval."	Compliant	The Company complies with the requirements of the Securities Regulation Code and its implementing rules and regulations, found in www.sec.gov.ph/laws-rules-decisions-and-resolutions/legislation/, on which Board decisions are subject to disclosure.	
" Principle 3: Board committees should be set up to the extent possible to support the effective performance of the Board's functions, particularly with respect to audit, risk management, related party transactions, and other key corporate governance concerns, such as nomination and remuneration. The composition, functions and responsibilities of all committees established should be contained in a publicly available Committee Charter."			
Recommendation 3.1			
"1. Board establishes board committees that focus on specific board functions to aid in the optimal performance of its roles and responsibilities."	Compliant	The Board has established various committees (Executive, Corporate Governance, Nomination, Election, Remuneration, Audit, Related Party Transaction, Risk Management, etc.) that focus on specific board functions to aid in the optimal	

Recommended CG Practice/Policy	Compliant/Non-Compliant	Additional Information	Explanation
		performance of its roles and responsibilities. These committees are set forth in www.acr.com.ph.	
Recommendation 3.2			
"1. Board establishes an Audit Committee to enhance its oversight capability over the company's financial reporting, internal control system, internal and external audit processes, and compliance with applicable laws and regulations."	Compliant	As set forth in various disclosures and filings at www.acr.com.ph, the Board has established its Audit Committee to enhance its oversight capability over the company's financial reporting, internal control system, internal and external audit processes, and compliance with applicable laws and regulations	
"2. Audit Committee is composed of at least three appropriately qualified non-executive directors, the majority of whom, including the Chairman is independent."	Compliant	As set forth in various disclosures and filings at www.acr.com.ph, the Audit Committee of five Directors is composed of three appropriately qualified Non-Executive Directors, and they constitute the majority of the Committee. The Chairman of the Audit Committee is an independent Director.	
"3. All the members of the committee have relevant background, knowledge, skills, and/or experience in the areas of accounting, auditing and finance."	Compliant	As set forth in the 20-IS, found in www.acr.com.ph/filings.php, all the members of the Audit Committee have relevant background, knowledge, skills, and/or experience in the areas of accounting, auditing and finance.	
"4. The Chairman of the Audit Committee is not the Chairman of the Board or of any other committee."	Compliant	As set forth in various disclosures and filings at www.acr.com.ph, the Chairman of the Audit Committee is Mr. Jose Ben R. Laraya, who is not the Chairman of the Board, or of any other committee.	
Supplement to Recommendation 3.2			
"1. Audit Committee approves all non-audit services conducted by the external auditor."	Compliant	As set forth in the Company's New Corporate Governance Manual, found in www.acr.com.ph/corp_governance.php, 3.2.2, the Audit Committee "(e)valuates and determines the non-audit work, if any, of the external auditor, and periodically reviews the non-audit fees paid to the external auditor in relation to the total fees paid to him and to the Company's overall consultancy expenses. The Audit Committee shall disallow any non-audit work that will conflict with the external auditor's duties as an external auditor or may pose a threat to his/her independence."	
"2. Audit Committee conducts regular meetings and dialogues with the external audit team without anyone from management present."	Non-compliant		Currently, a minority of the Audit Committee are members of management, which is not prohibited under Recommendation 3.2(2). Therefore, the overall Principle 3, and Recommendation 3.2(2) are still being achieved.

Recommended CG Practice/Policy	Compliant/Non Compliant	Additional Information	Explanation
Optional Recommendation 3.2			
"1. Audit Committee meet at least four times during the year."	Compliant	Early in the year, the Assistant Corporate Secretary delivered to each Director-member of the Audit Committee, and his or her assistant, the calendar of at least 6 meetings of the Audit Committee for the year.	
"2. Audit Committee approves the appointment and removal of the internal auditor."	Compliant	As set forth in the Company's New Corporate Governance Manual, found in www.acr.com.ph/corp_governance.php, 3.2(c), first sentence, the Audit Committee recommends the appointment of the internal auditor.	
Recommendation 3.3			
"1. Board establishes a Corporate Governance Committee tasked to assist the Board in the performance of its corporate governance responsibilities, including the functions that were formerly assigned to a Nomination and Remuneration Committee."	Compliant	As set forth in various disclosures and filings at www.acr.com.ph, the Board has established its Executive and Corporate Governance Committee to, among others, assist the Board in the performance of its corporate governance responsibilities.	
"2. Corporate Governance Committee is composed of at least three members, all of whom should be independent directors."	Compliant	As set forth in various disclosures and filings at www.acr.com.ph, the Board's Corporate Governance Committee has five members, and three of those are independent directors.	
"3. Chairman of the Corporate Governance Committee is an independent director."	Non-compliant		Since the Corporate Governance Committee is also the Executive Committee, its head is the Chairman of the Board, and is not an Independent Director. Nonetheless, the overall Principle 3 and Recommendation 3.3 are still being achieved since the said Committee continues to assists the Board in performing its corporate governance responsibilities.
Optional Recommendation 3.3			
"1. Corporate Governance Committee meet at least twice during the year."	Compliant	In early January of the year, the Assistant Corporate Secretary delivered to each Director-member of the Executive and Corporate Governance Committee, and his or her assistant, via email, the calendar of at least 5 meetings of the said Committee for 2020.	
Recommendation 3.4			
"1. Board establishes a separate Board Risk Oversight Committee (BROC) that should be responsible for the oversight of a company's Enterprise Risk	Compliant	The Company's New Manual on Corporate Governance, found in www.acr.com.ph/corp_governance.php, 3.4, in part, states: "The Board, taking into consideration the Company's size, risk profile and complexity of	

Recommended CG Practice/Policy	Compliant/Non-Compliant	Additional Information	Explanation
Management system to ensure its functionality and effectiveness."		operations, may establish a separate risk oversight committee that shall be responsible for the oversight of the Company's ERM system to ensure its functionality and effectiveness." Currently, the Board has established the Audit Committee as the Audit, Risk Management, and Related Party Transaction Committee, which is responsible for, among others, the oversight of a Company's ERM system.	
"2. BROC is composed of at least three members, the majority of whom should be independent directors, including the Chairman."	Compliant	The Chairman of the Audit, Risk Management, and Related Party Transaction Committee is an independent director.	
"3. The Chairman of the BROC is not the Chairman of the Board or of any other committee."	Compliant	As set forth in various disclosures and filings at www.acr.com.ph, the Chairman of the Audit, Risk Management, and Related Party Transaction Committee is Mr. Jose Ben R. Laraya, who is not the Chairman of the Board, or of any other committee.	
"4. At least one member of the BROC has relevant thorough knowledge and experience on risk and risk management."	Compliant	As set forth in the 20-IS, and found in www.acr.com.ph/filings.php, all the members of the Audit, Risk Management, and Related Party Transaction Committee have relevant and thorough knowledge and experience on risk and risk management.	
Recommendation 3.5			
"1. Board establishes a Related Party Transactions (RPT) Committee, which is tasked with reviewing all material related party transactions of the company."	Compliant	The Board has established the Audit Committee as the Audit, Risk Management, and Related Party Transaction Committee, which is tasked with reviewing all RPTs of the Company.	
"2. RPT Committee is composed of at least three non-executive directors, two of whom should be independent, including the Chairman."	Compliant	As set forth in the disclosures and filings found in www.acr.com.ph/filings.php, three of the five members of the Audit, Risk Management, and Related Party Transaction Committee are non-executive Directors, and the Chairman of this Committee is an independent Director.	
Recommendation 3.6			
"1. All established committees have a Committee Charter stating in plain terms their respective purposes, memberships, structures, operations, reporting process, resources and other relevant information."	Compliant	All established committees have a respective Committee Charter set forth in the articles of incorporation, as amended, the by-laws, as amended, the New Corporate Governance Manual, and the disclosures and filings found in www.acr.com.ph/filings.php, and these state in plain terms their respective purposes, memberships,	

Recommended CG Practice/Policy	Compliant/Non-Compliant	Additional Information	Explanation
		structures, operations, reporting process, resources and other relevant information	
"2. Committee Charters provide standards for evaluating the performance of the Committees."	Compliant	All Committee Charters set forth in the articles of incorporation, as amended, the by-laws, as amended, the New Corporate Governance Manual, and the disclosures and filings found in www.acr.com.ph/filings.php provide standards for evaluating the performance of the respective Committees.	
"3. Committee Charters were fully disclosed on the company's website."	Compliant	All Committee Charters set forth in the articles of incorporation, as amended, the by-laws, as amended, the New Corporate Governance Manual, and other documents are found in www.acr.com.ph.	
"Principle 4: To show full commitment to the company, the directors should devote the time and attention necessary to properly and effectively perform their duties and responsibilities, including sufficient time to be familiar with the corporation's business."			
Recommendation 4.1			
"1. The Directors attend and actively participate in all meetings of the Board, Committees and shareholders in person or through tele-/videoconferencing conducted in accordance with the rules and regulations of the Commission."	Compliant	As set forth in www.acr.com.ph/disclosure.php, "Report on Attendance of Directors at 2018 Board of Directors Meetings" document, the Directors attend and actively participate in all meetings of the Board, Committees and shareholders in person or through teleconferencing or videoconferencing conducted in accordance with the rules and regulations of the Commission	
"2. The directors review meeting materials for all Board and Committee meetings."	Compliant	Management is required to provide members of the Board and Committee materials for their meeting on the Monday of the week preceding the meeting, to allow the Directors to review meeting materials for all Board and Committee meetings.	
"3. The directors ask the necessary questions or seek clarifications and explanations during the Board and Committee meetings."	Compliant	The Directors do ask the necessary questions, or seek clarifications and explanations, during the Board and Committee meetings.	
Recommendation 4.2			
"1. Non-executive directors concurrently serve in a maximum of five publicly-listed companies to ensure that they have sufficient time to fully prepare for minutes, challenge Management's proposals/views, and oversee the long-term strategy of the company."	Compliant	As set forth in the two documents labeled as "V. Certification of Independent Directors" and other documents in www.acr.com.ph, if non-executive Directors concurrently serve in publicly-listed companies, none of such companies exceed five in number.	
Recommendation 4.3			

Recommended CG Practice/Policy	Compliant/Non-Compliant	Additional Information	Explanation
"1. The directors notify the company's board before accepting a directorship in another company."	Compliant	As set forth in the Certifications of Independent Directors and other documents in www.acr.com.ph, the independent Directors have undertaken to notify the Company's Board if there are any changes about to occur in their qualifications, including the acceptance of a directorship in another company.	
Optional Principal 4			
"1. Company does not have any executive directors who serve in more than two boards of listed companies outside of the group."	Compliant	As set forth in the disclosures and filings found in www.acr.com.ph, the Company does not have any executive directors who serve in more than two boards of listed companies outside of the group.	
"2. Company schedules board of directors' meetings before the start of the financial year."	Compliant	Before the end of each calendar year, each Director receives a calendar of the succeeding year's meetings of the Board and its committees. In early January, the Assistant Corporate Secretary delivered to each Director, and his or her assistant, the calendar of the meetings of the Board and its committees for the year 2020.	
"3. ."	Compliant	This "Optional: Principle 4, N° 3, was left blank in the SEC Form I-ACGR, page 19, to SEC Memorandum Circular N° 15, dated 15 December 2017, and therefore complied with.	
"4. Board of directors meet at least six times during the year."	Compliant	As set forth in www.acr.com.ph/disclosure.php, "Report on Attendance of Directors at 2019 Board of Directors Meetings" document, the Directors held 7 meetings in 2019. In early January, the Assistant Corporate Secretary delivered to each Director, and his or her assistant, the calendar of at least 6 meetings of the Board for 2020.	
"5. Company requires as minimum quorum of at least 2/3 for board decisions."	Compliant	With the Revised Corporation Code taking effect, the Company will comply with the law's requirement for the quorum for Board meetings, or the minimum vote required for Board decisions.	
"Principle 5: The Board should endeavor to exercise objective and independent judgment on all corporate affairs."			
Recommendation 5.1			
"1. The Board has at least 3 independent directors or such number as to constitute one-third of the board, whichever is higher."	Compliant	As set forth in the documents in www.acr.com.ph, the Board of Directors has three Independent Directors.	
Recommendation 5.2			
"1. The independent directors possess all the	Compliant	As set forth in the documents in www.acr.com.ph, the	

Recommended CG Practice/Policy	Compliant/Non-Compliant	Additional Information	Explanation
qualifications and none of the disqualifications to hold the positions."		three Independent Directors possess all the qualifications and none of the disqualifications to hold the positions.	
Supplement to Recommendation 5.2			
"1. Company has no shareholder agreements, by-laws provisions, or other arrangements that constrain the directors' ability to vote independently."	Compliant	There are no agreements or other arrangements that constrain the Directors' ability to vote independently.	
Recommendation 5.3			
"1. The independent directors serve for a cumulative term of nine years (reckoned from 2012)."	Compliant	Since the cumulative term of nine years from 2012 would end on 2021, and it is only 2020, then the current Independent Directors are still serving a cumulative term of nine years reckoned from 2012.	
"2. The company bars an independent director from serving in such capacity after the term limit of nine years."	Compliant	This prohibition is in the New Corporate Governance Manual, found in www.acr.com.ph/corp_governance.php, 5.3, second sentence.	
"3. In the instance that the company retains an independent director in the same capacity after nine years, the board provides meritorious justification and seeks shareholders' approval during the annual shareholders' meeting."	Compliant	This requirement is in the New Corporate Governance Manual, found in www.acr.com.ph/corp_governance.php, 5.3, last sentence.	
Recommendation 5.4			
"1. The positions of Chairman of the Board and Chief Executive Officer are held by separate individuals."	Non-compliant		As set forth in the New Corporate Governance Manual, found in www.acr.com.ph/corp_governance.php, 5.4, first sentence: "The Board, taking into consideration the Company's size, risk profile and complexity of operations, may decide that separate individuals should hold the positions of Chairman and CEO, with each having clearly defined responsibilities." The Board has not yet decided that separate individuals should hold the positions of Chairman and CEO. Nonetheless, this has not compromised the Board's independence since the Chairman and CEO still has just one vote. Thus, Principle 5 is still bing achieved.
"2. The Chairman of the Board and Chief Executive Officer have clearly defined responsibilities."	Compliant	The responsibilities of the President and Chief Executive Officer are clearly defined in the Revised Corporation Code, the Company's articles, and by-laws, and the New Manual on Corporate Governance, and these are	

Recommended CG Practice/Policy	Compliant/Non-Compliant	Additional Information	Explanation
		different from the responsibilities of the Chairman.	
Recommendation 5.5			
"1. If the Chairman of the Board is not an independent director, the board designates a lead director among the independent directors."	Compliant	The Chairman of the Audit, Risk Management, and Related Party Transaction Committee, an Independent Director, becomes the "lead" Independent Director by reason of his Chairmanship of the said Committee.	
Recommendation 5.6			
"1. Directors with material interest in a transaction affecting the corporation abstain from taking part in the deliberations on the transaction."	Compliant	The Company strictly complies with the Revised Corporation Code, sec. 32, which governs dealings by Directors, if any, with the Company.	
Recommendation 5.7			
"1. The non-executive directors (NEDs) have separate periodic meetings with the external auditor and heads of the internal audit, compliance and risk functions, without any executive present."	Compliant	As set forth in the New Manual on Corporate Governance, found in www.acr.com.ph, 5.7, "The Non-Executive Directors shall meet periodically with the external auditor and heads of the internal audit, compliance and risk functions without any Executive Directors present and an Independent Director shall chair these meetings."	
"2. The meetings are chaired by the lead independent director."			
Optional Principle 5			
"1. None of the directors is a former CEO of the company in the past 2 years."	Compliant	As set forth in the filings and disclosures in www.acr.com.ph, none of the Directors is a former Chief Executive Officer of the Company in the past 2 years.	
"Principle 6: The best measure of the Board's effectiveness is through an assessment process. The Board should regularly carry out evaluations to appraise its performance as a body, and assess whether it possesses the right mix of backgrounds and competencies."			
Recommendation 6.1			
"1. Board conducts an annual self-assessment of its performance as a whole."	Compliant	As set forth in the Company's New Manual on Corporate Governance, found in www.acr.com.ph/corp_governance.php, 6.1, first sentence, the "Board shall conduct an annual self-assessment of its performance…."	
"2. The Chairman conducts a self-assessment of his performance."	Compliant	As set forth in the Company's New Manual on Corporate Governance, found in www.acr.com.ph/corp_governance.php, 6.1, first sentence, the Board shall conduct an annual assessment of the performance of the Chairman, which could include a self-assessment.	
"3. The individual members conduct a self-assessment of their performance."	Compliant	As set forth in the Company's New Manual on Corporate Governance, found in www.acr.com.ph/corp_governance.php, 6.1, first	

Recommended CG Practice/Policy	Compliant/Non-Compliant	Additional Information	Explanation
		sentence, the "Board shall conduct an annual self-assessment of its performance", which could include individual self-assessments.	
"4. Each committee conducts a self-assessment of its performance."	Compliant	As set forth in the Company's New Manual on Corporate Governance, found in www.acr.com.ph/corp_governance.php, 6.1, first sentence, the "Board shall conduct an annual self-assessment of the …committees", which could include self-assessments by each Committee.	
"5. Every three years, the assessments are supported by an external facilitator."	Compliant	As set forth in the Company's New Manual on Corporate Governance, found in www.acr.com.ph/corp_governance.php, 6.1, last sentence, "(e)very three years, the assessment should be supported by an independent third party."	
Recommendation 6.2			
"1. Board has in place a system that provides, at the minimum, criteria and process to determine the performance of the Board, individual directors and committees." "2. The system allows for a feedback mechanism from the shareholders."	Compliant	As set forth in the Company's New Manual on Corporate Governance, found in www.acr.com.ph/corp_governance.php, 6.2, "The Board shall establish a system that provides criteria and processes to assess its performance and that of individual Directors and committees, and allows for a feedback mechanism from the shareholders."	
Disclosure and Transparency			
"Principle 7: Members of the Board are duty-bound to apply high ethical standards, taking into account the interests of all stakeholders."			
Recommendation 7.1			
"1. Board adopts a Code of Business Conduct and Ethics, which provide standards for professional and ethical behavior, as well as articulate acceptable and unacceptable conduct and practices in internal and external dealings of the company."	Compliant	The Board has adopted a Code of Business Conduct and Ethics, found in www.acr.com.ph/company_policy.php, which Code provides standards for professional and ethical behavior. It also articulates acceptable and unacceptable conduct and practices in internal and external dealings of the Company.	
"2. The Code is properly disseminated to the Board, senior management and employees."	Compliant	The Board properly disseminated the Code of Business Conduct and Ethics, found in www.acr.com.ph/company_policy.php, to the Board, senior management and employees.	
"3. The Code is disclosed and made available to the public through the company website."	Compliant	The Code is disclosed and made available to the public through the Company website www.acr.com.ph/company_policy.php.	
Supplement to Recommendation 7.1			

Recommended CG Practice/Policy	Compliant/Non-Compliant	Additional Information	Explanation
"1. Company has clear and stringent policies and procedures on curbing and penalizing company involvement in offering, paying and receiving bribes."	Compliant	The Board has adopted a Code of Business Conduct and Ethics, in www.acr.com.ph/company_policy.php, which has clear and stringent policies and procedures on curbing and penalizing company involvement in offering, paying and receiving bribes.	
Recommendation 7.2			
"1. Board ensures the proper and efficient implementation and monitoring of compliance with the Code of Business Conduct and Ethics."	Compliant	The Board ensures the proper and efficient implementation and monitoring of compliance with the Code of Business Conduct and Ethics, found in www.acr.com.ph/company_policy.php, through the internal auditors.	
"2. Board ensures the proper and efficient implementation and monitoring of compliance with company internal policies."	Compliant	The Board ensures the proper and efficient implementation and monitoring of compliance with company internal policies through the internal auditors.	
"Principle 8: The company should establish corporate disclosure policies and procedures that are practical and in accordance with best practices and regulatory expectations."			
Recommendation 8.1			
"1. Board establishes corporate disclosure policies and procedures to ensure a comprehensive, accurate, reliable and timely report to shareholders and other stakeholders that gives a fair and complete picture of a company's financial condition, results and business operations."	Compliant	The Company's New Manual on Corporate Governance, in www.acr.com.ph/corp_governance.php, 8.1, states: "The Board shall establish corporate disclosure policies and procedures to ensure a comprehensive, accurate, reliable and timely report to shareholders and other Stakeholders that gives a fair and complete picture of a Company's financial condition and business operations."	
Supplement to Recommendation 8.1			
"1. Company distributes or makes available annual and quarterly consolidated reports, cash flow statements, and special audit revisions. Consolidated financial statements are published within ninety (90) days from the end of the fiscal year, while interim reports are published within forty- five (45) days from the end of the reporting period."	Compliant	As set forth in www.acr.com.ph/filings.php and in www.acr.com.ph/disclosure.php, the Company does distribute or makes available annual and quarterly consolidated reports, cash flow statements, and special audit revisions, and makes public: consolidated financial statements within ninety (90) days from the end of the fiscal year, and interim reports within forty- five (45) days from the end of the reporting period.	
"2. Company discloses in its annual report the principal risks associated with the identity of the company's controlling shareholders; the degree of ownership concentration; cross-holdings among	Compliant	As set forth in the annual reports in www.acr.com.ph, the Company discloses in its annual report: the principal risks associated with the identity of the Company's controlling shareholders; the degree of ownership concentration; cross-holdings among the Company's affiliates; and any	

Recommended CG Practice/Policy	Compliant/Non-Compliant	Additional Information	Explanation
company affiliates; and any imbalances between the controlling shareholders' voting power and overall equity position in the company."		imbalances between the controlling shareholders' voting power and overall equity position in the Company.	
Recommendation 8.2			
"1. Company has a policy requiring all directors to disclose/report to the company any dealings in the company's shares within three business days."	Compliant	As the New Manual on Corporate Governance, found in www.acr.com.ph/corp_governance.php, 8.2, states, "The Company shall require **all Directors and officers** to disclose/report to the Company any dealings in the Company's shares within three business days."	
"2. Company has a policy requiring all officers to disclose/report to the company any dealings in the company's shares within three business days."	Compliant		
Supplement to Recommendation 8.2			
"1. Company discloses the trading of the corporation's shares by directors, officers (or persons performing similar functions) and controlling shareholders. This includes the disclosure of the company's purchase of its shares from the market (e.g. share buy-back program).	Compliant	As the New Manual on Corporate Governance, found in www.acr.com.ph/corp_governance.php, 8.2, states, "The Company shall require **all Directors and officers** to disclose/report to the Company any dealings in the Company's shares within three business days." This includes the disclosure of the Company's purchase of its shares from the market, such as a share buy-back program.	
Recommendation 8.3			
"1. Board fully discloses all relevant and material information on individual board members to evaluate their experience and qualifications, and assess any potential conflicts of interest that might affect their judgment."	Compliant	As the New Manual on Corporate Governance, found in www.acr.com.ph/corp_governance.php, 8.3, states, "The Board shall fully disclose all relevant and material information on individual **Directors and Officers** to evaluate their experience and qualifications, and assess any potential conflicts of interest that might affect their judgment."	
"2. Board fully discloses all relevant and material information on key executives to evaluate their experience and qualifications, and assess any potential conflicts of interest that might affect their judgment."			
Recommendation 8.4			
"1. Company provides a clear disclosure of its policies and procedure for setting Board remuneration, including the level and mix of the same."	Compliant	As the New Manual on Corporate Governance, found in www.acr.com.ph/corp_governance.php, 8.4, first sentence, states, "The Company shall clearly disclose its policies and procedure for setting Board and executive	

Recommended CG Practice/Policy	Compliant/Non Compliant	Additional Information	Explanation
"2. Company provides a clear disclosure of its policies and procedure for setting executive remuneration, including the level and mix of the same."		remuneration, and the level and mix of the same..."	
"3. Company discloses the remuneration on an individual basis, including termination."	Compliant	As the New Manual on Corporate Governance, found in www.acr.com.ph/corp_governance.php, 8.4, first sentence, states, "The Company shall clearly disclose its policies and procedure for setting Board and executive remuneration, and the level and mix of the same..." However, Directors are not employees who are subject to "termination", and as the New Manual on Corporate Governance, in www.acr.com.ph/corp_governance.php, 8.4, last sentence, states, "The Board shall balance the need to keep private sensitive information and the need to disclose the remuneration, termination, and/or retirement of individuals."	
Recommendation 8.5			
"1. Company discloses its policies governing Related Party Transactions (RPTs) and other unusual or infrequently occurring transactions in their Manual on Corporate Governance."	Compliant	As the New Manual on Corporate Governance, found in www.acr.com.ph/corp_governance.php, 8.5, first in part, states, "The Company shall disclose its policies on RPTs and other unusual or infrequently occurring transactions. The material or significant RPTs reviewed and approved during the year should be disclosed..."	
"2. Company discloses material or significant RPTs reviewed and approved during the year."			
Supplement to Recommendation 8.5			
"1. Company requires directors to disclose their interests in transactions or any other conflict of interests."	Compliant	The Company reminds its Directors of their duties and responsibilities, including those set forth in the Revised Corporation Code, sec. 33.	
Optional Recommendation 8.5			
"1. Company discloses that RPTs are conducted in such a way to ensure that they are fair and at arms' length."	Compliant	In the event of a Board decision authorizing an RPT, the Company discloses that the provisions of the same are fair, and at arms' length.	
Recommendation 8.6			
"1. Company makes a full, fair, accurate and timely disclosure to the public of every material fact or event that occur, particularly on the acquisition or disposal of significant assets, which could adversely affect the viability or the	Compliant	As the New Manual on Corporate Governance, in www.acr.com.ph/corp_governance.php, 8.6, states, "The Company shall make a full, fair, accurate and timely disclosure to the public of every material fact or event that occurs, particularly on the acquisition or disposal of significant assets that could adversely affect the viability	

Recommended CG Practice/Policy	Compliant/Non-Compliant	Additional Information	Explanation
interest of its shareholders and other stakeholders."		or the interest of its shareholders and other Stakeholders."	
"2. Board appoints an independent party to evaluate the fairness of the transaction price on the acquisition or disposal of assets."	Compliant	The Company engages independent financial consultants to evaluate the fairness of the transaction price on the acquisition or disposal of assets.	
Supplement to Recommendation 8.6			
"1. Company discloses the existence, justification and details on shareholder agreements, voting trust agreements, confidentiality agreements, and such other agreements that may impact on the control, ownership, and strategic direction of the company."	Compliant	The Company discloses the existence, justification and details on shareholder agreements, voting trust agreements, confidentiality agreements, and such other agreements that may impact on the control, ownership, and strategic direction of the Company, if any such agreements were proposed.	
Recommendation 8.7			
"1. Company's corporate governance policies, programs and procedures are contained in its Manual on Corporate Governance (MCG)."	Compliant	As the New Manual on Corporate Governance, found in www.acr.com.ph/corp_governance.php, 8.7, states: "The Company's Corporate Governance policies, programs and procedures, once finalized and approved by the Board, should be posted on the Company's website."	
"2. Company's MCG is submitted to the SEC and PSE."	Compliant	The Company submitted its New Manual on Corporate Governance, found in www.acr.com.ph/corp_governance.php, to the SEC and to the PSE on 14 September 2017.	
"3. Company's MCG is posted on its company website."	Compliant	The Company's New Manual on Corporate Governance is found in www.acr.com.ph/corp_governance.php.	
Supplement to Recommendation 8.7			
"1. Company submits to the SEC and PSE an updated MCG to disclose any changes in its corporate governance practices."	Compliant	The Company submitted to the SEC and to the PSE its Manual on Corporate Governance, then its Revised Manual on Corporate Governance, then its New Manual on Corporate Governance, all found in www.acr.com.ph/corp_governance.php.	
Optional Principle 8			

Recommended CG Practice/Policy	Compliant/Non-Compliant	Additional Information	Explanation
"1. Does the company's Annual Report disclose the following information: (a) Corporate Objectives; (b) Financial performance indicators; (c) Non-financial performance indicators; (d) Dividend Policy; (e) Biographical details (at least age, academic qualifications, date of first appointment, relevant experience, and other directorships in listed companies) of all directors; (f) Attendance details of each director in all directors meetings held during the year; (g) Total remuneration of each member of the board of directors"?	Compliant	Yes, the Annual Report, SEC Form 17-A, found in three parts in www.acr.com.ph/filings.php, and other documents therein, discloses the Company's: (a) Corporate Objectives; (b) Financial performance indicators; (c) Non-financial performance indicators; (d) Dividend Policy; (e) Biographical details such as age, academic qualifications, date of first appointment, relevant experience, and other directorships in listed companies of all Directors; (f) Attendance details of each director in all directors meetings held during the year; (g) Total remuneration of each member of the board of directors.	
"2. The Annual Report contains a statement confirming the company's full compliance with the Code of Corporate Governance and where there is non-compliance, identifies and explains reason for each such issue."	Compliant	The Annual Report, Part III, found in www.acr.com.ph/filings.php, contains the Company's contains a statement confirming the company's full compliance with the Code of Corporate Governance and where there is non-compliance, identifies and explains reason for each such issue.	
"3. The Annual Report/Annual CG Report discloses that the board of directors conducted a review of the company's material controls (including operational, financial and compliance controls) and risk management systems."	Compliant	The Annual Report, SEC Form 17-A, found in three parts in www.acr.com.ph/filings.php, and other documents therein, discloses and demonstrates that the Board of Directors conducted a review of the Company's material controls - including operational, financial and compliance controls- and risk management systems.	
"4. The Annual Report/Annual CG Report contains a statement from the board of directors or Audit Committee commenting on the adequacy of the company's internal controls/risk management systems."	Compliant	The Annual Report, SEC Form 17-A, found in three parts in www.acr.com.ph/filings.php, and other documents therein, disclose and demonstrate that the Board of Directors found the Company's internal controls/risk management systems adequate.	
"5. The company discloses in the Annual Report the key risks to which the company is materially exposed to (i.e. financial, operational including IT, environmental, social, economic)."	Compliant	The Annual Report, SEC Form 17-A, found in three parts in www.acr.com.ph/filings.php, and other documents therein, disclose the key risks to which the Company is materially exposed.	
"Principle 9: The company should establish standards for the appropriate selection of an external auditor, and exercise effective oversight of the same to strengthen the external auditor's independence and enhance audit quality."			
Recommendation 9.1			

Recommended CG Practice/Policy	Compliant/Non-Compliant	Additional Information	Explanation
"1. Audit Committee has a robust process for approving and recommending the appointment, reappointment, removal, and fees of the external auditors." "2. The appointment, reappointment, removal, and fees of the external auditor is recommended by the Audit Committee, approved by the Board and ratified by the shareholders."	Compliant	As the New Manual on Corporate Governance, found in www.acr.com.ph/corp_governance.php, 9.1, first sentence states: "The Audit Committee shall have a robust process for approving and recommending the appointment, reappointment, removal, and the fees of the external auditor, subject to Board approval and shareholders' ratification."	
"3. For removal of the external auditor, the reasons for removal or change are disclosed to the regulators and the public through the company website and required disclosures."	Compliant	As the New Manual on Corporate Governance, found in www.acr.com.ph/corp_governance.php, 9.1, second sentence states: "The reasons for removal or change of external auditor shall be disclosed to the regulators and the public through the Company website and required disclosures."	
Supplement to Recommendation 9.1			
"1. Company has a policy of rotating the lead audit partner every five years."	Compliant	The Company's external auditor has a policy of rotating, and does rotate, the lead audit partner every five years.	
Recommendation 9.2			
"1. Audit Committee Charter includes the Audit Committee's responsibility on (i) assessing the integrity and independence of external auditors; (ii) exercising effective oversight to review and monitor the external auditor' independence and objectivity; and (iii) exercising effective oversight to review and monitor the effectiveness of the audit process, taking into consideration relevant Philippine professional and regulatory requirements."	Compliant	As set forth in the New Manual on Corporate Governance, in www.acr.com.ph/corp_governance.php, 9.2 (a) through (c), "The Audit Committee charter shall include the Committee's responsibility on: (a) assessing the integrity and independence of external auditors; (b) exercising effective oversight to review and monitor the external auditor's independence and objectivity; (c) the effectiveness of the audit process, taking into consideration relevant Philippine professional and regulatory requirements; and (d) reviewing and monitoring the external auditor's suitability and effectiveness on an annual basis.	
"2. Audit Committee Charter contains the Committee's responsibility on reviewing and monitoring the external auditor's suitability and effectiveness on an annual basis."	Compliant	As set forth in the New Manual on Corporate Governance, in www.acr.com.ph/corp_governance.php, 9.2 (d), "The Audit Committee charter shall include the Committee's responsibility on: … (d) reviewing and monitoring the external auditor's suitability and effectiveness on an annual basis.	
Supplement to Recommendation 9.2			
"1. Audit Committee ensures that the external auditor is credible, competent	Compliant	Annually, the Audit Committee conducts meetings with the external auditor to ensure that the latter is credible,	

Recommended CG Practice/Policy	Compliant/Non-Compliant	Additional Information	Explanation
and has the ability to understand complex related party transactions, its counterparties, and valuations of such transactions."		competent and has the ability to understand complex related party transactions, its counterparties, and valuations of such transactions.	
"2. Audit Committee ensures that the external auditor has adequate quality control procedures."	Compliant	Annually, the Audit Committee conducts meetings with the external auditor during which the latter demonstrates to the Audit Committee that the external auditor has adequate quality control procedures.	
Recommendation 9.3			
"1. Company discloses the nature of non-audit services performed by its external auditor in the Annual Report to deal with the potential conflict of interest."	Compliant	As set forth in the New Manual on Corporate Governance, in www.acr.com.ph/corp_governance.php, 9.3, first sentence, "The Company shall disclose the nature of non-audit services performed by its external auditor in the annual report to deal with the potential conflict of interest."	
"2. Audit Committee stays alert for any potential conflict of interest situations, given the guidelines or policies on non-audit services, which could be viewed as impairing the external auditor's objectivity."	Compliant	As set forth in the New Manual on Corporate Governance, in www.acr.com.ph/corp_governance.php, 9.3, second sentence, "The Audit Committee shall be alert for any potential conflict of interest situations and follow guidelines or policies on non-audit services that could impair the external auditor's objectivity."	
Supplement to Recommendation 9.3			
"1. Fees paid for non-audit services do not outweigh the fees paid for audit services."	Compliant	Fees paid by the Company to its external auditor for non-audit services, if any, do not outweigh the fees paid for audit services	
Additional Recommendation to Principle 9			
"1. Company's external auditor is duly accredited by the SEC under Group A category."	Compliant	As set forth in the SEC site www.sec.gov.ph, the Company's external auditor is duly accredited by the SEC under Group A category.	
"2. Company's external auditor agreed to be subjected to the SEC Oversight Assurance Review (SOAR) Inspection Program conducted by the SEC's Office of the General Accountant (OGA)."	Compliant	Company's external auditor has advised that they had agreed to be subjected to the SOAR Inspection Program conducted by the SEC's OGA.	
"Principle 10: The company should ensure that material and reportable non-financial and sustainability issues are disclosed."			
Recommendation 10.1			
"1. Board has a clear and focused policy on the disclosure of non-financial information, with emphasis on the management of economic,	Compliant	As set forth in the New Manual on Corporate Governance, in www.acr.com.ph/corp_governance.php, 10.1, "The Board shall formulate and implement a clear and focused policy on the disclosure of non-financial	

Recommended CG Practice/Policy	Compliant/Non-Compliant	Additional Information	Explanation
environmental, social and governance (EESG) issues of its business, which underpin sustainability."		information, with emphasis on the management of economic, environmental, social and governance issues of its business."	
"2. Company adopts a globally recognized standard/framework in reporting sustainability and non-financial issues."	Compliant	Through its external auditor, and consultants, the Company adopted a globally recognized standard in reporting sustainability and non-financial issues	
"Principle 11: The company should maintain a comprehensive and cost-efficient communication channel for disseminating relevant information. This channel is crucial for informed decision-making by investors, stakeholders and other interested users."			
Recommendation 11.1			
"1. Company has media and analysts' briefings as channels of communication to ensure the timely and accurate dissemination of public, material and relevant information to its shareholders and other investors."	Compliant	The Company holds media and analysts' briefings, which could serve as channels of communication that ensure the timely and accurate dissemination of public, material and relevant information to its shareholders and other investors.	
Supplement to Principal 11			
Company has a website disclosing up-to-date information on the following: (a) Financial statements/reports (latest quarterly); (b) Materials provided in briefings to analysts and media; (c) Downloadable annual report; (d) Notice of ASM and/or SSM; (e) Minutes of ASM and/or SSM; and (f) Company's Articles of Incorporation and By-Laws	Compliant	As set forth in the Company's website, www.acr.com.ph, the same discloses up-to-date information on the Company's (a) Financial statements/reports (latest quarterly); (b) Materials provided in briefings to analysts and media; (c) Downloadable annual report; (d) Notice of ASM; (e) Minutes of ASM; (f) Articles of Incorporation and By-Laws.	
Additional Recommendation to Principle 11			
"1. Company complies with SEC-prescribed website template."	Compliant	As demonstrated by the Company's website, www.acr.com.ph, the Company complies with SEC-prescribed website template.	
Internal Control System and Risk Management Framework			
"Principle 12: To ensure the integrity, transparency and proper governance in the conduct of its affairs, the company should have a strong and effective internal control system and enterprise risk management framework."			
Recommendation 12.1			
"1. Company has an adequate and effective internal control system in the conduct of its business."	Compliant	As set forth in the New Manual on Corporate Governance, in www.acr.com.ph/corp_governance.php, 12.1, "The Board, taking into account the Company's size, risk profile and complexity of operations, may establish an adequate and effective Internal control system and an ERM framework in the conduct of the	
"2. Company has an adequate and effective enterprise risk management framework in the conduct of its business."			

Recommended CG Practice/Policy	Compliant/Non-Compliant	Additional Information	Explanation
		Company's business."	
Supplement to Recommendation 12.1			
"1. Company has a formal comprehensive enterprise-wide compliance program covering compliance with laws and relevant regulations that is annually reviewed. The program includes appropriate training and awareness initiatives to facilitate understanding, acceptance and compliance with the said issuances."	Compliant	The Company has a formal comprehensive enterprise-wide compliance program covering compliance with laws and relevant regulations in the form of an internal audit, the activities for which is annually reviewed. The program includes appropriate training and awareness initiatives to facilitate understanding, acceptance and compliance with the said issuances.	
Recommendation 12.2			
"1. Company has a governance process on IT issues including disruption, cyber security, and disaster recovery, to ensure that all key risks are identified, managed and reported to the board."	Compliant	The Company engages the IT specialists to perform overwatch functions over the IT systems of the Company and its affiliates for any disruption, cyber security, and disaster recovery, and these specialists ensure that all key risks are identified, managed and reported to the Chairman of and for the Board.	
Recommendation 12.3			
"1. Company has a qualified Chief Audit Executive (CAE) appointed by the Board."	Compliant	The Board annually appoints the qualified Mr. Esperidion D. Develos as its CAE.	
"2. CAE oversees and is responsible for the internal audit activity of the organization, including that portion that is outsourced to a third party service provider."	Compliant	As set forth in the New Manual on Corporate Governance, in www.acr.com.ph/corp_governance.php, 12.3, the CAE oversees and is responsible for the Company's internal audit activity, including – if any - that portion that is outsourced to a third party service provider."	
"3. In case of a fully outsourced internal audit activity, a qualified independent executive or senior management personnel is assigned the responsibility for managing the fully outsourced internal audit activity."	Compliant	As set forth in the New Manual on Corporate Governance, in www.acr.com.ph/corp_governance.php, 12.3, "In case of a fully outsourced internal audit activity, senior management personnel should be responsible for managing the said activity."	
Recommendation 12.4			
"1. Company has a separate risk management function to identify, assess and monitor key risk exposures."	Compliant	As set forth in the New Manual on Corporate Governance, in www.acr.com.ph/corp_governance.php, 12.4, "Subject to its size, risk profile and complexity of operations, the Board may establish a separate risk management function to identify, assess and monitor key	

Recommended CG Practice/Policy	Compliant/Non-Compliant	Additional Information	Explanation
		risk exposures".	
Supplement to Recommendation 12.4			
"1. Company seeks external technical support in risk management when such competence is not available internally."	Compliant	If, in the Board's view, certain risks need to be evaluated and then managed by specialists, the Company will seek external technical support in risk identification and management when such competence is not available internally.	
Recommendation 12.5			
"1. In managing the company's Risk Management System, the company has a Chief Risk Officer (CRO), who is the ultimate champion of Enterprise Risk Management (ERM)."	Compliant	As set forth in the New Manual on Corporate Governance, in www.acr.com.ph/corp_governance.php, 12.5, "Subject to its size, risk profile and complexity of operations, the Board, in managing the Company's risks, may appoint a chief risk officer, who is the ultimate champion of ERM and has adequate authority, stature, resources and support to fulfill his/her responsibilities	
"2. CRO has adequate authority, stature, resources and support to fulfill his/her responsibilities."			
Additional Recommendation to Principle 12			
"1. Company's Chief Executive Officer and Chief Audit Executive attest in writing, at least annually, that a sound internal audit, control and compliance system is in place and working effectively."	Compliant	Subject to its size, risk profile and complexity of operations, the Company's Chief Executive Officer and Chief Audit Executive could attest in writing, at least annually, that a sound internal audit, control and compliance system is in place and working effectively.	
Cultivating a Synergic Relationship with Shareholders			
"Principle 13: The company should treat all shareholders fairly and equitably, and also recognize, protect and facilitate the exercise of their rights."			
Recommendation 13.1			
"1. Board ensures that basic shareholder rights are disclosed in the Manual on Corporate Governance."	Compliant	As set forth in the New Manual on Corporate Governance, in www.acr.com.ph/corp_governance.php, the Company discloses the rights of its shareholders.	
"2. Board ensures that basic shareholder rights are disclosed on the company's website."	Compliant	As set forth in the Company's website, www.acr.com.ph, the Company discloses the rights of its shareholders.	
Supplement to Recommendation 13.1			
"1. Company's common share has one vote for one share."	Compliant	This is provided for by the Revised Corporation Code, and the Company's articles of incorporation, as amended, found in www.acr.com.ph/, and the Company complies with the law, and its own articles.	
"2. Board ensures that all shareholders of the same class are treated equally with respect to voting rights, subscription rights and transfer rights."	Compliant		
"3. Board has an effective, secure, and	Compliant		

Recommended CG Practice/Policy	Compliant/Non-Compliant	Additional Information	Explanation
efficient voting system."			
"4. Board has an effective shareholder voting mechanisms such as supermajority or "majority of minority" requirements to protect minority shareholders against actions of controlling shareholders."	Compliant	The Board has an effective shareholder voting mechanisms by complying with the Revised Corporation Code, and other applicable laws in found in www.sec.gov.ph/laws-rules-and-regulations/legislation/.	
"5. Board allows shareholders to call a special shareholders' meeting and submit a proposal for consideration or agenda item at the AGM or special meeting."	Compliant	As set forth in the Revised Corporation Code, if ever duly and timely requested to do so, the Board would allow shareholders to call a special shareholders' meeting and submit a proposal for consideration or an agenda item at the annual or special meeting.	
"6. Board clearly articulates and enforces policies with respect to treatment of minority shareholders."	Compliant	As found in the disclosures and filings in www.acr.com.ph/, at the annual meeting of the shareholders, or in dialogues with the shareholders, the Board clearly articulates and enforces policies with respect to treatment of minority shareholders.	
"7. Company has a transparent and specific dividend policy."	Compliant	As found in the disclosures and filings in www.acr.com.ph/, the Company has a transparent and specific dividend policy, which it disclosed to the public via its website.	
Optional Recommendation 13.1			
"1. Company appoints an independent party to count and/or validate the votes at the Annual Shareholders' Meeting."	Compliant	As found in the disclosures and filings in www.acr.com.ph/, when necessary, the Company appoints an independent party to count and validate the votes at the Annual Shareholders' Meeting.	
Recommendation 13.2			
"1. Board encourages active shareholder participation by sending the Notice of Annual and Special Shareholders' Meeting with sufficient and relevant information at least 28 days before the meeting."	Compliant	As set forth in www.acr.com.ph/disclosure.php, the Company disclosed – in 2019 - the date of the annual shareholders' meeting on May 24th, and therefore notified the shareholders of such a meeting, as early as February 22nd.	
Supplement to Recommendation 13.2			
"1. Company's Notice of Annual Stockholders' Meeting contains the following information: a. The profiles of directors (i.e., age, academic qualifications, date of first appointment, experience, and	Compliant	As set forth in the documents found in www.acr.com.ph/disclosure.php, the Company's Notice of the Annual Stockholders' Meeting is contained in its SEC Form 20-IS, and is therefore accompanied by the following information: (a) the profiles of Directors; (b) the Auditors seeking re-appointment; and (c) the proxy	

Recommended CG Practice/Policy	Compliant/Non Compliant	Additional Information	Explanation
directorships in other listed companies) b. Auditors seeking appointment/re-appointment c. Proxy documents."		documents.	
Optional Recommendation 13.2			
"1. Company provides rationale for the agenda items for the annual stockholders meeting."	Compliant	As set forth in the documents found in www.acr.com.ph/disclosure.php, the Company's Notice of the Annual Stockholders' Meeting provides rationale for the agenda items for the said meeting.	
Recommendation 13.3			
"1. Board encourages active shareholder participation by making the result of the votes taken during the most recent Annual or Special Shareholders' Meeting publicly available the next working day."	Compliant	As found in the disclosures and filings in www.acr.com.ph/, the Company makes the result of the votes taken during the most recent Annual or Special Shareholders' Meeting publicly available not later than the next working day.	
"2. Minutes of the Annual and Special Shareholders' Meetings were available on the company website within five business days from the end of the meeting."	Compliant	As found in the disclosures and filings in www.acr.com.ph/, the Company makes the approved minutes of the annual meeting available on the Company's website within five business days from the end of the meeting.	
Supplement to Recommendation 13.3			
"1. Board ensures the attendance of the external auditor and other relevant individuals to answer shareholders questions during the ASM and SSM."	Compliant	As found in the disclosures and filings in www.acr.com.ph/, the Board invites the Company's external auditors to annual shareholders' meeting, and they regularly attend.	
Recommendation 13.4			
"1. Board makes available, at the option of a shareholder, an alternative dispute mechanism to resolve intra-corporate disputes in an amicable and effective manner." "2. The alternative dispute mechanism is included in the company's Manual on Corporate Governance."	Compliant	As set forth in the New Manual on Corporate Governance, 13.3, "At the shareholder's option, the shareholder may refer his/her dispute with the Company to arbitration in Makati City in accordance with the arbitration rules of the Philippine Dispute Resolution Center, Inc. ("PDRCI") in force at the time such arbitration is commenced. The arbitral tribunal shall consist of three (3) arbitrators, with the shareholder nominating one (1) arbitrator and the Company nominating another arbitrator. The two (2) arbitrators so chosen shall nominate a third arbitrator who shall serve as the presiding arbitrator. If either side fails to appoint an arbitrator or the two arbitrators appointed by the	

Recommended CG Practice/Policy	Compliant/Non-Compliant	Additional Information	Explanation
		parties fail to agree on the choice of a presiding arbitrator, the chairman of the PDRCI shall make such appointments(s). The language of the arbitration proceedings shall be English. "	
Recommendation 13.5			
"1. Board establishes an Investor Relations Office (IRO) to ensure constant engagement with its shareholders." "2. IRO is present at every shareholder's meeting."	Compliant	As set forth in the New Manual on Corporate Governance, in www.acr.com.ph/corp_governance.php, 13.4, "Subject to the Company's size, risk profile and complexity of operations, the Board may appoint an investor relations officer to constantly engage with its shareholders who should be present at every shareholders' meeting."	
Supplemental Recommendation to Principle 13			
"1. Board avoids anti-takeover measures or similar devices that may entrench ineffective management or the existing controlling shareholder group."	Compliant	The Company has no anti-takeover measures or similar devices that entrench ineffective management, or the existing controlling shareholder group.	
"2. Company has at least thirty percent (30%) public float to increase liquidity in the market."	Non-compliant	.	The Company observes the regulations imposing a minimum public float, which has not yet reached 30%. Nonetheless, the Company is committed to Principle 13, which is still being achieved even if the float is within the percentage of current regulations but below 30%.
Optional Principle 13			
"1. Company has policies and practices to encourage shareholders to engage with the company beyond the Annual Stockholders' Meeting."	Compliant	The Company has policies and practices to encourage shareholders to engage with the Company beyond the Annual Stockholders' Meeting as set forth in found in its Investors Relations Program in www.acr.com.ph/investors_rel_program_ph.	
Duties to Shareholders			
"Principle 14: The rights of stakeholders established by law, by contractual relations and through voluntary commitments must be respected. Where stakeholders' rights and/or interests are at stake, stakeholders should have the opportunity to obtain prompt effective redress for the violation of their rights."			
Recommendation 14.1			
"1. Board identifies the company's various stakeholders and promotes cooperation between them and the company in creating wealth, growth and sustainability."	Compliant	As set forth in the New Manual on Corporate Governance, in www.acr.com.ph/corp_governance.php, 14.1, "Subject to the Company's size, risk profile and complexity of operations, the Board shall identify the Company's various Stakeholders and cooperate with them to create wealth, growth and sustainability. "	
Recommendation 14.2			
"1. Board establishes clear policies and	Compliant	As set forth in the New Manual on Corporate	

Recommended CG Practice/Policy	Compliant/Non-Compliant	Additional Information	Explanation
programs to provide a mechanism on the fair treatment and protection of stakeholders."		Governance, in www.acr.com.ph/corp_governance.php, 14.2, "Subject to the Company's size, risk profile and complexity of operations, the Board shall establish clear policies and programs to provide a mechanism on the fair treatment and protection of Stakeholders."	
Recommendation 14.3			
"1. Board adopts a transparent framework and process that allow stakeholders to communicate with the company and to obtain redress for the violation of their rights."	Compliant	As set forth in the New Manual on Corporate Governance, in www.acr.com.ph/corp_governance.php, 14.3, "The Board hereby adopts a transparent framework and process to allow Stakeholders to communicate with the Company and to obtain redress for the violation of their rights."	
Supplement to Recommendation 14.3			
"1. Company establishes an alternative dispute resolution system so that conflicts and differences with key stakeholders is settled in a fair and expeditious manner."	Compliant	As set forth in the New Manual on Corporate Governance, 13.3, "At the shareholder's option, the shareholder may refer his/her dispute with the Company to arbitration in Makati City in accordance with the arbitration rules of the Philippine Dispute Resolution Center, Inc. ("PDRCI") in force at the time such arbitration is commenced. The arbitral tribunal shall consist of three (3) arbitrators, with the shareholder nominating one (1) arbitrator and the Company nominating another arbitrator. The two (2) arbitrators so chosen shall nominate a third arbitrator who shall serve as the presiding arbitrator. If either side fails to appoint an arbitrator or the two arbitrators appointed by the parties fail to agree on the choice of a presiding arbitrator, the chairman of the PDRCI shall make such appointments(s). The language of the arbitration proceedings shall be English. "	
Additional Recommendation to Principle 14			
"1. Company does not seek any exemption from the application of a law, rule or regulation especially when it refers to a corporate governance issue. If an exemption was sought, the company discloses the reason for such action, as well as presents the specific steps being taken to finally comply with the applicable law, rule or regulation."	Compliant	The Company does not seek any exemption from the application of a law, rule or regulation. If it does seek an exemption from corporate governance recommendation, the Company discloses the reason for such action, and presents – if applicable - the specific steps to finally comply with the corporate governance recommendation.	

Recommended CG Practice/Policy	Compliant/Non-Compliant	Additional Information	Explanation
"2. Company respects intellectual property rights."	Compliant	Since the laws protect intellectual property rights, the Company respects such intellectual property rights.	
" Principle 15: A mechanism for employee participation should be developed to create a symbiotic environment, realize the company's goals and participate in its corporate governance processes."			
Recommendation 15.1			
"1. Board establishes policies, programs and procedures that encourage employees to actively participate in the realization of the company's goals and in its governance."	Compliant	As set forth in the New Manual on Corporate Governance, 15.1, "Subject to the Company's size, risk profile and complexity of operations, the Board shall establish policies, programs and procedures that encourage employees to actively participate in the realization of the Company's goals and in its governance."	
Supplement to Recommendation 15.1			
"1. Company has a reward/compensation policy that accounts for the performance of the company beyond short-term financial measures."	Compliant	As set forth in the New Manual on Corporate Governance, 15.1, "Subject to the Company's size, risk profile, and complexity of operations, the Board will formulate a reward/compensation policy that accounts for the performance of the company beyond short-term financial measures."	
"2. Company has policies and practices on health, safety and welfare of its employees."	Compliant	The Company's policies and practices on health, safety and welfare of its employees, if any, are set forth in www.acr.com.ph/company_policy.php, in the Health, Safety and Welfare policy.	
"3. Company has policies and practices on training and development of its employees."	Compliant	As set forth in the documents in forth in www.acr.com.ph, the Company has policies and practices on training and development of its employees, if any.	
Recommendation 15.2			
"1. Board sets the tone and makes a stand against corrupt practices by adopting an anti-corruption policy and program in its Code of Conduct."	Compliant	The Board adopted an anti-corruption policy and program in its Code of Business Conduct and Ethics, thereby setting the tone and making a stand against corrupt practices.	
"2. Board disseminates the policy and program to employees across the organization through trainings to embed them in the company's culture."	Compliant	Through the Group's Human Resources Department, the Board disseminates its Code of Business Conduct and Ethics, in www.acr.com.ph/code_business_conduct.php, to employees of the Group through training sessions to embed the same in the culture of the employees of the Group and, if any, of the Company.	
Supplement to Recommendation 15.2			
"1. Company has clear and stringent policies and procedures on curbing and	Compliant	The Company has clear and stringent policies and procedures, set forth in www.acr.com.ph/company	

Recommended Corporate Governance Policy	Compliant/Non-Compliant	Additional Information	Explanation
penalizing employee involvement in offering, paying and receiving bribes."		_policy.php, on curbing and penalizing employee involved in offering, paying and receiving bribes.	
Recommendation 15.3			
"1. Board establishes a suitable framework for whistleblowing that allows employees to freely communicate their concerns about illegal or unethical practices, without fear of retaliation."	Compliant	As set forth in www.acr.com.ph/company_policy.php, Whistle Blowing policy, the Board established a suitable framework for whistleblowing that allows employees to freely communicate their concerns about illegal or unethical practices, without fear of retaliation.	
"2. Board establishes a suitable framework for whistleblowing that allows employees to have direct access to an independent member of the Board or a unit created to handle whistleblowing concerns."	Compliant	As set forth in www.acr.com.ph/company_policy.php, Whistle Blowing policy, the Board established a suitable framework for whistleblowing that allows employees to have direct access to an independent member of the Board or a unit created to handle whistleblowing concerns, and supervises and ensures the enforcement of the whistleblowing framework.	
"3. Board supervises and ensures the enforcement of the whistleblowing framework."	Compliant		
"Principle 16: The company should be socially responsible in all its dealings with the communities where it operates. It should ensure that its interactions serve its environment and stakeholders in a positive and progressive manner that is fully supportive of its comprehensive and balanced development."			
Recommendation 16.1			
"1. Company recognizes and places importance on the interdependence between business and society, and promotes a mutually beneficial relationship that allows the company to grow its business, while contributing to the advancement of the society where it operates."	Compliant	As set forth in the New Manual on Corporate Governance, 16.1, "The Company recognizes the interdependence of business and society, and promotes a mutually beneficial relationship that allows the Company to grow its business while contributing to the advancement of society."	
Optional Principle 16			
"1. Company ensures that its value chain is environmentally friendly or is consistent with promoting sustainable development."	Compliant	The Company ensures that its value chain is environmentally friendly or is consistent with promoting sustainable development by requiring its operating subsidiaries to comply with all requirements imposed by the Department of Environment and Natural Resources, and/or Environment Impact permits.	
"2. Company exerts effort to interact positively with the communities in which it operates."	Compliant	The Company's operating subsidiaries exert efforts to interact positively with the communities in which they operate by carrying out the Company's Corporate Social Responsibility programs in such communities through the Alcantara Foundation, as found in www.acr.com.ph/investor_sub_b.php.	

Paranaque City, ______________ May 2022.

Nicasio I. Alcantara
Chairman of the Board, President, and Chief Executive Officer

Ana Maria Margarita A. Katigbak
Corporate Secretary

Jonathan F. Jimenez
Compliance Officer

Jose Ben R. Laraya
Independent Director

Jacinto C. Gavino, Jr.
Independent Director

Thomas G. Aquino
Independent Director

SUBSCRIBED AND SWORN to before me on this ____________________ at Paranaque City, affiants having exhibited to me competent evidence of their respective identity consisting of the following, with their respective photograph and signature.

Name	ID Type	Issuer
Nicasio I. Alcantara	TIN 105-262-527	BIR
Jacinto C. Gavino,Jr.	TIN 123-104-984	BIR
Thomas G. Aquino	TIN 121-905-565	BIR
Jose Ben. R. Laraya	TIN 137-981-00	BIR

Name	ID Type	Issued
Ana Maria Margarita A. Katigbak	TIN 173-182-955	BIR
Jonathan F. Jimenez	TIN 154-892-623	BIR

ATTY. VILMA HILDA VILLANUEVA-FABELLA
NOTARY PUBLIC
Until December 31, 2022
IBP No. 196528/1-05-2022/PPLM
PTR No. 2910162/1-07-2022/Paranaque
Roll No. 41901
Not. Com. No. 119-2021/1-04-2021
55 Malave Ave., Merville, Paranaque City

Doc. No. 357;
Page No. 72;
Book No. II;
Series of 2022.

VILMA HILDA D. VILLANUEVA-FABELLA
NOTARY PUBLIC
PARAÑAQUE CITY

SUSTAINABILITY REPORT

ALSONS 2022 SUSTAINABILITY REPORT

Table of Contents

1. About the Report

This is the third year that Alsons Consolidated Resources, Inc. (ACR) is publishing its annual Sustainability Report. This report covers the Company's activities under its energy and power business from January 1 to December 31, 2022.

ACR's power generation business unit is a major independent power producer in the fast-growing Mindanao region, the country's second largest island. ACR plays a key role in providing electricity to fuel Mindanao's growing population and expanding economy of over eight million people in 14 cities and 11 provinces.

Included in this report are data from the following:

- **Alsons Power Makati Head Office** (Alsons Power is the umbrella brand of the power business affiliates and subsidiaries of the Alcantara Group and ACR.
- **Mapalad Power Corporation (MPC)** controls a 103 MW diesel power plant in Iligan City
- **Southern Philippines Power Corporation (SPPC)** controls a 55MW diesel – fired power plant in Alabel, Sarangani *(Note: The plant was on shutdown for the year)*
- **Western Mindanao Power Corporation (WMPC)** operates a 100 MW diesel – fired power plant in Sangali, Zamboanga City.
- Province
- **Sarangani Energy Corporation (SEC)** operates a 210 MW coal – fired power plant in Maasim, Sarangani Province

For Employee Welfare data, available information from the following were also shared: ***Sindangan Zambo-River Power Corporation (SZPC), San Ramon Power Inc (SRPI), Siguil Hydro Power Corporation (SHPC), and Bago Hydro Resources Corporation (BHRC).***

Primarily engaged in power generation and sales to off-takers such as electric cooperatives and distribution utilities, ACR is likewise engaged in the development of greenfield power projects. It is listed under the electricity, energy, power, and water subsector at the Philippine Stock Exchange and this report does not include its subsidiaries and operations outside of the power business.

Aligned with the guidance of the Philippine Securities and Exchange Commission Memorandum Circular No. 4, Series of 2019, the information that readers will find in this Sustainability Report was prepared with reference to the Global Reporting Initiative (GRI) Standards.

For any questions about this report, please contact:

Name ***Atty. Jonathan F. Jimenez (Office of the Corporate Secretary)***
Contact Details ***+63 2 8923000***

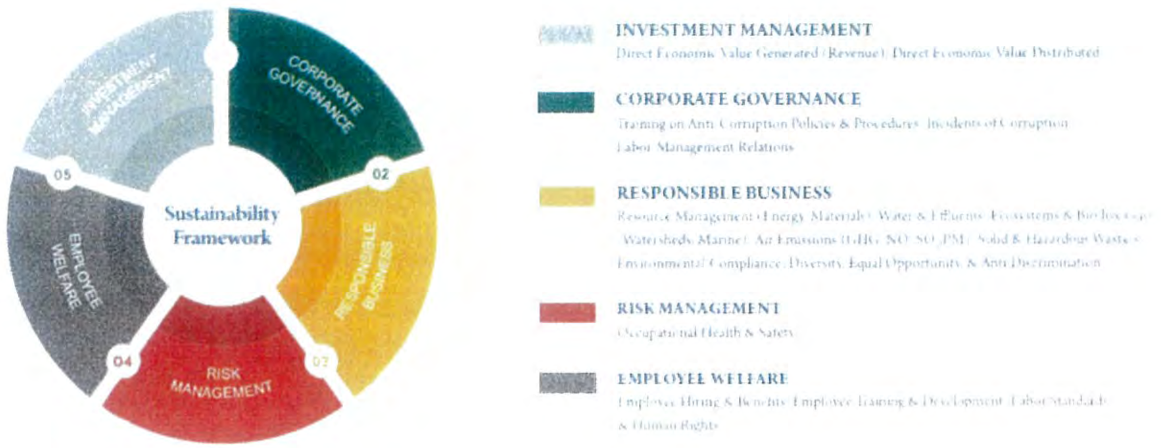
2. Materiality Assessment

In its sustainability approach, ACR is guided by the principle of materiality endorsed by the GRI standards and has applied its prescribed five-stage process to identify material aspects of sustainability and the level of criticality for stakeholders. This rigorous process will allow the Company to maintain a high quality for its reporting and will help ensure programs are effective and have a meaningful impact towards achieving targets and goals.

Consequently, therefore, the Company monitors and reports on the material topics and provides key and meaningful information to inform stakeholders on both progress and challenges it faces moving forward on its sustainability journey.

3. Sustainability Framework

Based on the insights from the Materiality Assessment, ACR has identified the Core Drivers for the Company and its stakeholders. These were duly considered and reflected in the Sustainability Framework that is aligned with ACR's goal of contributing to the socio-economic development of the country. The framework focuses on five pillars of Investment Management, Corporate Governance, Responsible Business, Risk Management, and Employee Welfare.



4. Investment Management

Economic Performance

Direct economic value generated		**PHP 11,989,232,129**
Direct economic value distributed	a. Operating Costs	**PHP 8,249,045,370**
	b. Employee Wages & Benefits	**PHP 470,372,154**
	c. Payments to Suppliers, Other Operating Costs	**PHP 5,571,529,376**
	d. Dividends given to Stakeholders & Interest Payments to Loan Providers	**PHP 4,828,712,559**
	e. Taxes given to Government	**PHP 430,899,151**
	f. Investments to Community (e.g. Donations, CSR)	**PHP 38,074,831**

ACR's economic performance impacts shareholder value, its contribution to the development of local businesses and the communities it operates in, and its ability to support nation building through taxes.

The Company therefore took pains to set up a 10-year rolling outlook which envisioned the its long – term strategic goals based on historical performance and current challenges and opportunities in the power generation market in the Philippines. These strategic goals are continuously monitored and evaluated during the Quarterly and Annual Business Performance Reviews which, in turn, provides the needed data used in the Annual Strategic Planning. ACR also have Subject Matter Experts that provide support through an Annual Economic Briefing for key management and staff.

In 2022, net income went up by 42 percent to P1.88 billion from P1.32 billion in 2021, as power demand in Mindanao continued to grow as day-to-day activities on the island continued to normalize in the aftermath of the pandemic.

Having a strategic view of the market, both prevailing and potential risks, provides the Company with a responsive approach to managing its economic performance. ACR has anticipated the necessity to diversify its generation mix for the effective management of the identified risks. The long-term strategic goal is to have a balanced generation mix, where the Company can serve the complete power requirements of its customers (i.e., baseload, intermediate, peaking, back--up, as well as ancillary) where renewable energy sources would eventually comprise at least half of the energy mix.

To build up its renewable energy capacity in the next few years, ACR has around eight run-of-river hydroelectric power facilities in the pipeline. These include the 14.5-MW Siguil hydropower under construction in Maasim, Sarangani which is targeted to begin operations before the end of 2023. The Company is also developing a hydro and solar power project in Zamboanga del Norte with a potential combined capacity of up to 37.8 MW and a hydropower project in the Bago River in Negros Occidental with a planned capacity of up to 42 MW.

These expansion projects combined with the commencement of the electricity spot market in Mindanao have allowed ACR to maintain its credit rating from local debt watchdog Philippine Rating Services Corp. (PhilRatings) of "PRS Aa minus" with a stable outlook.

Furthermore, ACR is committed to ensure compliance with all applicable environmental and other regulatory standards and requirements, conducting comprehensive studies and strategic planning for the relocation or proper disposition of its diesel assets.

At the same time, the Company is committed to strengthening its manpower capabilities, forging strategic partnerships with reputable and "best in class" third-party partners and suppliers to maximize its ability to outsource and employ capable manpower.

Other sources:
https://business.inquirer.net/392085/alsons-retains-favorable-credit-rating
https://manilastandard.net/business/314316825/alsons-consolidated-earns-p1-88b-on-strong-power-sales-in-mindanao.html
https://www.philstar.com/business/2022/12/24/2232906/alsons-raises-p620-million-commercial-paper-issuance-

5. Corporate Governance

DISCLOSURE	QUANTITY
Percentage of Business Partners to whom the Organization's Anti – Corruption Policies & Procedures have been Communicated To	100

Percentage of Directors & Management that have Received Anti – Corruption Training	100
Percentage of Employees to whom the Organization's Anti – Corruption Policies & Procedures have been Communicated To	100
Percentage of Employees that have Received Anti – Corruption Training	100

DISCLOSURE	QUANTITY
Number of Incidents in which Directors were Removed or Disciplined for Corruption	0
Number of Incidents in which Employees were Dismissed or Disciplined for Corruption	0
Number of Incidents when Contracts with Business Partners were Terminated due to Incidents of Corruption	0

ACR's Board of Directors, composed of competent and expert members, provides essential guidance anchored on the principles of Corporate Governance as the Company works to fulfill its long term economic, legal, and social obligations towards stakeholders.

The Board is composed of the following individuals, who possess the knowledge, experience, expertise, and background relevant to their role and the Company's industry sector:

Board of Directors

Office	Name	Nationality
Director, President, Chairman of the Board	Nicasio I. Alcantara	Filipino
Director,Vice-Chairperson and Treasurer	Editha I. Alcantara	Filipino
Director, Executive Vice President, Chief Operating Officer	Tirso G. Santillan, Jr.	Filipino
Director	Tomas I. Alcantara	Filipino
Director	Alejandro I. Alcantara	Filipino
Director	Ramon T. Diokno	Filipino
Director	Arturo B. Diago, Jr.	Filipino
Independent Director	Jacinto C. Gavino, Jr.	Filipino
Independent Director	Jose Ben R. Laraya	Filipino

Director	Honorio A. Poblador III	Filipino
Independent Director	Thomas G. Aquino	Filipino

Anti-Corruption

Consistent with its leading role in governance, the Board is cognizant of the risks and potential impact that corruption at any level of the organization have for the Company's sustainability. As a growing organization in a dynamic and competitive industry, the values of integrity and accountability become of foremost significance for both organization and individual. Any issues of corruption are seen to negatively affect employee morale, relationships with stakeholders, and shareholder value.

ACR therefore promulgates Anti-Corruption Policy and practices through its Code of Business Conduct and Ethics that covers all employees as well as business partners and suppliers. This is bolstered with an annual review for Business Partners and the continuous provision of training programs for ACR Directors, Management, Officers, and Employees on anti-corruption and risk management.

The Code of Business Conduct and Ethics is clearly explained during new hire orientations as well as during the annual general orientation to ensure all employees understand the Company's expectations on how they should act or make their decisions regarding their work and the business.

Every employee is also required to acknowledge the annual renewal of Certificate of Integrity and Compliance, which was an effective reminder to be alert and to stay away from any potential risks of corruption, unethical business acts, or conflict of interest.

This continuous training and consistent communication on anti-corruption is offered not only for new hires but also for tenured staff and is important for enabling awareness and adherence in day-to-day practice as well as daily interactions and decisions of ACR employees and leaders.

For 2022, there were no recorded complaints or cases of corruption, demonstrating that the Company's campaign on anti-corruption is effective. At the same time, the Internal Audit team conducted a review of the Code of Business Conduct and related policies, including Whistle Blowing Policy, Gifts Policy, Travel Policy, and those dealing with suppliers. Such regular audits and reviews aim to strengthen and improve the Company's policy framework to remain relevant and responsive to the times.

6. Responsible Business

a. Resource Management (Energy, Materials)

DISCLOSURE	QUANTITY	UNIT
Energy Consumption (Renewable Sources)	-	-
Energy Consumption (Gasoline)	279.37	GJ
Energy Consumption (LPG)	-	-
Energy Consumption (Diesel)	214,978.84	GJ
Energy Consumption (Electricity)	78,798,710.81	KWh

DISCLOSURE	AMOUNT	UNIT
Energy Reduction (Electricity)	4,000	KWh

As one of the leading organizations in the power generation business in the Philippines, ACR understands the impact of its operations towards the environment. The Company is therefore firmly committed to minimizing its environmental footprint.

Energy is one of the most important resources in power plant operations and it is inherent in the nature of the business to consume big amounts of energy. In SEC's case, for instance, higher house load consumption means more coal to be consumed or to be imported. And even while a power plant is undergoing preservation mode, electricity is still being used in offices, implementation of engine and auxiliary preservation while on standby. Energy generated from gasoline and diesel is still used to transport employees and perform messenger responsibilities and logistical tasks.

Meeting the desired energy usage and practicing energy conservation as much as feasible have been top priorities of daily operations, a best practice that consequently also helped reduce overhead costs. The Company advocated responsible resource management and sought to strengthen competitiveness by conserving energy and resources, reducing environmental loads, and improving productivity. At the same time, efforts to preserve energy and careful use of energy resources supported ACR's sustainability goals.

ACR's actions and decisions were guided by its Environmental Management System (EMS) that is certified in accordance with the requirements of ISO 14001:2015.

Among the strategic energy management programs under the EMS that the Company implements are:

- Lowering the operating plants' target energy consumption budget
- Non-Acceptance Policy for low quality diesel fuel and coal
- Replacement of all available streetlights and perimeter lights with solar-powered lights
- Use of photo-switch lamps in cooling tower and water tank yard facilities
- De-energizing occasionally used power transformers, equipment, and devices
- Light Off initiative - Switching off lights on areas not being used and during lunch breaks
- Regular Preventive Maintenance System
- Heat Rate improvement

The Company also remained keen on exploring opportunities for optimal use of energy resources, while minimizing the associated environmental footprint. Furthermore, ACR employed strategic procurement for its fuel sources and explored blending of coal from various sources. At the same time, it invested in boosting organizational knowledge on sustainable economy and latest sustainability trends.

ACR is planning to conduct annual internal energy audits to determine processes that are energy intensive and take steps to mitigate risks to meet the desired results in efficiency, financial performance, customer satisfaction, waste management, and overall employee contentment.

DISCLOSURE	AMOUNT	UNIT
Materials Used by Weight and Volume		
Non-Renewable	24,927,362	Liter
	606,510.75	Metric Tons
Renewable	61,763	Liter

The Company utilizes non-renewable resources and renewable resources alike in its operations, taking care to comply with all relevant regulations covering their use. As such, ACR also performs a variety of activities to offset the use of non-renewable fuel for plant operations in light of the potential consequences and monitors and enforces correct water usage, particularly for the cooling tower system.

The Company is aware that the general public deems the use of coal as a non-renewable energy source as a source of air pollution, detrimental to the health of people as well as damaging for the environment in the form of land degradation. ACR therefore ensures to source coal only from mines with approved mining permit from government (local or overseas). Permits are issued on the context that there will be land rehabilitation/reclamation close to its original condition after coal had been mined.

Meanwhile, the use of non-renewable energy is closely linked to climate change which has significant effects on both the environment and human health. The company therefore makes sure that best practices on the usage of non-renewable fuel are built into our processes such as maintaining diesel engines to their peak performance and consistently implementing every scheduled oil change.

b. Water and Effluents

DISCLOSURE	AMOUNT	UNIT
Water Withdrawal	3,385,497	Cubic meter
Water Consumption	3,828,843	Cubic meter
Water Recycled/Reused	525,367	Cubic meter

DISCLOSURE	AMOUNT	UNIT
Total Volume of Water Discharge	986,696	Cubic Meter
Percentage of Wastewater Recycled	34.36	(%)

Water is a key ingredient in the process of producing electricity and the Company makes every effort to ensure that operations are fully compliant with all applicable local regulations for the removal, reuse, and recycling of the resource.

Generally, lack of cooling water can shut down a power plant completely, hence, ACR's operating plants are managed to maintain the water level supply at the desired operational level and process that includes the cooling tower blowdown and recycling of water. Plants also use a combination of closed-loop and open-loop cooling systems which minimize water loss as much as possible.

These are part of the Company's Water Resource Conservation and Water Pollutant Elimination programs developed as a strategic response to Climate Change risks and opportunities.

ACR has acquired the necessary water permits from the National Water Resources Board and has designated dedicated Pollution Control Officers (PCOs) for all its operating plants. The dedicated PCOs monitor the water consumption and wastewater discharges of their respective operating power plants and ensures consistent compliance to the conditions set and stipulated in the water permit. If an abnormality was observed, it would be immediately communicated to the concerned Process Owner(s) for immediate mitigation and corrective action.

For instance, the Company abides by the Environmental Clearance Certificate (ECC) restriction not to extract water from Sarangani Bay for cooling water requirements. The SEC facility is therefore dependent on extracting underground water, doing so carefully as extraction has the potential to deplete the underground water source.

As such, ACR has installed a river water extraction facility and an underground deep well to minimize the possibility of groundwater depletion. ACR ensures that the operations of these water extraction systems strictly adhere to the stipulated abstraction limit in the approved water permit.

It also operates a pre-treatment facility for safeguarding ACR's water and wastewater systems. The pre-treatment facility includes tanks and oil/water separators. ACR has also been granted permission by the Department of Environment and Natural Resources' Environmental Management Bureau (EMB) for the use recycled wastewater in watering the vegetation inside the operational plant premises.

Furthermore, ACR has designed its installed wastewater treatment facility to recycle the wastewater to be used as a source of either firefighting water or pipeline top-up in case of line leaks and hydrant tests. Regular checks, maintenance, and cleaning of wastewater tanks, canals, and oil/water separators, as well as monthly wastewater sampling and analysis are consistently conducted to ensure optimum performance of the wastewater treatment facility.

With the Company's proactive Environmental Management System (EMS) that has been certified compliant with ISO 14001:2015 requirements, ACR clearly demonstrates cooperation and willingness to comply with applicable local and international environmental laws, rules, and regulations, aligned with the Company's commitment to minimizing its environmental footprint.

c. Ecosystem and Biodiversity

DISCLOSURE	QUANTITY	UNIT
Operational Sites Owned, Leased, Managed In, or Adjacent To Protected Areas and Areas of High Biodiversity Value Outside Protected Areas	Sitio Bukana Mala, Barangay Bolong	Location
	Kamanga Marine Protected Area	Location
Habitats Protected and Restored	9,347.50	ha

Understanding the impact of its operations on the ecosystem and biodiversity in areas where its facilities are located, ACR aims to minimize its environmental footprint and works to ensure the preservation of natural habitats. These initiatives are part of the 10-year rolling outlook achieved through partnerships forged with the different host local government units (LGU), communities and barangays, schools, and other local organizations. Collaborative Corporate Social Responsibility (CSR) projects implemented by the Company include the following:

- Adopt a Shoreline
- Mangrove Restoration
- Reforestation
- Carbon Sequestration
- Watershed restoration

ACR establishes the actual conditions of the natural habitat by conducting an annual Underwater Habitat Assessment. The outcome of the annual assessment provides essential information for the development and improvement of CSR projects. The Company also consults and involve Subject Matter Experts in the academe, DENR, and environmental advocacy groups for strategic approaches of these CSR projects.

For example, the Company executed a memorandum of agreement with host barangay and DENR-EMB for a carbon sequestration project utilizing a 40-hectare stretch of land planted with indigenous trees to restore the watershed of Zamboanga City. Another project involved planting and maintaining mangrove propagules along the stretch of Barangay Sangali and Bolong coastline.

It is during the Annual Strategic Planning that the Company ensures that sufficient funds are allocated for these projects which are then implemented by its CSR-arm, Conrado & Ladislawa Alcantara Foundation, Inc.

Because the discharge of wastewater into the nearby marine protected area has the potential to affect the biodiversity under the sea, the Company ensures compliance with the Clean Water Act through its installed wastewater treatment facilities. This way, wastewater discharged to any receptor, particularly marine habitat, gets appropriate treatment to keep it within allowable limits and standards. The treatment facilities periodically undergo maintenance servicing to ensure their reliable and optimum operation.

ACR also conducts monthly effluent quality analysis and the regular maintenance of wastewater treatment facilities as it aims to protect ecosystems. Annual underwater habitat assessment is also carried out to monitor the condition of living organisms and assess the effect of the wastewater discharges in the marine habitat.

ACR will continue to partner with academic institutions, environmental organizations, and environmental advocacy groups to further the development and ensure sustainability of these CSR programs.

II. Air Emissions

DISCLOSURE	AMOUNT	UNIT
Direct (Scope 1) GHG Emissions	989,567.34	Tonnes CO2e
Energy Indirect (Scope 2) GHG Emissions	1,393.31	Tonnes CO2e
Emissions of Ozone-Depleting Substances (ODS)	-	Tonnes CO2e

ACR's energy and power business operations inevitably generate air emissions that require proper management to mitigate potential impact to human health and surrounding communities. The Company is firmly committed to minimize negative impacts and has embarked on accounting for its GHG emissions.

With the guidance of its EMS, ACR has implemented initiatives to neutralize the impacts of its GHG emissions including the following:

- Use of low NOX boiler, high-efficiency dust collectors/ESPs, and built-in deSOX system
- Establishment and implementation of vast GHG sink projects such as the Siguil and Kamanga River Watershed projects that cover an area of 7,500 hectares

These initiatives are continuously monitored by dedicated PCOs to measure their efficiency in achieving a carbon neutral emission for all the operating power plants.

Moreover, ACR has installed pollution control devices and dedicated Continuous Emission Monitoring System (CEMS) in all its operating power plants. These pollution control devices and CEMS undergo periodic servicing and maintenance based on planned schedule to ensure optimum operations and reliability. The CEMS are audited annually by a third-party to assure its reliability in compliance with the requirements of Republic Act 8749, the Philippine Clean Air Act of 1999.

The current monitoring and accounting system for ACR's GHG emissions utilizes the data gathered from the pollution control devices and CEMS and the Company is therefore seeking to upgrade CEMS into a Predictive Emission Monitoring System.

e. Waste Management

DISCLOSURE	AMOUNT	UNIT
Non-Hazardous Waste		
Solid Waste and Food Waste	20,130	Kilogram
Fly Ash	24,982.79	Metric tons
Solid Waste and Scrap Waste	3.3285	Tonnes
Hazardous Waste		
Sludge, Contaminated Materials & Healthcare Wastes	385,931	Kilogram
Oil Wastes & Other Contaminated Materials	13.417	Tonnes

DISCLOSURE	AMOUNT	UNIT
Hazardous Waste Transported	75,686	Kilograms
Hazardous Waste Treated	182,640	Liters

The nature of the business and its operations unavoidably produces solid and hazardous waste that the Company needs to properly manage to ensure that negative impacts on both local environment and health of the community are prevented or mitigated.

ACR has designated and dedicated PCOs for all its operating plants and they conduct training and seminars regarding Solid & Hazardous Waste Management, Spill Response & Management, and compliance to all applicable environmental laws, rules, and regulations.

The Company has developed a Waste Data Collection System to properly implement the most suitable waste segregation schemes for its various waste streams. ACR constructed an engineered ash pond for the proper containment of generated fly ash and bottom ash from plant operations. The engineered ash pond is lined with High Density Polyethylene material to prevent the seepage of fly ash, bottom ash, and its leachate into the ground. Furthermore, ACR, ensuring full compliance to the relevant environmental laws, rules, and regulations, has secured the necessary Hazardous Waste Generation ID for the proper management of the generated fly ash and bottom ash.

Exploring opportunities to divert waste away from landfills and seeking ways to lessen generation of hazardous waste, the Company has also set up a mechanism to sell the generated waste of fly and bottom ash to interested industries as raw material for cement making, and road concreting.

For one, SEC has entered into a sales agreement with Holcim Philippines and Will & Joe for the supply and take-out of generated fly ash and bottom ash as raw materials for cement making and road concreting. SEC is currently exploring opportunities with other cement factories for a similar arrangement.

The PCOs also ensure good environmental practices and that all the Company's generated solid and hazardous wastes are appropriately transported by DENR-accredited transporters and duly treated and disposed to accredited facilities.

At the same time, ACR ensures that any leachate or run-off wastewater are being collected and treated in the Company's wastewater treatment facility prior to its discharge in a DENR-approved receptor.

f Compliance Management

DISCLOSURE	QUANTITY	UNIT
Total Amount of Monetary Fines for Non – Compliance with Environmental Laws and / or Regulations	N/A	Php
No. of Non – Monetary Sanctions for Non – Compliance with Environmental Laws and / or Regulations	N/A	Count
No. of Cases Resolved through Dispute Resolution Mechanism	0	Count

The Company's license to operate as a business requires strict adherence to all applicable environmental laws and regulations. A full commitment is essential not only to ensure business continuity and financial performance but also to maintain ACR's reputation and smooth relationship with its business partners and with the communities where its facilities are located. It also contributes to the protection of the environment for the benefit of future generations who deserve equal rights to enjoy a livable environment.

Demonstrating this commitment, ACR created a dedicated Legal and Regulatory Compliance (LRC) group that is responsible to identify all applicable regulations to ACR and ensure compliance to all applicable requirements stipulated in the ECC, permits, licenses, and agreements. LRC is supported by dedicated PCOs for all operating power plants in managing ACR's compliance with all applicable environmental laws, rules, and regulations.

At the same time, the Company developed the Environment, Health, and Safety (EHS) team to implement EHS plans, programs, and policies. This team is also responsible in ensuring that all the applicable requirements of the EHS laws have been complied.

Furthermore, ACR has designated a dedicated Pollution Control Officer (PCO) who fulfills the responsibility of managing the Company's compliance with the Water Permit Conditions, Discharge Permit Conditions, Hazardous Waste Generator Registration, and Permit Conditions of Permit to Operate Air Pollution Source and Control Installations.

With the guidance provided by its EMS and its firm commitment to minimize its environmental footprint, ACR installed a pre-treatment facility for safeguarding water and wastewater systems. The pre-treatment facility includes tanks and oil/water separators. This is part of the Company's initiative to guarantee compliance with all applicable environmental rules and regulations of the Clean Water Act. In accordance with DENR guidelines, ACR's standard processes include preventive steps such as routine maintenance, cleaning, inspection, and quarterly sampling and analysis of its effluents.

The company has a system that monitors compliance to all permit conditions. With the help, coaching and mentoring of the Power Business Unit's safety and environmental counterparts, the risk of not being able to adapt to changes can be mitigated or avoided.

However, since the market and business landscape are constantly changing, industry players can expect that environmental laws and regulations will also change to address the needs of the times. The Company, therefore, takes pains to stay tuned to trends in changes in environmental laws and/or regulations in order to stay ahead of the curve, understand and appreciate the needs of its market, and be able to provide agile responses in terms of operations and processes.

7. Risk Management

DISCLOSURE	QUANTITY	UNIT
Safe Man Hours	2,396,166	Man-hours
No. of Work-Related Injuries	25	Count
No. of Work-Related Fatalities	0	Count
No. of Work-Related Ill Health Incidents	0	Count
No. of Safety Drills	24	Count

Health & Safety

The Company's commitment and capability to ensure the health and safety of its people as they work to deliver products and services to the market directly affect employee morale, operational costs, and the quality of service that ACR guarantees customers.

As such, risks to health and safety are regarded as priority issues that the Company invests resources on, ensuring that the organization remains fully compliant with relevant legislation, Codes of Conduct, and the Zero Accident Vision as articulated in the Occupational Health and Safety Management System.

Meanwhile, ACR has put together its Integrated Management System to be certified in accordance with ISO 9001:2015 (Quality), ISO 14001:2015 (Environmental), and ISO 45001:2018 (OHS).

With such world-class guidance, potential OHS hazards in the workplace have been identified along with the controls to mitigate, such as:

- Proactive consultation with workers
- Use of aspect/impact matrix in identifying risks
- Strengthen policy on the use of Personal Protective Equipment and conduct regular inspection
- Establishment of EHS programs, work procedures and guidelines, and emergency procedures and guidelines
- Conduct of EHS drills
- Redesign dust collector to install automatic fire protection system
- Offer online learning management platform to educate and refresh employees' EHS knowledge and skills

As such, the Company allocates appropriate budget for the provision of Personal Protective Equipment and for the effective implementation of all EHS-related programs and activities with the following objectives:

- Mitigate Loss Time Accident (LTA)
- Increase safe man-hours
- Be able to get awards from respective government agencies (DOLE, DENR, etc.)
- Increase employees' participation on EHS activities
- Establish and implement Behavioral-Based Safety (BBS) programs
- Strengthening the mental health of employees

ACR has established a BBS program while an EHS Key Performance Indicator is included on employees' Objectives and Key Results in the Performance Management Review to elicit the active participation of Employees in EHS activities. The Company strives to ensure employees and their family members have access to mental health professionals for consultations, diagnosis, and counseling.

Furthermore, the Company conducts EHS training and orientations, as well as various emergency response and preparedness drills based on the individual Employee's training needs. This way, the Company can identify what training is needed for every new generation of workers and support strong management and employee engagement to OSH Programs.

ACR continues to seek ways to improve the OSH programs and systems as well as to enhance OSH management process using smart digital technologies (health and safety software) as well as digitalization of monitoring systems, job planning tools, hazard identification, risk assessment, and control, etc. The Company aims to improve the efficiency of information and communication to support a workforce demographic that is getting younger. The Job Hazard Analysis and Hazard Identification Risk Assessment and Control has also been incorporated in the online AEM Information System, along with the Safety Observation program.

Developing unique employee engagement programs include benchmarking best practices and would help ACR create a health and safety culture where employees are encouraged to speak up if they come across hazards in the workplace.

8. Employee Welfare

a. Diversity and Equal Opportunities

DISCLOSURE	QUANTITY	UNIT
Female Employees in the Workforce	25.4	%
Male Employees in the Workforce	74.6	%
No. of Employees from Vulnerable Group	116	Count

ACR believes in the value that Diversity and Inclusion brings to an organization's strength and sustainability. Establishing best practices as an Equal Opportunity employer enables the Company to attract and retain quality talent and bolsters its reputation with stakeholders.

Diversity and equal opportunity are embedded in the Core Values of ACR. Its principles inform the Company's objectives and are inculcated in processes and systems that affect the employee lifecycle, from talent acquisition to onboarding and continuous learning & development. ACR respects and provides special considerations to Indigenous People and employees from vulnerable sectors through consistent application of diversity and inclusion best practices.

For instance, the Company established relevant policies on anti-discrimination, anti-harassment, and human rights that aligned with relevant and existing labor laws and standards. In addition, ACR provides regular refreshers to remind and update employees of labor relation laws covering topics such as benefits and compensation, basic rights at the workplace, CSR, etc.

The Company also strives to provide amenities in the facilities to support the campaign on diversity and equal opportunity, as well as the Department of Labor and Employment (DOLE) 10 Dimensions of the Family Welfare Program. These include amenities such as a breastfeeding room for female employees who are breastfeeding moms and a Visitors Briefing Room/Conference Room that can be utilized for religious activities like First Friday Mass, Praise & Worship. There are also ramps in various offices and buildings, along with dedicated PWD restrooms.

b. Hiring and Retention

DISCLOSURE	QUANTITY	UNIT
Total Number of Employees	453	Count
a. Female Employees	115	Count
b. Male Employees	338	Count
Attrition Rate	5.9	%
No. of Employee Transfer	9	Count
*Statement for Lowest Paid Employees: All employees are paid equal to or more than local minimum wage		

Benefit/Location	Percentage of employees who availed	
	Female	Male
SSS	29%	28%
Philhealth	39%	35%
Pag-ibig	58%	31%
Parental leave	9%	5%
Vacation Leave	86%	86%
Sick Leave	69%	58%
Medical benefits (aside from Philhealth)	72%	60%
Housing assistance (aside from Pag-ibig)	7%	3%
Retirement fund (aside from SSS)	0%	4%
Education support	5%	9%
Telecommuting	89%	96%
Flexible working hours	77%	81%
Others		
Communication Allowance	63%	72%
Internet Allowance	8%	12%
ECQ Subsidy	0%	0%
Hygiene Kit	11%	72%
Vaccination	73%	88%
Meal Subsidy	0%	2%
Rice Subsidy	86%	98%
Fuel Subsidy	42%	70%
Transportation Benefits (Shuttle Service / Transportation Allowance)	47%	16%
Bereavement Leave	2%	2%
Bereavement Assistance	2%	2%
Emergency Cash Advance	0%	0%
Educational Loan	7%	10%
Professional License Upgrading	0%	0%
Car Loan	5%	3%
Rewards & Recognition	100%	100%
Service Incentive Leave	0%	0%
Service Award	0%	2%
Perfect Attendance	0%	0%
Position Allowance	2%	4%
Medical Reimbursement	19%	89%

ACR's ability to attract and retain quality talent impacts the Company's operational targets, business objectives, and sustainability goals. Benchmarking with relevant industry top performers was therefore an important step that the Company took to identify areas to improve and enhance its brand as employer of choice.

For 2022, the implementation of the most feasible above industry standard benefit packages and work setup allowed the Company to attract and retain qualified talents it needed. ACR also continued essential employee engagement programs such as Mental Health Week, Birthday Club, Peptalk (sharing of thoughts, ideas), Coffee breaks activities, and Friday sports activities. The effectivity of the Company's employee engagement programs is monitored through periodic Employee Satisfaction Surveys.

Furthermore, ACR conducted an annual Employees Performance Review as well as a review of compensation and benefits vis-à-vis the present industry standards. The outcomes of the annual performance management review provided a basis for incentives and merit increases.

The Company also managed smooth employee relationships by maintaining open communications and listening to employee concerns on work-related issues through the established Employees' Grievance and Feedback Mechanism. The data gathered from these channels were analyzed and then addressed appropriately during Monthly Town Hall Meetings, Weekly Management Meetings, and Daily Toolbox Meetings for technical personnel.

With the values and vision of the Company reflected in its official policies, ACR demonstrates compliance with all relevant labor laws, rules, and regulations of the Department of Labor and Employment (DOLE) and other related government entities. For instance, ACR ensured the timely submission of the Labor Inspection Checklist to DOLE and the representation of ACR's designated focal personnel to the Tripartite Industrial Peace Council convened by DOLE.

c. Training and Development

DISCLOSURE	QUANTITY	UNIT
Total Training Hours Provided to Employees	45,581	Hours
a. Female Employees	8,501	Hours
b. Male Employees	37,080	Hours
Average Training hours Provided to Employees		
a. Female Employees	83	Hours
b. Male Employees	125	Hours

Properly trained employees support the Company's ability to consistently deliver on operational standards, customer satisfaction, career advancement, and safe and healthy workplaces. ACR therefore proactively adopts the most suitable and most effective training programs and strategies, including the continuous utilization of the online learning management platform.

In addition, employee training needs and specific skill gaps were assessed and identified through the conduct of competence profiling. The results of the 2021 competence gaps analysis and skills assessments were used in developing the 2022 individual training plan of the employees that aimed to increase productivity, improve management skills, reduce attrition rate, enhance employee performance, boost employee morale, and improve company culture.

To improve the learning and development results for each employee, the Company chose a holistic approach through individual development plans that address the gaps in the KSA of the employees. ACR also reviewed the existing training effectiveness procedure to improve the process to make it easier (quantity and quality) to determine training effectiveness. The Company ensured that a sufficient budget was allocated for all these training and development programs.

At the same time, the Company institutionalized its training and development approach through policies that include the evaluation of training as a Key Performance Indicator in the annual Employee Performance Management Review. Leaders, therefore, take an active part in making sure their personnel are well equipped with skills and knowledge, through their guidance and assistance as well as the support from the Company. Managers conducted skills assessments objectively, carefully prioritizing training gaps that needed to be addressed, proposed training to address the gaps identified in the competence gaps analysis, and conducted coaching sessions for their direct reports religiously.

d. Human Rights Protection

DISCLOSURE	QUANTITY	UNIT
No. of Legal actions or employee grievances involving forced or child labor	0	Count

As an organization that believes in the importance of respecting fundamental Human Rights in the conduct of business, ACR recognizes that compliance with labor rules and regulations is imperative in retaining its license to do business. Beyond concerns of reputation risk, the Company stands for the value of every employee and stakeholder that it engages with and respects each one's right to have a positive experience whenever they interact with ACR and its services. These beliefs are reflected in the following policies:

- Employment Policy
- Recruitment Policy
- Policies on Labor Standards such as Sexual Harassment Policy, Drug Free workplace, HIV and AIDS Prevention and Control, Tuberculosis Prevention and Control
- Code of Conduct

ACR is compliant with relevant labor laws, rules, and regulations of the DOLE and all other appropriate government entities. It conducted a series of roadshows to promote employee awareness of the company policies and procedures that concern their rights. The Company also made every effort to attend the quarterly meetings of the MMT to address grievances raised by the communities where it operates and where a portion of its labor force comes from.

At the same time, ACR actively participates in conventions of the regional People Management Association of the Philippines to maintain a peer-to-peer advisory among industries in the region and keep abreast of developments on Human Resources concerns, including those on the promotion of Human Rights. Benchmarking with other relevant organizations is important to ensure that the Company learns from the experience of others and remains updated on good labor practices.