COVER SHEET

3 6 1 9 0
S.E.C. Registration Number

OMICO CORPORATION

(Company's Full Name)

SUITE 1109 EAST TOWER
PSE CENTRE EXCHANGE ROAD
ORTIGAS CENTER PASIG CITY
(Business Address : No. Street City / Town / Province)

JUANA LOURDES M. BUYSON
Contact Person

86376923 & 86376924
Company Telephone Number

Definitive Information Statement

1 2 *Month* 3 1 *Day*
Fiscal Year

2 0 - I S
FORM TYPE

Last Friday
0 5 *Month* *Day*
Annual Meeting

Secondary License Type, If Applicable

M S R D
Dept. Requiring this Doc.

Amended Articles Number/Section

2 8 6 6 as of March 31, 2021
Total No. of Stockholders

Total Amount of Borrowings

N O N E
Domestic

N O N E
Foreign

To be accomplished by SEC Personnel concerned

File Number

LCU

Document I.D.

Cashier

S T A M P S

Remarks = pls. Use black ink for scanning purposes

OMICO
CORPORATION
1109 East Tower
Philippine Stock Exchange Centre
Exchange Road, Ortigas Center, Pasig City

A Listed Company at the
Philippine Stock Exchange

NOTICE OF ANNUAL STOCKHOLDERS' MEETING

TO ALL STOCKHOLDERS
Omico Corporation

NOTICE IS HEREBY GIVEN that the Annual Stockholders' Meeting of **OMICO CORPORATION** will be held on May 28, 2021, Friday, at 9:00a.m., with the following agenda:

1. Call to Order
2. Certification of Notice and Quorum
3. Approval of the Minutes of the Annual Stockholders' Meeting held on July 28, 2020
4. Presentation of Annual Report
5. Ratification of Acts and Proceedings of the Board of Directors and Management from July 28, 2020
6. Election of Directors
7. Election of External Auditor
8. Other Business
9. Adjournment

In light of the COVID-19 pandemic resulting in the imposition by the Government of regulations limiting mobility and mass gatherings, the meeting will be conducted through remote communication via videoconferencing and can be accessed at the meeting link which will be provided to stockholders after successful registration.

Stockholders of record as of April 30, 2021 shall be entitled to notice of and to vote at the meeting or any adjournment thereof.

Stockholders may attend the meeting and/or cast their vote *in absentia* by registering via email at corporatesecretary@omico.com.ph on or before 5:00p.m. on May 19, 2021. Upon verification of their registration credentials, an email from the Company will be sent containing instructions on how the registered online participants may access the annual stockholders' meeting and/or cast their votes on matters to be taken up during the meeting. Participants may send in questions or remarks via email.

Stockholders who cannot attend the meeting may designate their authorized representative by submitting a signed proxy form via email to corporatesecretary@omico.com.ph no later than 5:00p.m. on May 19, 2021. For corporate stockholders, the proxies should be accompanied by a Secretary's Certification on the appointment of the corporation's authorized signatory. Validation of proxies will be on May 21, 2021 at 2:00p.m.

The Company's Definitive Information Statement (SEC Form 20-IS) will be uploaded at the Company website (www.omico.com.ph) and at the PSE EDGE (http://edge.pse.com.ph), for your reference. Hard copies of this Notice, Definitive SEC Form 20-IS, and its attachments shall be provided upon request.

MARIA ELENA F. ALQUEZA
Corporate Secretary

Tel. # 637-6923 to 25 / 637-6920 (Fax)

OMICO CORPORATION
RATIONALE FOR AGENDA ITEMS

1. Call to Order

The call is done to officially open the annual stockholders' meeting. Pursuant to the Amended By-Laws of the Company, the meeting shall be presided over by the Chairman of the Board.

2. Certification of Notice and Quorum

The Corporate Secretary will certify the date when notices for the 2021 Annual Stockholders' Meeting were sent out to the stockholders of record. The Corporate Secretary will also certify to the existence of a quorum. Stockholders representing at least a majority of the outstanding capital stock, present in person or by proxy, shall constitute a quorum for the transaction of business.

3. Approval of the Minutes of the Annual Stockholders' Meeting held on July 28, 2020

A copy of the minutes is posted on the Company's website at https://www.omico.com.ph/minutes-of-all-general-or-special-stockholders-meeting/ and will be presented to the stockholders for approval.

4. Presentation of Annual Report

A report on the highlights of the performance of the Corporation for the year 2020 will be presented to the stockholders together with the Audited Financial Statements for 2020. Stockholders will be given the opportunity to raise questions regarding the operations and report of the Company. The 2020 Annual Report may be accessed at the Company's website at https://www.omico.com.ph/company-disclosures/.

5. Ratification of Acts and Proceedings of the Board of Directors and Management from July 28, 2020

All actions, proceedings and contracts entered into, as well as resolutions made and adopted by the Board of Directors and of Management from the date of the Stockholders' Meeting held on July 28, 2020 to the date of this meeting shall be presented for confirmation, approval and ratification.

6. Election of Directors for 2021 to 2022 (including the Independent Directors)

The incumbent members of the Board of Directors, as reviewed, qualified and recommended by the Company's Nomination Committee, have been nominated for re-election. A brief description of the work experience of each of the candidates is provided in the Company's Definitive Information Statement. If elected, they shall serve as Directors for a period of one (1) year from May 28, 2021 or until their successors shall have been duly elected and qualified.

7. Appointment of External Auditor

The Audit committee has pre-screened and recommended, and the Board has endorsed for the consideration of the stockholders, the re-appointment of R. R. Tan & Associates, CPAs as the Company's External Auditor for the fiscal year 2021.

8. Other Business

The Chairman of the Meeting will open the floor for comments and questions by the stockholders. The Chairman of the Meeting will decide whether matters raised by the stockholders may be properly taken up in the meeting or in another proper forum.

OMICO CORPORATION

ANNUAL STOCKHOLDERS' MEETING FOR 2021

PROCEDURES FOR PARTICIPATING IN THE MEETING AND FOR VOTING THROUGH REMOTE COMMUNICATION OR *IN ABSENTIA*

Only stockholders of OMICO CORPORATION ("the Corporation") as of April 30, 2021 (the "Eligible Stockholders") are entitled to participate in the Annual Stockholders' Meeting of the Corporation scheduled on May 28, 2021 ("the 2021 ASM") and to vote on the matters to be presented during the ASM.

The procedure to facilitate the registration of Eligible Stockholders who are interested in participating in the 2021 ASM and voting is shown below:

1. Registration – Cut-off Dates

Eligible stockholders who intend to participate by attending the meeting through remote communication must register for the meeting by notifying the Corporation and providing the information and documents listed in Item No. 2 through email at corporatesecretary@omico.com.ph on or before 5:00p.m. on May 19, 2021. For purposes of determination of quorum, only Eligible Stockholders who have registered for the meeting on or before 5:00p.m. on May 19, 2021 will be considered in the computation of stockholders' attendance.

Eligible stockholders who intend to cast their votes on any of the matters to be presented during the 2021 ASM must register by notifying the Corporation and providing information and documents listed in Item No. 2 on or before 5:00p.m. on May 19, 2021.

2. Requirements for Registration

Eligible stockholders must provide by email the information required and upload the documents needed to complete their registration:

a) For individual stockholders:
    i. Full name: First Name, Middle Name, Last Name
    ii. Birthdate
    iii. Address
    iv. Active email address
    v. Active mobile number and/or landline-phone number
    vi. Current photograph of the stockholder, with face fully visible
    vii. Valid/unexpired government-issued ID[1] of the stockholder containing a specimen signature of the stockholder

[1] *Government-issued IDs include: Driver's License, Passport, Unified Multi-Pupose ID (UMID), GSIS ID, PRC ID, IBP ID, iDOLE Card, OWWA ID, Comelec Voter's ID, Senior Citizen's ID.*

viii. Stockholders with joint accounts shall further submit a scanned copy of an authorization letter signed by all stockholders, identifying who among them is authorized to cast the vote for the account

ix. Additional Documents:
If the stockholder holds "scripless shares" (or holds shares under PCD Participant/Brokers Account), a copy of the Broker's Certification confirming the stockholder's full account name and the corresponding number of shares owned as of April 30, 2021.

b) For corporate stockholders:
   i. Full name of the Company
   ii. Address
   iii. Active email address of the authorized representative
   iv. Active mobile number and/or landline-phone number of the authorized representative
   v. Scanned copy of a notarized Secretary's Certificate in favor of the authorized representative of the corporate stockholder who is authorized to participate and vote
   vi. Current photograph of the Authorized Representative, with face fully visible
   vii. Valid/unexpired government-issued ID of the Authorized Representative containing a specimen signature of the authorized representative
   viii. Additional Documents:
   If the corporate Stockholder holds "scripless shares" (or holds shares under PCD Participant/Brokers Account), a copy of the Broker's Certification confirming the stockholder's full account name and the corresponding number of shares owned as of April 30, 2021.

3. Upon successful registration, the Office of the Corporate Secretary will send a confirmation email to stockholders whose respective accounts have been verified. The confirmation email will include the dedicated meeting link with password and a sample Voting Ballot/Proxy Form attached.

ONLY ELIGIBLE STOCKHOLDERS WHO HAVE REGISTERED FOR THE MEETING AS ABOVE-DESCRIBED ON OR BEFORE 5:00P.M. ON MAY 19, 2021 AND HAVE BEEN VALIDATED TO BE ELIGIBLE STOCKHOLDERS OF THE CORPORATION WILL BE CONSIDERED IN COMPUTING STOCKHOLDERS' ATTENDANCE AT THE 2021 ASM AND FOR THE DETERMINATION OF QUORUM.

4. Voting Procedure and Voting Deadline

   a) Eligible Stockholders can only cast their votes on any of the matters to be presented during the 2021 ASM by way of Voting Ballot/Proxy Forms submitted on or before 5:00p.m. on May 19, 2021 ("Voting Deadline"). A sample Voting Ballot/Proxy Form in included in the Definitive Information Statement.

ONLY VOTING BALLOTS/PROXIES SIGNED BY THE ELIGIBLE STOCKHOLDER OR THE AUTHORIZED REPRESENTATIVE, AS THE CASE MAY BE, WHICH HAVE BEEN RECEIVED BY THE OFFICE OF THE CORPORATE SECRETARY ON OR BEFORE THE VOTING DEADLINE EITHER (i) BY DELIVERY OR MAIL TO SUITE 1109 EAST TOWER, PSE CENTRE, EXCHANGE ROAD, ORTIGAS CENTER, PASIG CITY OR (ii) BY EMAIL SENT TO corporatesecretary@omico.com.ph SHALL BE COUNTED.

For the election of Directors, the Eligible Stockholder, or Authorized Representative or proxy, may vote for all nominees or cumulate his vote for one or some of the nominees, provided that the total number of allowable votes will not exceed the total number of shares held/owned by the Eligible Stockholder multiplied by 7 (i.e., the number of Board seats).

b) For Eligible Stockholders holding "scripless shares" (or shares under PCD Participant/Brokers Account), the Stockholders must coordinate with their brokers for the execution of this type of proxy.

c) After the Voting Deadline, the Eligible Stockholder may no longer change or revise the vote cast. However, if the vote was cast by proxy, the Eligible Stockholder may revoke the entire proxy at least five (5) days prior to the 2021 ASM and in such case, the vote will not be counted.

d) The Corporate Secretary and the Corporation's stock transfer agent will tabulate all votes received and validate the results.

5. The proceedings of the 2021 ASM will be recorded, subject to applicable provisions of the Revised Corporation Code.

6. Stockholders who have questions or comments about the 2021 ASM or requests for clarification on the procedure for attending the 2021 ASM through remote communication, may send the questions, comments or requests by email to corporatesecretaty@omico.com.ph.

7. Data of each individual stockholder's (or that of the corporate stockholder's Authorized Representative) will be collected, stored, processed and used exclusively for the purposes of the 2021 ASM.

VOTING BALLOT/PROXY

The undersigned stockholder of OMICO CORPORATION (the "Company") hereby appoints ___________________ or in his absence, the Chairman of the meeting, as attorney and proxy, with power to substitute, represent, and vote all shares registered in his/her/its name as proxy of the undersigned stockholder, at the Annual Stockholders' Meeting of the Company on May 28, 2021, and at any of the adjournments thereof, for the purpose of acting on the following matters:

1. Election of Directors.

____ 1.1. Vote for all nominees listed below:

1.1.1. Tommy Kin Hing Tia
1.1.2. Anson Chua Tiu Co
1.1.3. Anna Mei Nga Tia
1.1.4. Juan Jose Rodom T. Fetiza
1.1.5. Angel Severino Raul B. Ilagan, Jr.
1.1.6. Albert Y. Yung (Independent Director)
1.1.7. John Edwin N. Co (Independent Director)

____ 1.2. Withhold authority for all nominees listed above
____ 1.3. Withhold authority to vote for the nominees listed below:

_________________ _________________
_________________ _________________

2. Approval of Minutes of previous Annual Stockholders' Meeting held don July 28, 2020.
___ Yes ___ No ___ Abstain

3. Approval of 2020 Annual Report.
___ Yes ___ No ___ Abstain

4. Ratification of all acts and resolutions of the Board of Directors and Management from the date of last Stockholders' Meeting held on July 28, 2020 to May 28, 2021.
___ Yes ___ No ___ Abstain

5. Appointment of R. R. Tan & Associates, CPAs as external auditor.
___ Yes ___ No ___ Abstain

6. At their discretion, the proxy named above are authorized to vote upon such other matters as may be properly come before the meeting.
___ Yes ___ No ___ Abstain

____
Printed Name of Stockholder

____
Signature of Stockholder /
Authorized Signatory

____
Date

THIS PROXY FORM SHOULD BE RECEIVED BY THE CORPORATE SECRETARY (IN HARDCOPY TO THE OFFICE OF THE CORPORATE SECRETARY AT SUITE 1109, EAST TOWER, PHILIPPINE STOCK EXCHANGE CENTRE, ORTIGAS CENTER, PASIG CITY) OR EMAILED TO CORPORATESECRETARY@OMICO.COM.PH ON OR BEFORE MAY 19, 2021.

<u>WE ARE NOT SOLICITING PROXIES</u>

SECRETARY'S CERTIFICATE

I, ____________________, Filipino, of legal age and with office address at ____________________________, do hereby certify that:

1. I am the duly elected and qualified Corporate Secretary of ___________________________ (the "Corporation"), a corporation duly organized and existing under and by virtue of the laws of the Republic of the Philippines, with office address at _________________________;

2. Based on the records, during the lawfully convened meeting of the Board of Directors of the Corporation held on _____________________, the following resolution was passed and approved:

> "RESOLVED, that ______________________ be authorized and appointed, as he/she is hereby authorized and appointed, as the Corporation's Proxy (the "Proxy") to attend all meetings of the stockholders of Omico Corporation whether the meeting is regular or special, or at any meeting postponed or adjourned therefrom, with full authority to vote the shares of stock of the Corporation held in Omico Corporation and to act upon all matters and resolution that may come before or presented during meetings, or any adjournments thereof, in the name, place and stead of the Corporation; and
>
> RESOLVED, FINALLY, That Omico Corporation be furnished with a certified copy of this resolution, and Omico Corporation may rely on the continuing validity of this resolution until receipt of written notice of its revocation."

3. The foregoing resolution has not been modified, amended or revoked and in accordance with the records of the Corporation presently in my custody.

IN WITNESS WHEREOF, I have signed this instrument in on _________ _______________.

____

Printed Name and Signature of the
Corporate Secretary

SUBSCRIBED AND SWORN TO BEFORE ME on __________________ in _________________. Affiant exhibited to me his/her Competent Evidence of Identity by way of ________ issued on _______________ at ________________.

Doc. No. _____;
Page No. _____;
Book No. _____;
Series of 20__.

OMICO
CORPORATION
1109 East Tower
Philippine Stock Exchange Centre
Exchange Road, Ortigas Center, Pasig City

A Listed Company at the
Philippine Stock Exchange

CERTIFICATION

April 19, 2021

SECURITIES AND EXCHANGE COMMISSION
G/F Secretariat Building, PICC Complex
Roxas Boulevard, Manila

Attention: Director Vicente Graciano P. Felizmenio, Jr.
Markets and Securities Regulation Department

Gentlemen:

This is to certify that none of the following Directors/Officers and Nominees to the Board of Directors of the Company works with the Philippine Government, whether national or local:

Name	Position
Tommy Kin Hing Tia	Chairman
Anson Chua Tiu Co	Vice-Chairman
Anna Mei Nga Tia	President/CEO
Juan Jose Rodom T. Fetiza	Director
Angel Severino Raul B. Ilagan, Jr.	Director
Albert Y. Yung	Independent Director
John Edwin N. Co	Independent Director

Thank you.

Very truly yours,

Maria Elena F. Alqueza
Corporate Secretary

SUBSCRIBED AND SWORN to before me in the City/Municipality of MANDALUYONG CITY this APR 19 2021 day of ____________ by ____________, who has satisfactorily proven to me her identity through her SSS ID No. 33-0354485-9 and who personally signed and affirmed before me the foregoing Secretary's Certificate.

Doc. No. 234;
Page No. 48;
Book No. 33;
Series of 2021.

ATTY. JAMES K. ABUGAN
NOTARY PUBLIC
APPT. NO. 0442-19
Until 06/30/2021
IBP No. 134105 Dec. 9, 2020 Rizal Chapter
Roll No. 26890 Lifetime
MCLE No. VI-0012875 until 4/14/2022
TIN No. 116-239-956
PTR No. 4574511 01/04/2021
Tel. No. 631-40-90
Rm. 314 J&B Bldg., 251 EDSA,
Mandaluyong City

COVER SHEET

3 6 1 9 0

S.E.C. Registration Number

OMICO CORPORATION

(Company's Full Name)

SUITE 1109 EAST TOWER
PSE CENTRE EXCHANGE ROAD
ORTIGAS CENTER PASIG CITY

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

JUANA LOURDES M. BUYSON

Contact Person

86376923 & 86376924

Company Telephone Number

Certification of Independent Directors
Mr. Albert Y. Yung
Mr. John Edwin N. Co

1 2 | 3 1
Month *Day*
Fiscal Year

FORM TYPE

Last Friday
0 5
Month *Day*
Annual Meeting

Secondary License Type, If Applicable

M S R D
Dept. Requiring this Doc.

Amended Articles Number/Section

Total Amount of Borrowings

2 8 6 6 as of March 31, 2021
Total No. of Stockholders

N O N E
Domestic

N O N E
Foreign

To be accomplished by SEC Personnel concerned

File Number

LCU

Document I.D.

Cashier

STAMPS

Remarks = pls. Use black ink for scanning purposes

CERTIFICATION OF INDEPENDENT DIRECTOR

I, **ALBERT Y. YUNG**, Filipino, of legal age and a resident of B4 L9 Piña-Santol Subdivision, Sta. Mesa, Manila, after having been duly sworn to in accordance with law do hereby declare that:

1. I am a nominee for independent director of **Omico Corporation** and have been its independent director since May 31, 2013.

2. I am affiliated with the following companies or organizations:

Company/Organization	Position/Relationship	Period of Service
Kyril Misora Corporation	Managing Director	2019 - Present

3. I possess all the qualifications and none of the disqualifications to serve as an Independent Director of **Omico Corporation**, as provided for in Section 38 of the Securities Regulation Code, its Implementing Rules and Regulations and other SEC issuances.

4. I am not related to any director, officer or substantial shareholder of **Omico Corporation** and its subsidiaries or any of its related companies or any of its substantial shareholders.

5. To the best of my knowledge, I am not the subject of any pending criminal or administrative investigation or proceeding.

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 **Omico Corporation** of any changes in the abovementioned information within five days from its occurrence.

Done, this APR 21 2021 day of ____________, at MANDALUYONG CITY.

ALBERT Y. YUNG
Affiant

SUBSCRIBED AND SWORN to before me this ______ day of APR 21 2021 at MANDALUYONG CITY, affiant exhibited to me his competent evidence of identity Tax Identification No. 146-050-222-000 issued by the Bureau of Internal Revenue.

Doc. No. 354 :
Page No. 72 :
Book No. 33 :
Series of 2021 :

ATTY. JAMES K. ABUGAN
NOTARY PUBLIC
APPT. NO. 0442-19
Until 06/30/2021
IBP No. 134105 Dec. 9, 2020 Rizal Chapter
Roll No. 26890 Lifetime
MCLE No. VI-0012875 until 4/14/2022
TIN No. 116-239-956
PTR No. 4574511 01/04/2021
Tel. No. 631-40-90
Rm. 314 J&B Bldg., 251 EDSA,
Mandaluyong City

CERTIFICATION OF INDEPENDENT DIRECTOR

I, **JOHN EDWIN N. CO**, Filipino, of legal age and a resident of Rm. 206 Binondo Terrace, No. 842 Alvarado St., Binondo, Manila, after having been duly sworn to in accordance with law do hereby declare that:

1. I am a nominee for independent director of **Omico Corporation** and have been its independent director since May 31, 2013.

2. I am affiliated with the following companies or organizations:

Company/Organization	Position/Relationship	Period of Service
C+G Design Group	Principal Architect	2012 - Present

3. I possess all the qualifications and none of the disqualifications to serve as an Independent Director of **Omico Corporation**, as provided for in Section 38 of the Securities Regulation Code, its Implementing Rules and Regulations and other SEC issuances.

4. I am not related to any director, officer or substantial shareholder of **Omico Corporation** and its subsidiaries or any of its related companies or any of its substantial shareholders.

5. To the best of my knowledge, I am not the subject of any pending criminal or administrative investigation or proceeding.

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 **Omico Corporation** of any changes in the abovementioned information within five days from its occurrence.

Done, this ______ day of APR 2 1 2021, at MANDALUYONG CITY

JOHN EDWIN N. CO
Affiant

SUBSCRIBED AND SWORN to before me this ______ day of APR 2 1 2021 at MANDALUYONG CITY, affiant exhibited to me his competent evidence of identity Tax Identification No. 222-920-493-000 issued by the Bureau of Internal Revenue.

Doc. No. 315 :
Page No. 70 :
Book No. 33 :
Series of 2021 :

ATTY. JAMES K. ABUGAN
NOTARY PUBLIC
APPT. NO. 0442-19
Until 06/30/2021
IBP No. 134105 Dec. 9, 2020 Rizal Chapter
Roll No. 26890 Lifetime
MCLE No. VI-0012875 until 4/14/2022
TIN No. 116-239-956
PTR No. 4574511 01/04/2021
Tel. No. 631-40-90
Rm. 314 J&B Bldg., 251 EDSA,
Mandaluyong City

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 20-IS

INFORMATION STATEMENT PURSUANT TO SECTION 20 OF THE SECURITIES REGULATION CODE

1. Check the appropriate box:
   ( ) Preliminary Information Statement
   (X) Definitive Information Statement

2. **OMICO CORPORATION**
   Name of registrant as specified in its charter

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

4. **36190**
   SEC Identification Number

5. **000-483-136-000**
   BIR Tax Identification Code

6. **Suite 1109 East Tower, PSE Centre, Exchange Road, Ortigas Center, Pasig City**
   Address of principal office Postal Code **1605**

7. **(632) 86376923 & 86376924**
   Registrant's telephone number, including area code

8. **May 28, 2021 / 9:00A.M./ Via videoconferencing in accordance with SEC Memorandum Circular No. 6, Series of 2020**
   Date, time and place of meeting of security holders

9. **May 07, 2021**
   Approximate date on which the Information Statement is first to be sent or given to security holders

10. **Securities registered pursuant to Sections 8 & 12 of the Code**

Title of Each Class	Number of Shares of Common Stock Outstanding
Common Stock, PhP1.00 par value	**1,050,461,673 Shares**

11. **Are any or all registrant's securities listed on the Philippine Stock Exchange**?
    Yes (**x**) No ( )
    If yes, disclose the name of such Stock Exchange and the class of securities listed therein:
    Philippine Stock Exchange, Inc. – Common Stock

WE ARE NOT ASKING YOU FOR A PROXY AND YOU ARE NOT REQUESTED TO SEND US A PROXY.

INFORMATION STATEMENT OF
OMICO CORPORATION

A. GENERAL INFORMATION

Item. 1. DATE, TIME AND PLACE OF MEETING OF SECURITY HOLDERS

Date : **May 28, 2021**
Time : **9:00 A.M.**
Place : **Via videoconferencing in accordance with SEC Memorandum Circular No. 6, Series of 2020**

COMPLETE MAILING ADDRESS OF THE REGISTRANT

Suite 1109 East Tower, PSE Centre
Exchange Road, Ortigas Center
Pasig City 1605

DATE OF TRANSMITTAL OF INFORMATION STATEMENT TO SECURITY HOLDERS

The approximate date on which the information statement will be sent to security holders is on **May 07, 2021.**

Item 2. DISSENTERS' RIGHT OF APPRAISAL

The matters to be voted upon in the Annual Stockholders' Meeting on **May 28, 2021** are not among the instances enumerated under Sections 41 and 80 of the Revised Corporation Code ("Revised Corporation Code") of the Philippines under which a stockholder may exercise his appraisal right.

Under Sections 80 to 85 of the Revised Corporation Code, any stockholder shall have the right of appraisal in certain circumstances where he has dissented and voted against a proposed corporate action, including:

(a) In case an amendment to the articles of incorporation has the effect of changing or restricting the rights of any stockholder or class of shares, or of authorizing preferences in any respect superior to those outstanding shares of any class, or of extending or shortening the term of corporate existence;

(b) In case of sale, lease, exchange, transfer, mortgage, pledge or other disposition of all or substantially all of the corporate property and assets as provided in the Revised Corporation Code;

(c) In case of any merger or consolidation; and

(d) In case of investment of corporate funds for any purpose other than the primary purpose of the corporation.

There are no matters or actions to be taken up at the Annual Stockholders' Meeting which may give rise to a possible exercise by stockholders of their appraisal rights under the Revised Corporation Code.

How Right is Exercised. –

The dissenting stockholder who votes against a proposed corporate action may exercise the right of appraisal by making a written demand on the corporation for the payment of the fair value of shares held within thirty (30) days from the date on which the vote was taken: *Provided*, that failure to make the demand within such period shall be deemed a waiver of the appraisal right. If the proposed corporate action is implemented, the corporation shall pay the stockholder, upon surrender of the certificate or certificates of stock representing the stockholder's shares, 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 sixty (60) days from the approval of the corporate action by the stockholders, the withdrawing stockholder and the corporation cannot agree on the fair value of the shares, it shall be determined and appraised by three (3) disinterested persons, one of whom shall be named by the stockholder, another by the corporation, and the third by the two (2) thus chosen. The findings of the majority of the appraisers shall be final, and their award shall be paid by the corporation within thirty (30) days after such award is made: *Provided*, that no payment shall be made to any dissenting stockholder unless the corporation has unrestricted retained earnings in its books to cover such payment: *Provided*, *further,* that upon payment by the corporation of the agreed or awarded price, the stockholder shall forthwith transfer the shares to the corporation.

Item 3. INTEREST OF CERTAIN PERSONS IN OR OPPOSITION TO MATTERS TO BE ACTED UPON

a) No person who has been a director or officer or nominee for election as director of the Company or associate of such persons, have substantial interest, director or indirect, in any matter to be acted upon, other than the election of directors for the year 2021 to 2022.

b) The Company is not aware of any director or security holder who intends to oppose any action to be taken by the Company during the stockholders' meeting.

B. CONTROL AND COMPENSATION INFORMATION

Item 4. VOTING SECURITIES AND PRINCIPAL HOLDERS THEREOF

As of March 31, 2021, the total number of outstanding shares of the Company is **1,050,461,673** Common Shares, which are entitled to one (1) vote each.

The number of foreign-owned shares as of March 31, 2021 is 43,242,538 which is equivalent to 4.12% of the total number of issued and outstanding common shares of 1,050,461,673.

All stockholders of record as of **April 30, 2021** are entitled to notice and to vote at the Annual Stockholders' Meeting.

With respect to election of directors, said stockholder may vote such number of 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, provided, that the total number of votes cast by him shall not exceed the number of shares owned by him multiplied by the whole number of directors to be elected.

There has been NO CHANGE in the control of the Company since the beginning of its last fiscal year.

SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

Security Ownership of Certain Record and Beneficial Owners

As of March 31, 2021, the Company knows of no one who beneficially owns in excess of 5% of the Company's common stock except as set forth in the table below:

Title of Class	Name and Address of Record Owner and Relationship with Issuer	Name of Beneficial Owner and Relationship with Record Owner	Citizenship	No. of Shares Held	Percent of Class
Common	**PCD Nominee Corporation** 6764 Ayala Avenue, Makati City (No relationship with Issuer)	PCD Nominee Corporation is the record owner and the participants of PCD are the beneficial owners of such shares. The PCD participants who beneficially own more than 5% are the following:	Filipino Non-Filipino	953,220,580 R 41,225,078 R	90.743% 3.924%
	(Accredited stock broker of the Company)	Bernad Securities, Inc. 1033 M.H. Del Pilar St., Ermita, Manila The Company is not aware of any beneficial owner with more than 5% shareholdings in Bernad Securities, Inc.	Filipino	187,537,499	17.853%
	No relationship with Issuer)	Citibank NA Philippines Citibank Tower, Makati City The Company is not aware of any beneficial owner with more than 5% shareholdings in Citibank NA	Filipino	119,759,000	11.401%

		Philippines.			
	No relationship with Issuer)	First Metro Securities Brokerage Corporation 18/F PSBank Center, 7777 Paseo de Roxas corner Sedeño St., Makati City The Company is not aware of any beneficial owner with more than 5% shareholdings in First Metro Securities Brokerage Corporation.	Filipino	99,400,860	9.463%

Notes:

The PCD Nominee Corporation is a wholly-owned subsidiary of the Philippine Depository and Trust Corporation (PDTC) (formerly the Philippine Central Depository, Inc. or PCD) and is the registered owner of the shares in the books of the Company's transfer agent. The participants of PDTC are the beneficial owners of such shares. PDTC holds the shares on their behalf or in behalf of their clients.

There are no non-Filipino holders/participants to PCD Nominee Corp. that hold more that 5% of the company's outstanding shares.

The registrant is not aware of any person/entity that holds more than 5% of a class under a voting trust or similar agreement.

Security Ownership of Management

As of March 31, 2021, the following are the number of shares beneficially owned by directors and executive officers of the Company:

Title of Class	Name of Beneficial Owner	Amount/Nature of Record/ Beneficial Ownership (indicate "R" or "B")	Citizenship	Percent of Class
Common	Tommy Kin Hing Tia	14,020,000 B	Chinese	1.335%
Common	Anson Chua Tiu Co	1,000,000 B	Filipino	0.095%
Common	Anna Mei Nga Tia	22,793,750 B	Filipino	2.170%
Common	Juan Jose Rodom T. Fetiza	100 B	Filipino	0.000%
Common	Angel Severino Raul Ilagan, Jr.	10,000 B	Filipino	0.001%
Common	Albert Y. Yung	1,000 B	Filipino	0.000%
Common	John Edwin N. Co	1,000 B	Filipino	0.000%
Common	Emilio S. Teng	1,000 B	Filipino	0.000%
Common	Juana Lourdes M. Buyson	13,000 B	Filipino	0.001%
	All Directors and Officers as a Group	37,839,850		3.602%

Voting Trust Holders of 5% or More

The registrant is not aware of any person/entity that holds more than 5% of class under a voting trust or similar agreement.

Changes in Control

To the extent known to the Company, there are no arrangements that may result in a change in control of the Company.

Item 5. DIRECTORS AND EXECUTIVE OFFICERS

Board of Directors

The Directors of the Company are elected at the annual meeting of stockholders to hold office until the next annual meeting and until each respective successor shall have been elected and qualified. Each Board member serves for a term of one year or until his successor is duly elected and qualified.

The following are the incumbent directors of the Company and their business experience for the past five (5) years.

Name	Age	Citizenship	Position	Period Served
Tommy Kin Hing Tia	57	Chinese	Chairman Co-Vice-Chairman President/CEO Treasurer/ CFO	May 2013 – Present May 2010 – May 2013 January 2001 – May 2010 October1993 – January 2001
Anson Chua Tiu Co	51	Filipino	Vice-Chairman Director	May 2013 – Present November 2008 – May 2013
Anna Mei Nga Tia	57	Filipino	President/CEO Director – EVP	May 2010 – Present April 2004 – May 2010
Juan Jose Rodom T. Fetiza	55	Filipino	Director	April 2006 – Present
Angel Severino Raul B. Ilagan, Jr.	57	Filipino	Director	May 2012 – Present
Albert Y. Yung	56	Filipino	Independent Director	May 2013 – Present
John Edwin N. Co	41	Filipino	Independent Director	May 2013 – Present

Tommy Kin Hing Tia was elected as Chairman on May 31, 2013. He served as Co-Vice-Chairman from May 2010 up to May 2013 and was the President and Chief Executive Officer from January 2001 up to May 2010, after serving as Treasurer/CFO of the Company since 1993. He was formerly the Chairman of the Board of Federal Resources Investment Group Inc. (now LBC Express Holdings Inc.) from August 2007 up to April 2015. He has vast experience in equity market by serving as Managing Director of Angping & Associates Securities, Inc. until 1999. He was responsible for setting up branch's network of Angping & Associates Securities, Inc. Mr. Tia graduated from the De La Salle University-Manila with a BS degree in Computer Science.

Anson Chua Tiu Co was elected a Vice-Chairman on May 31, 2013. He joined the Board on November 07, 2008. Mr. Tiu Co has been the Vice President for Corporate Administration of San An Realty Development Corporation (Baguio City) since 2000, Head of the Human Resources Department of Coo YeeSan Hotel Plaza (Baguio City) since 2000 and General Manager of Shape Up Boxing and Fitness Gym (Baguio City) since 2003. He was the General Manager of Joffan Marketing (Pasay City) from 1995 to 2000 and General Manager of Promark Marketing (Pasay City) from 1992 to 1995. He graduated from the El Camino College in Los Angeles, California, USA with a degree in Business Management. He also obtained a degree in International Business from the University of California in Los Angeles, California, USA.

Anna Mei Nga Tia was elected as President and Chief Executive Officer on May 29, 2010. She joined the Board on April 30, 2004 and served as Executive Vice President from April 2004 up to May 2010. She was formerly the President/CEO of Federal Resources Investment Group Inc. (now LBC Express Holdings Inc.) from August 2007 up to May 2015. She is the President of Hingson Food Products since 1994 and Chairman/President of Mcdolbee Commercial Corporation. She was formerly the Managing Director of Success Remittance (HK) Limited Inc. and General Manager of Hi Tech Appliances Center. Ms. Tia graduated from the Philippine School of Business Administration with a degree in Commerce major in Marketing.

Juan Jose Rodom T. Fetiza, Director, joined the Board on April 26, 2006. He is the Head of Compliance and Audit of Asiapro Multipurpose Cooperative and Director and Vice-Chairman of Premiere Credit Cooperative. He is engaged in the private practice of law. He graduated from the University of the Philippines in 1993 with a Bachelor of Laws degree. He is also a Certified Public Accountant.

Angel Severino Raul B. Ilagan, Jr., Director, joined the Board on May 25, 2012. He is the President/Director of Firmware Corporation, Ohana Property Holdings Corporation and Ramar Management Corporation; Director of Hosaku International Corp. and Pinoygolfer Media, Inc.; and Independent Director of Riviera Sports and Country Club, Inc. He is a Senior Partner of Bernas Law Offices. He graduated from Ateneo de Manila University with a degree of Bachelor of Science, Major in Legal Management and Bachelor of Laws and has a Masters in Entrepreneurship from the Asian Institute of Management.

Albert Y. Yung, Independent Director, joined the Board on May 31, 2013. He is the Managing Director of Kyril Misora Corporation since April 2019 and formerly the Branch Manager of Cocolife, Quezon City, NCR from August 2005 up to December 2019. He was formerly an Independent Director of Federal Resources Investment Group Inc. (now LBC Express Holdings Inc.) from June 2013 up to April 2015. He graduated from the Mapua Institute of Technology with a degree of Bachelor of Architecture.

John Edwin N. Co, Independent Director, joined the Board on May 31, 2013. He is the Principal Architect of C+G Design Group, an architectural design firm, since June 2012. He was formerly an Independent Director of Federal Resources Investment Group Inc. (now LBC Express Holdings Inc.) from July 2012 up to May 2015. He graduated from the University of Santo Tomas with a degree in Bachelor of Science, major in Architecture.

Albert Y. Yung and **John Edwin N. Co** are in compliance with the required term limit of independent directors pursuant to the SEC Memorandum Circular No. 4, Series of 2017 dated March 10, 2017 entitled "Term Limit of Independent Directors."

Nominees

The following have been nominated to the Board of Directors of the Company:

Name	Age	Citizenship
Tommy Kin Hing Tia	57	Chinese

Anson Chua Tiu Co	51	Filipino
Anna Mei Nga Tia	57	Filipino
Juan Jose Rodom T. Fetiza	55	Filipino
Angel Severino Raul B. Ilagan, Jr.	57	Filipino
Albert Y. Yung	56	Filipino
John Edwin N. Co	41	Filipino

In line with the existing Nomination Guidelines approved by the previous Board of Directors on August 22, 2008, the Nomination Committee receives the names of nominees and screens them based on the policies and parameters for screening nominees for regular and independent directors. The Nomination Committee for 2020-2021 is composed of Ms. Anna Mei Nga Tia, Chairperson, Mr. Albert Y. Yung and Mr. John Edwin N. Co, members.

The following are the nominees for independent directors:

Albert Y. Yung
John Edwin N. Co

Albert Y. Yung and John Edwin N. Co were nominated as independent directors by Juana Lourdes M. Buyson. Ms. Buyson is not related to any of the foregoing nominees for independent director. Messrs. Yung and Co, having possessed the qualifications and none of the disqualifications of an independent director, were nominated in accordance with the guidelines for the nomination and election of independent directors pursuant to Rule 38 of the Securities Regulation Code (SRC). The Company has adopted the provisions of Rule 38 of the SRC on nomination and election of independent directors. (Article III-A of the Amended By-Laws, as approved by the SEC on February 29, 2008.)

Executive Officers

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

The incumbent executive officers of the Company are the following:

a) Tommy Kin Hing Tia - Chairman
b) Anson Chua Tiu Co - Vice Chairman
c) Anna Mei Nga Tia - President/CEO
d) Emilio S. Teng - Corporate Information Officer
f) Juana Lourdes M. Buyson - Treasurer/Compliance Officer
g) Maria Elena F. Alqueza - Corporate Secretary
h) Ma. Marry Janette M. Lescano - Asst. Corporate Secretary

Emilio S. Teng, 58, Corporate Information Officer, joined the Company on May 30, 2008. He is a partner of Teng and Cruz Law Office, Director of Blue Cross Insurance Inc, Corporate Secretary of Vishay Philippines, Inc. and Director/Treasurer of Blue Properties Worldwide Inc. He graduated from Ateneo De Manila University with a degree of Bachelor of Arts, Major in Political Science and Bachelor of Laws.

Juana Lourdes M. Buyson, 67, Treasurer/Compliance Officer, joined the Company in January 2001. She was formerly connected with AP Securities, Inc. as Treasury Head from 1995 to December 2000. She graduated from the University of Santo Tomas with a degree of Bachelor of Science in Commerce, Major in Accounting. She is a Certified Public Accountant.

Maria Elena F. Alqueza, 52, Corporate Secretary, joined the Company in November 2000. She graduated from the Polytechnic University of the Philippines with a degree of Bachelor of Science in Commerce, Major in Accounting.

Ma. Marry Janette M. Lescano, 57, Assistant Corporate Secretary, joined the Company in July 2007. She graduated from the Centro Escolar University with a degree of Bachelor of Science in Business Administration.

SIGNIFICANT EMPLOYEES

The Company considers the collective efforts of the Board of Directors, Management and all of the Company's employees as instrumental to the Company's overall success.

FAMILY RELATIONSHIPS

Mr. Tommy Kin Hing Tia, Chairman, is the spouse of Ms. Anna Mei Nga Tia, President/CEO. Mr. Anson Chua Tiu Co, Vice Chairman, is the son of Mr. Co An, a principal stockholder of the Company. Except for said relationship, there are no other family relationships known to the Company.

INVOLVEMENT IN CERTAIN LEGAL PROCEEDINGS

Aside from Mr. Tommy Kin Hing Tia, the Chairman, and Ms. Juana Lourdes M. Buyson, SVP-Treasurer, no other member of the Board of Directors or any other executive officer of the Corporation was involved during the past five (5) years and as of the date of filing of this report in any criminal, bankruptcy or insolvency investigations or proceedings against them.

On July 26, 2012, an Information for Obstruction of Justice under PD1829 with Criminal Case No. 468440-41-CR was filed against Mr. Tommy Kin Hing Tia and Ms. Juana Lourdes M. Buyson in the Branch 1 of the Metropolitan Trial Court ("MTC") of Manila.

This case stemmed from the informal complaint filed by Domingo Guevara in 2010 before the National Bureau of Investigation ("NBI") against the Board of Omico relative to the shelved Makati joint venture project with the Guevaras. In connection with their investigation, the NBI requested for documents related to Omico's increase in paid up capital in 1996. Omico submitted to the NBI the SEC Certificate of Increase of Capital Stock dated September 06, 1996 including the list of the sixteen (16) private placement investors consisting of individuals and stock brokers. Despite our submission of the said list, the NBI insisted that we submit a list of all individual investors, a list which is not in our possession and over which we do not have knowledge of.

On September 17, 2012, Omico, through Omico's legal counsel, received the Order dated August 28, 2012 from the MTC, Branch 1, Manila on Criminal Case No. 468440-41-CR dismissing the complaint for Obstruction of Justice under PD1829 filed against Mr. Tia and Ms. Buyson. A Motion for Reconsideration of the Order dismissing the complaint was likewise denied by the Court in its Resolution dated 19 November 2012. On February 25, 2013, an Order to submit comments was received from the Regional Trial Court ("RTC") of Manila, NCR, Branch 19 dated February 22, 2013 relative to the filing of a Petition for Certiorari with the said RTC. The RTC, in its Decision dated July 08, 2013, granted the Petition and ordered the reinstatement in the docket of the respondent court. Omico's legal counsel then filed a Motion for Reconsideration on August 02, 2013. On December 2, 2013 Omico received the Resolution from the RTC Branch 19, Manila denying the motion for reconsideration and reiterating its Order for the reinstatement of Criminal Case No. 468440-41 in the docket of the MTC, Branch 1, Manila. Upon demurrer to evidence, the MTC, Branch 1, Manila issued an Order dated August 29, 2014 on Criminal Case Nos. 468440-41-CR dismissing the case for Obstruction of Justice under PD1829 filed against Mr. Tia and Ms. Buyson. On January 10, 2015, a Petition for Certiorari was filed with the RTC, Branch 20, Manila. The Petition was denied for lack of merit as per RTC Branch 20, Manila Decision dated April 30, 2015. On August 26, 2015, a

Notice of Appeal was filed by State Prosecutor Dayog with the RTC Branch 20, Manila. On August 18, 2016, a Decision was rendered by the Seventh Division of the Court of Appeals on CA G.R. SP No. 142194 for an appeal filed seeking to annul and set aside the Decision dated April 30, 2015 dismissing the Petitioner's Petition for Certiorari

and Order dated July 30, 2015 denying Petitioner's Motion for Reconsideration rendered by Branch 20 of the RTC of Manila. The Court of Appeals granted the appeal of the Petitioner and ruled that the Decision dated April 30, 2015 rendered by Branch 20 of the RTC of Manila in SCA Case No. 15-132908 are Reversed and Set Aside. The Orders dated August 29, 2014 and November 05, 2014 rendered by Branch 1 of the MTC Manila are declared null and void and said cases are ordered Reinstated to the Court's docket for the continuation of proceedings. On July 10, 2019, the Supreme Court, First Division, issued a Resolution on G.R. No. 231325 (People of the Philippines vs. Tommy Kin Hing Tia, et. al.) acting on the Office of the Solicitor General's motion for reconsideration of the Resolution dated January 21, 2019 which denied the petition for review on certiorari and considering that there is no substantial argument to warrant a modification of the Court's resolution, the Court resolved to Deny reconsideration with Finality.

On March 31, 2015, Ms. Juana Lourdes M. Buyson, SVP-Treasurer of Omico Corporation, filed with the Supreme Court Manila a Petition for the Disbarment of State Prosecutor Edwin S. Dayog for malicious, willful and oppressive acts of Prosecutor Edwin S. Dayog relative to the filing of Criminal Case No. 468441 for Obstruction of Justice under PD 1829 which was dismissed on August 29, 2014 by the MTC, Branch1, Manila for lack of evidence. On August 27, 2015, Edwin Dayog submitted his Comment on the Petition for Disbarment. In January 2016, Ms. Buyson submitted her Reply. On April 20, 2016, the Supreme Court issued a Notice stating that the case was being referred to the Integrated Bar of the Philippines for investigation report and recommendation within 90 days from receipt of the record. On June 29, 2018, the IBP, Board of Governors, Pasig City, rendered a Resolution wherein the complaint for Disbarment filed against Edwin Dayog was dismissed. On July 17, 2019, the Supreme Court First Division Manila issued a Resolution stating that the administrative case be considered closed and terminated.

No director or executive officer was involved during the past five (5) years and as of the date of filing of this report in any conviction by final judgment in any criminal proceeding, any order, judgment or decree of any court 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 in any proceeding involving violation of securities or commodities laws or regulations.

CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS

The significant transactions of the Company with related parties, as discussed in Note 23 *Related Party Transactions* of the Notes to the Financial Statements, are stated below:

a) The Parent Company's advances to its subsidiaries represent cash advances and subsidiaries' operating expenses paid by the Parent Company. These advances are shown as part of Receivables in the Parent Company's statements of financial position. The outstanding balance amounted to P6,641,032 and P6,565,574 as of December 31, 2020 and 2019, respectively. Full allowance for credit losses were provided in 2020 and 2019. These accounts were eliminated in full in the consolidated financial statements.

b) The Parent Company's cash advances from its subsidiary in previous years are shown as Due to subsidiary in the Parent Company's statements of financial position. The outstanding balance amounted to P221,084,873 as of December 31, 2020 and 2019. This amount was eliminated in the consolidated financial statements.

c) Total salaries and compensation and retirement benefits given to key management personnel amounted to P5,285,500 in 2020 and P6,236,699 in 2019, respectively, and are shown as part of compensation and other employees' benefits account in the statements of comprehensive income.

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control or common significant influence which include affiliates.

Transactions with related parties, if any, are made at normal market prices. There have been no guarantees provided or received for any related party receivables or payables. Assessment is undertaken each financial year through examining the financial position of the related parties and the markets in which the related parties operate.

There are no transactions or proposed transactions during the last two years to which the company or its subsidiary was or is to be a party, in which a director, executive officer, or stockholder owns ten percent (10%) or more of total outstanding shares and members of their immediate families, had or is to have a direct or indirect material interest.

The Company or its related parties have no material transaction with parties falling outside the definition of "related parties" under the Philippine Accounting Standard No. 24 that are not available for other, more clearly independent parties on an arm's length basis.

PARENT COMPANY

The Company has no parent company.

RESIGNATION OR DECLINATION TO STAND FOR RE-ELECTION OF A DIRECTOR

Since the Company's last Annual Meeting of Stockholders held on July 28, 2020, no director has resigned or declined to stand for re-election because of disagreement with the Company on any matter relating to the Company's operations, policies or practices.

LEGAL PROCEEDINGS

Omico Corp. vs. Municipality of Sto. Domingo, Nueva Ecija - Civil Case No. 66586 for a Sum of Money with Damages.

The complaint against the defendant Municipality for the recovery of the amount of PhP4,492,000.00 exclusive of interest, penalty and damages arising out of a contract entered into by the Company with the Municipality for the development of a housing project on the latter's property was filed on December 5, 1997 with the Pasig City Regional Trial Court. A decision was rendered on September 18, 2004 by Judge Librado S. Correa dismissing the case. The decision of the Pasig City Regional Trial Court was elevated by the Company's legal counsel before the Court of Appeals. On July 27, 2011, the Court of Appeals rendered a Decision partially granting the Company's appeal by ordering defendant Municipality of Sto. Domingo to pay Omico PhP4,365,266.25 representing the value of the work accomplished. The Municipality of Sto. Domingo filed a Motion for Reconsideration and on February 08, 2012, the Court of Appeals denied the same. The Municipality of Sto. Domingo elevated the matter with the Supreme Court via a Petition for Review on Certiorari on March 16, 2012. In a Resolution dated July 06, 2015, the Supreme Court denied the instant Petition and affirmed the July 27, 2011 Decision and February 8, 2012 Resolution of the Court of Appeals ordering the Municipality of Sto. Domingo to pay Omico the amount of PhP4,365,266.25 representing the value of the work accomplished by Omico. On September 29, 2015, the Supreme Court issued an Entry of Judgment for the Resolution dated July 06, 2015. On June 22, 2016, the Records of the said case were transmitted back to the Regional Trial Court of Pasig City Branch 164. The Company's legal counsel filed a Motion for Issuance of a Writ of Execution on July 21, 2016. On January 23, 2018, the service of the Writ of Execution to the Municipality of Sta. Domingo was successfully completed. Since the Municipality of Sto. Domingo has not complied with the Supreme Court Order, the Company's legal counsel filed a Petition for Sum of Money with the Commission on Audit on August 01, 2019. The Municipality filed its Answer and then the Company filed a Reply. The Case is now submitted for Resolution.

Item 6. *COMPENSATION OF DIRECTORS AND EXECUTIVE OFFICERS*

Compensation of Directors and Executive Officers

Name and Principal Position	Year	Salary	Bonus	Other Compensation
Tommy Kin Hing Tia - Chairman				
Anna Mei Nga Tia - President/CEO				
Juana Lourdes M. Buyson - Treasurer				
Maria Elena F. Alqueza - Corporate Secretary				
Ma. Marry Janette M. Lescano - Asst. Corporate Secretary				
TOTAL for the top 5 most highly compensated directors and officers named above				
(Estimated)	2021	6,825,000	-0-	-0-
(Actual)	2020	5,658,333	-0-	-0-
(Actual)	2019	6,825,000	-0-	-0-
All other directors and officers as a Group unnamed				
(Estimated)	2021	-0-	-0-	-0-
(Actual)	2020	-0-	-0-	-0-
(Actual)	2019	-0-	-0-	-0-

Standard Arrangements: A Director's compensation represents per diem allowance of PhP6,000 for attendance at each Board meeting and Board Committee meeting.

Section 8 of Article III of the Amended By-Laws which pertain to compensation of Directors read as follows:

Section 8. Compensation – By resolution of the Board, each director shall receive a reasonable *per diem* allowance for his attendance at each meeting of the Board. As compensation, the Board may receive and allocate an amount of not more than ten percent (10%) of the net income before income tax of the corporation during the preceding year. Such compensation shall be determined and apportioned among the directors in such manner as the Board may deem proper, subject to the approval of stockholders representing at least a majority of the outstanding capital stock at a regular or special meeting of the stockholders.

Other Arrangements: The Company has no other arrangement with regard to the remuneration of its existing directors aside from the compensation received on per diem allowance of PhP6,000 for attendance at each Board meeting and Board Committee meeting.

Below is the summary of the per diem given to the directors of the Company as a group:

	Year Ended December 31	Year Ended December 31
	2020	2019
Per diem to the Board of		
Directors as a group	252,000	252,000

All employees of the Company, including officers, sign a standard engagement contract which states their compensation, benefits and privileges.

The Company does not have any special employment contracts or any compensatory plan or arrangement resulting from the resignation, retirement, or any other termination of an executive officer's employment with the Company or from a change in control of the Company except for such rights as may have already vested under the Company's retirement plan or as may be provided for under its standard benefits.

There were no bonuses, profit sharing, and other compensation given to directors and executive officers during the last two fiscal years.

Stock Warrants and Options Outstanding

There are no stock warrants or options outstanding.

During the Annual Stockholders' Meeting held on April 27, 2007, the stockholders owning or representing at least two thirds (2/3) of the outstanding capital stock approved the allocation of ten percent (10%) of the Company's outstanding capital stock for the grant of stock options to the Company's deserving employees, officers and board members which rules shall be determined by the Compensation Committee and approved by the Board of Directors. The terms and conditions governing the proposed stock option plan still has to be determined by the Company's Compensation Committee and approved by the Board of Directors.

Item 7. INDEPENDENT PUBLIC ACCOUNTANTS

The independent or external auditor of the Company is R. R. Tan & Associates, CPAs with Mr. Chester Nimitz F. Salvador as the signing audit partner. Mr. Salvador has been the signing partner since 2016.

Pursuant to the General Requirements of SRC Rule 68, As Amended, Section (3)(b)(ix) *(Qualifications and Reports of Independent Auditors / Additional Requirements for Independent Auditors of Regulated Entities / Rotation of External Auditors)*, the independent auditors or in the case of an audit firm, the signing partner, of the regulated entities shall be rotated after every five (5) years of engagement. A two-year cooling off period shall be observed in the re-engagement of the same signing partner or individual auditor. The Company is in compliance with SRC Rule 68, As Amended, Section (3)(b)(ix).

R. R. Tan & Associates, CPAs and Mr. Salvador both have existing and valid Certificates of Accreditations issued by the Professional Regulatory Board of Accountancy and the Philippine SEC under Group A category.

The Board of Directors, upon the favorable endorsement of the Audit Committee, nominated R. R. Tan & Associates, CPAs, with business address at U-1705 Antel Global Corporate Center, Julia Vargas Avenue, Ortigas Center, Pasig City, as the external auditor of the Company for the fiscal year 2021. The stockholders are requested to approve the re-appointment of R. R. Tan & Associates, CPAs as external auditor of the Company for 2021 at the Annual Stockholders' Meeting to be held on May 28, 2021.

The representatives of R. R. Tan & Associates, CPAs are expected to be present at the Annual Stockholders' Meeting and they will have the opportunity to make a statement if they desire to do so and such representatives are expected to be available to respond to appropriate questions with respect to matters for which their services were engaged.

The Company has no disagreement with R. R. Tan & Associates, CPAs on any matter relating to accounting principles or practices, financial statement disclosures, or auditing scope or procedure.

No independent accountant previously engaged by the Company has resigned or has declined to stand for re-election or was dismissed or otherwise ceased performing services.

EXTERNAL AUDIT FEES (for the last two (2) fiscal years):

a) Audit and Audit-Related Fees	**2020**	**2019**
1) For the audit of the Company's annual financial statements or services that are normally provided by the external auditor in connection with statutory and regulatory filings or engagements for those fiscal years	PhP396,625	PhP373,750
2) For other assurance and related services by the external auditor that are reasonably related to the performance of the audit or review of the Company's financial statements.	-0-	-0-
b) Tax Fees		
For services for tax accounting compliance, advice, planning and any other form of tax services.	-0-	-0-
c) All other Fees		
For products and services rendered by the external auditor, other than the services reported under items (a) & (b) above.	-0-	-0-

d) The Audit Committee evaluates the performance of the external auditor and keeps under review the fees billed for the audit of the Company's financial statements.

MEMBERS OF THE AUDIT COMMITTEE

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

a) Albert Y. Yung - Chairman
b) Juan Jose Rodom T. Fetiza - Member
c) John Edwin N. Co - Member

Item 8. COMPENSATION PLANS

If action is to be taken with respect to any plan pursuant to which cash or non-cash compensation may be paid or distributed to the following information:

- With respect to any stock options, warrants or rights plan:

  During the Annual Stockholders' Meeting held on April 27, 2007, the stockholders owning or representing at least two thirds (2/3) of the outstanding capital stock approved the allocation of ten percent (10%) of the Company's outstanding capital stock for the grant of stock options to the Company's deserving employees, officers and board members which rules shall be determined by the Compensation Committee and approved by the Board of Directors. The terms and conditions governing the proposed stock option plan still has to be determined by the Company's Compensation Committee and approved by the Board of Directors.

- With respect to any other type of compensation plan:

  The company has no other type of compensation plan.

Item 11. FINANCIAL AND OTHER INFORMATION

The General Nature and Scope of Business, Market Prices including the closing price as of April 16, 2021, Stockholders and Dividends, Recent Issuance of Securities, Compliance with the Corporate Governance Manual, Management's Discussion and Analysis of Financial Condition and Results of Operations and Status and Plan of Operations are included in Annex "A".

The audited financial statements for the year ended December 31, 2020 are attached hereto as Annex "B".

The Company's website is in compliance with the SEC-prescribed website template as required under SEC Memorandum Circular No. 2, Series of 2018 dated January 22, 2018 entitled "Compliance with SEC-Prescribed Website Template."

D. OTHER MATTERS

Item 15. ACTION WITH RESPECT TO REPORTS

1) The following items shall be submitted to the stockholders for approval:

The Minutes of the Annual Stockholders' Meeting held on July 28, 2020 will be submitted for approval of the stockholders at the annual meeting to be held on May 28, 2021. Below is the summary of the items and/or resolutions approved at the Annual Stockholders' Meeting held on July 28, 2020:

a) The 2020 Annual Stockholders' Meeting was called to order at 9:00a.m. by Mr. Tommy Kin Hing Tia, the Chairman of the Board of Directors of the Corporation.

b) The Corporate Secretary certified that the Notice of the Annual Stockholders' Meeting together with other materials relevant for the meeting such as the Information Statement and the Annual Report/SEC Form 17-A for 2019 were distributed through the following methods: (1) by the publication of the Notice of the Meeting in the Daily Tribune on June 29 and June 30, 2020 and Malaya Business Insight on July 2 and July 3, 2020, in both print and online formats; (2) by disclosure to the PSE resulting in the posting of the Notice of Meeting, Information Statement and the other relevant materials on the PSE EDGE disclosure portal; and (3) by uploading the same documents on the website of the Corporation. These methods were in compliance with the Notice of the SEC dated April 20, 2020, which was issued by the SEC in order to provide publicly-listed companies an alternative mode of complying with the requirements for the distribution to its stockholders of notices and materials for their respective annual meeting. The Notice of the Meeting and other relevant materials were released on July 06, 2020 which is at least 21 days prior to the meeting date of July 28, 2020, in accordance with the Revised Corporation Code and applicable SEC regulations. Through the Notice of the Annual

Meeting, stockholders were informed that the meeting would be conducted online by remote communication in lieu of physical meeting. The Information Statement included the *Procedures for Participating in the Meeting and for Voting Through Remote Communication or In Absentia*.

The Corporate Secretary reported that for purposes of determination of the meeting quorum, stockholders as of the meeting's Record Date of June 30, 2020 who registered for this meeting on or before July 17, 2020 at 5:00pm were considered in the computation of stockholders' attendance. The stockholders who timely registered for this meeting hold a total of 723,710,195 common shares of the Corporation representing approximately 68.89% of the total issued and outstanding common shares as of June 30, 2020 of 1,050,461,673, and are therefore considered as present or represented in this meeting. Accordingly, the Corporate Secretary certified that a quorum for the annual meeting have been established.

c) Upon motion duly made and seconded, the stockholders approved the minutes of the Annual Stockholders' Meeting held on May 31, 2019. The Chairman provided the stockholders present at the meeting an opportunity to ask questions on the Minutes of the 2019 Annual Stockholders' Meeting, however, none was raised.

d) The President of the Corporation presented the annual management report and Audited Financial Statements for the year ended December 31, 2019. She presented the highlights of the performance of the Corporation, the details of which were incorporated into the Corporation's annual report as distributed to the stockholders. The management report included a discussion on the operations, financial report and plans. The Chairman opened the floor for questions to be raised on the report on the Company's operations. He noted that the representatives of the Company's external auditor, R. R. Tan & Associates CPAs will be on hand to entertain questions on the Company's financial reports. No questions, however, were raised by the stockholders present on the report on the Company's operations and its Audited Financial Statements. No questions having been raised and upon motion duly made and seconded, the annual management report was duly noted and the Audited Financial Statements for the year ended December 31, 2019 was approved.

e) Upon motion duly made and seconded, the stockholders approved, ratified and confirmed all acts of the incumbent Board of Directors and Officers of the Corporation performed or undertaken from May 25, 2018 and until May 31, 2019. The Chairman opened the floor for questions or issues to be taken up pertaining to the ratification of all corporate acts and proceedings, however, no questions or issues were raised on the corporate acts and proceedings.

   Resolutions, contracts, and acts of the Board of Directors and Management for ratification refer to those passed or undertaken by them during the year and for the day to day operations of the Company as contained or reflected in the minute books, annual report and financial statements. These acts are covered by resolutions of the Board of Directors duly adopted in the normal course of trade or business.

f) Upon motion duly made and seconded, the accounting firm of R. R. Tan and Associates, CPAs was elected as external auditor of the Corporation for the then current fiscal year. No questions or objections were raised by the stockholders present despite the opportunity having been given ty the Chairman.

g) The following were elected as directors of the Corporation:

<u>Regular Directors</u>:

Tommy Kin Hing Tia

Anson Chua Tiu Co
Anna Mei Nga Tia
Juan Jose Rodom T. Fetiza
Angel Severino Raul B. Ilagan, Jr.

Independent Directors:
Albert Y. Yung
John Edwin N. Co

There being no other nominees for the Board of Directors and their election being uncontested, the Chairman declared the above-named persons to be the duly elected Directors for the ensuing year 2020-2021 or until their successors have been duly elected and have qualified as provided for in the Company's By-laws.

h) The Corporate Secretary advised the stockholders that the Board of Directors recommends the amendments of Article II, Sections 4, 5 and 7 of the Amended By-Laws to allow sending of Notices for any regular or special meeting of stockholders through electronic mail and to allow stockholders to participate and vote in any regular or special meeting of stockholders through remote communication or *in absentia* and the amendments to Article III, Sections 4 and 6 of the Amended By-Laws for the purpose of allowing the directors to participate and vote in regular or special meetings of directors through remote communication or other alternative modes of communication that allow the directors reasonable opportunities to participate.

The Chairman provided the stockholders present at the meeting an opportunity to ask questions on the amendment of the Company's By-Laws, however, none was raised. Upon motion duly made and seconded, the Chairman declared that, in view of the affirmative vote of stockholders holding a majority of the total outstanding shares of stock of the Corporation, the proposed amendments to the Amended By-Laws were approved.

i) There being no other matters and further business to discuss, on motion duly made and seconded, the annual stockholders' meeting was adjourned.

2) Voting Procedures and Results

a) Approval/ratification of the minutes of the Annual Stockholders' Meeting held on May 31, 2019
b) Approval of the Audited Financial Statements for the Year ended December 31, 2019
c) Ratification of the corporate acts and proceedings of the Board of Directors and Officers
d) Appointment of Independent External Auditor
e) Amendment of the Company's By-Laws

Vote required for approval: Affirmative vote of 723,710,195 common shares of the Corporation representing approximately 68.89% of the total issued and outstanding common shares as of June 30, 2020 of 1,050,461,673, and are therefore considered as present or represented in this meeting.

Method by which votes were counted: Each outstanding common stock shall be entitled to one (1) vote. Voting was done through raising of hands. The counting of votes was done by the Office of the Corporate Secretary.

f) Election of Directors

Vote required: The 5 candidates for regular directors and 2 candidates for independent directors receiving the highest number of votes cast for regular directors and votes cast for independent directors were declared elected.

Method by which votes were counted: Cumulative voting applies. Under this method of voting, a stockholders entitled to vote shall have the right to vote *in absentia* or by proxy the number of shares of stock standing in his own name on the stock books of the Corporation as of the Record Date, and said stockholders may vote such number of shares 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.

After their nominations were duly made and seconded, the following persons were unanimously elected as members of the Board of Directors of the Corporation for the ensuing year 2020-2021 or until their successors have been duly elected and have qualified as provided in the Company's By-laws, after receiving the votes indicated opposite their names:

Name	Number of Votes Received
Tommy Kin Hing Tia	723,710,195
Anson Chua Tiu Co	723,710,195
Anna Mei Nga Tia	723,710,195
Juan Jose Rodom T. Fetiza	723,710,195
Angel Severino Raul B. Ilagan, Jr.	723,710,195
Albert Y. Yung	723,710,195
John Edwin N. Co	723,710,195

Messrs. Albert Y. Yung and John Edwin N. Co were elected as independent members of the Board in accordance with the requirements of the SEC and the Code of Corporate Governance.

Item 16. MATTERS NOT REQUIRED TO BE SUBMITTED

No action is to be taken with respect to any matter which is not required to be submitted to a vote of security holders.

Item. 17. AMENDMENT OF CHARTER, BYLAWS OR OTHER DOCUMENTS

There is no proposed amendment to the Articles of Incorporation or By-Laws.

Item. 18. OTHER PROPOSED ACTIONS

a) Election of the Members of the Board of Directors
b) Election of Independent Directors

Item 19. SUMMARY OF VOTING MATTERS/PROCEDURES

1) Summary of matters to be presented to the Stockholders

a) Approval/ratification of the minutes of the annual meeting of stockholders held on July 28, 2020.

b) Ratification of the acts and proceedings of the incumbent Board of Directors and Officers of the Corporation performed or undertaken from July 28, 2020.

Resolutions, contracts, and acts of the Board of Directors and Management for ratification refer to those passed or undertaken by them during the year and for the day to day operations of the Company as contained or reflected in the minute books, annual report and financial statements. These acts are covered by resolutions of the Board of Directors duly adopted in the normal course of trade or business.

1) Election of officers, appointment of chairperson and members of various committees;

2) Treasury matters related to bank accounts and transactions;
3) Approval of the minutes of previous meetings;
4) Approval of the schedule, venue and agenda of the annual stockholders' meeting for the year 2021;
5) Setting of record date for the annual stockholders' meeting;
6) Approval of the annual financial statements for the year ended December 31, 2020;
7) Approval of the Integrated Annual Corporate Governance Report (I-ACGR) for 2019;
8) Approval of the New/Revised Manual on Corporate Governance;
9) Approval of the Company's Data Privacy Plan;
10) Approval of the Company's compliance with SEC MC No. 28, Series of 2020, on the designation of an official e-mail address, official cellular phone number, alternate e-mail address and alternate cellular phone number for transactions with the SEC;
11) Application with the Home Development Mutual Fund (commonly known as Pag-IBIG Fund) for a Pag-IBIG Budget Allocation; and
12) Appointment of R. R. Tan and Associates CPAs as External Auditor for 2020.

c) Appointment of R. R. Tan and Associates CPAs as independent external auditor of the Company.

d) Election of a Board of seven (7) Directors who will hold office for a period of one year and until the next annual meeting of stockholders and until his or her successor is elected and qualified. The Nominees for directors are:

Regular Directors:
Tommy Kin Hing Tia
Anson Chua Tiu Co
Anna Mei Nga Tia
Juan Jose Rodom T. Fetiza
Angel Severino Raul B. Ilagan, Jr.

Independent Directors:
Albert Y. Yung
John Edwin N. Co

2) Voting Procedures

a) Approval/ratification of the minutes of the annual stockholders' meeting held on July 28, 2020

Vote required: A majority of the outstanding common stock present in person or by proxy, provided constituting a quorum.

Method by which votes shall be counted: Each outstanding common stock shall be entitled to one (1) vote. The votes shall be counted by a show of hands or, upon motion duly made and seconded, by secret ballot.

b) Ratification of the acts of the Board of Directors and Officers

Vote required: A majority of the outstanding common stock present in person or by proxy, provided constituting a quorum.

Method by which votes shall be counted: Each outstanding common stock shall be entitled to one (1) vote. The votes shall be counted by a show of hands or, upon motion duly made and seconded, by secret ballot.

c) Appointment of Independent External Auditor

Vote required: A majority of the outstanding common stock present in person or by proxy, provided constituting a quorum.

Method by which votes shall be counted: Each outstanding common stock shall be entitled to one (1) vote. The votes shall be counted by a show of hands or, upon motion duly made and seconded, by secret ballot.

d) Election of Directors

Vote required: The 5 candidates for regular directors and 2 candidates for independent directors receiving the highest number of votes cast for regular directors and votes cast for independent directors shall be declared elected.

Method by which votes shall be counted: Cumulative voting applies. Under this method of voting, a stockholders entitled to vote shall have the right to vote *in absentia* or by proxy the number of shares of stock standing in his own name on the stock books of the Corporation as of the Record Date, and said stockholders may vote such number of shares 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.

In compliance with the disclosure requirements of Section 49 of the Revised Corporation Code, please be informed of the following:

1) Description of the voting and voting tabulation procedures used in the previous meeting - Please see *Item 15. Action with Respect to Reports No. 2 Voting Procedures and Results*.

2) Description of the opportunity given to stockholders to ask questions and a record of the questions asked or answers given – After each item in the Agenda, the Chairman asked the stockholders if they had any questions and opened the floor for discussion. However, no questions were raised.

3) A record of voting results for each agenda item - Please see *Item 15. Action with Respect to Reports No. 2 Voting Procedures and Results.*

4) List of directors, officers and stockholders who attended the Annual Stockholders' Meeting

Name	Designation
Tommy Kin Hing Tia	Chairman
Anson Chua Tiu Co	Vice-Chairman
Anna Mei Nga Tia	President/CEO
Juan Jose Rodom T. Fetiza	Director
Angel Severino raul B. Ilagan, Jr.	Director
Albert Y. Yung	Independent Director
John Edwin N. Co	Independent Director
Emilio S. Teng	Corporate Information Officer
Juana Lourdes M. Buyson	Treasurer
Maria Elena F. Alqueza	Corporate Secretary
Ma. Marry Janette M. Lescano	Asst. Corporate Secretary
Ronaldo S. Salonga	Stockholder

5) List of material information on the current stockholders and their voting rights as of March 31, 2021:

Rank	Name of Stockholder	Citizenship	Number of Shares	Percentage
1	PCD Nominee Corp.	Filipino	953,220,580	90.743%
2	PCD Nominee Corp.	Non-Filipino	41,225,078	3.924%
3	Co An	Filipino	30,000,000	2.856%
4	Dexter O. Tiu	Filipino	3,673,000	0.350%
5	Agustin G. Tiu	Filipino	3,273,000	0.312%
6	Chih Hui Li	Taiwanese	1,000,000	0.095%
7	Lucio Wong Yan	Filipino	1,000,000	0.095%
8	Tommy Kin Hing Tia	Chinese	600,000	0.057%
9	Pio R. Marcos	Filipino	560,044	0.053%
10	Horacio Rodriguez	Filipino	500,000	0.048%
11	Manuel Sy	Filipino	500,000	0.048%
12	Jandric Arvin Yao	Filipino	500,000	0.048%
13	Betty Limsin or Bernard Legarda	Filipino	400,000	0.038%
14	Santiago Javier Ranada	Filipino	360,000	0.034%
15	Helen H. Espino	Filipino	325,440	0.031%
16	Cristino Naguiat, Jr.	Filipino	300,000	0.029%
17	Romeo C. Espino	Filipino	262,500	0.025%
18	Leslie Espino	Filipino	255,000	0.024%
19	Helene Espino	Filipino	250,000	0.024%
20	Teresa Espino-Blankenhorn	Filipino	250,000	0.024%
	Subtotal		**1,038,454,642**	**98.86%**
	Other Stockholders		**12,007,031**	**1.14%**
	Grand Total		**1,050,461,673**	**100.00%**

6) An explanation of the dividend policy and the fact of payment of dividends or the reasons for non-payment thereof - Please see Annex "A" Page 2 Dividends.

7) A director attendance report, indicating the attendance of each director at each of the meetings of the board and its committees and in regular or special stockholders' meeting – Please see Annex "A" Page 4 & 5 Attendance of Directors in Board meetings, regular stockholders' meeting and Board committee meetings.

8) Appraisals and performance report for the Board and their criteria and procedure for assessment - the Board is still in the process of conducting their evaluation of their performance for the past year.

9) A director compensation report prepared in accordance with the Code and the rules the Commission may prescribe – Please see *Item 6. Compensation of Directors and Executive Officers.*

10) Directors disclosures on self-dealing and related party transactions – There are no self-dealing or related party transactions related to any of the Directors.

UNDERTAKING

UPON WRITTEN REQUEST OF A STOCKHOLDER, THE COMPANY WILL PROVIDE, WITHOUT CHARGE, A COPY OF THE COMPANY'S 2020 ANNUAL REPORT ON SEC FORM 17-A DULY FILED WITH THE SECURITIES AND EXCHANGE COMMISSION. SUCH WRITTEN REQUEST SHOULD BE ADDRESSED TO:

THE OFFICE OF THE CORPORATE SECRETARY
OMICO CORPORATION
Suite 1109 East Tower, PSE Centre
Exchange Road, Ortigas Center, Pasig City 1605

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 Pasig City on May 04, 2021.

OMICO CORPORATION

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Issuer

By: JUANA LOURDES M. BUYSON

Treasurer

ANNEX “A”

BRIEF DESCRIPTION OF THE GENERAL NATURE AND SCOPE OF BUSINESS

Omico Corporation (the Parent Company or the Company or Omico) was incorporated in the Philippines and was registered with the Securities and Exchange Commission (SEC) on August 30, 1968. Its corporate term was extended to another fifty (50) years from and after the date of expiration of its first fifty (50)-year term on August 29, 2018, as per SEC Certificate of Filing of Amended Articles of Incorporation dated October 21, 2015. It holds 100% interest both in Omico Kapital Corporation, a subsidiary which ceased operations in 1997, and Omico Mining Inc. *(formerly Omico-Ivanhoe Mining Inc).* The Company listed its shares of stock in the Philippine Stock Exchange (PSE) on May 2, 1969.

The Company’s main business activities are mining exploration and property development. The Company is licensed to operate, prospect, mine, and deal with all kinds of ores, metals and minerals.

The mining exploration segment is engaged in the exploration activities of mine site while the property development segment is engaged in the marketing and sale of real estate and evaluation of future development of other real estate properties.

MARKET PRICE AND DIVIDENDS ON REGISTRANT’S COMMON EQUITY AND RELATED STOCKHOLDER MATTERS

Market Information

The Company’s common equity is traded in the PSE. As of March 31, 2021, the total number of shares owned by the public is 902,016,823 or 85.868% of the total issued and outstanding shares of the Company of 1,050,461,673shares.

Stock price as of May 04, 2021 was at PhP0.415 per share.

The high and low share prices for the first quarter 2021 and for each quarter for fiscal years 2020 and 2019 are as follows:

Quarter	High	Low
2021	0.560	0.375
1ST		
2020		
4TH	0.500	0.300
3RD	0.475	0.350
2ND	0.430	0.330
1ST	0.560	0.275
2019		
4TH	0.660	0.420
3RD	0.560	0.450
2ND	0.640	0.540
1ST	1.060	0.570

Stockholders

The approximate number of holders of each class of common security as of March 31, 2021 is 2,866.

As of March 31, 2021, the top twenty (20) shareholders are the following:

Rank	Name of Stockholder	Citizenship	Number of Shares	Percentage
1	PCD Nominee Corp.	Filipino	953,220,580	90.743%
2	PCD Nominee Corp.	Non-Filipino	41,225,078	3.924%
3	Co An	Filipino	30,000,000	2.856%
4	Dexter O. Tiu	Filipino	3,673,000	0.350%
5	Agustin G. Tiu	Filipino	3,273,000	0.312%
6	Chih Hui Li	Taiwanese	1,000,000	0.095%
7	Lucio Wong Yan	Filipino	1,000,000	0.095%
8	Tommy Kin Hing Tia	Chinese	600,000	0.057%
9	Pio R. Marcos	Filipino	560,044	0.053%
10	Horacio Rodriguez	Filipino	500,000	0.048%
11	Manuel Sy	Filipino	500,000	0.048%
12	Jandric Arvin Yao	Filipino	500,000	0.048%
13	Betty Limsin or Bernard Legarda	Filipino	400,000	0.038%
14	Santiago Javier Ranada	Filipino	360,000	0.034%
15	Helen H. Espino	Filipino	325,440	0.031%
16	Cristino Naguiat, Jr.	Filipino	300,000	0.029%
17	Romeo C. Espino	Filipino	262,500	0.025%
18	Leslie Espino	Filipino	255,000	0.024%
19	Helene Espino	Filipino	250,000	0.024%
20	Teresa Espino-Blankenhorn	Filipino	250,000	0.024%

Dividends

Declaration of dividends is subject to approval by the Board of Directors and/or its shareholders. There were no dividends declared during the last two fiscal years 2020 and 2019 and during the first quarter of year 2021. The Company's continuing net loss performance inhibits the paying of dividends to shareholders.

Recent Sales of Unregistered Securities or Exempt Securities, Including Recent Issuance of Securities Constituting an Exempt Transaction

- No securities sold
- No underwriters and other purchases
- No consideration
- No exemption from Registration Claimed

CORPORATE GOVERNANCE

Compliance with Leading Practices on Corporate Governance

Compliance with SEC Memorandum Circular No. 2 Series 2002, Code of Corporate Governance, dated April 05, 2002 as well as relevant circulars on Corporate Governance had been monitored. The Company's Manual on Corporate Governance was revised and amended on March 19, 2010 pursuant to SEC Memorandum Circular No. 6 Series of 2009, Revised Code of Corporate Governance (the "Code"). On July 31, 2014, the Company submitted the amended Manual on Corporate Governance pursuant to SEC Memorandum Circular No. 9 Series of 2014 – Amendment to the Revised Code of Corporate Governance. In compliance with SEC Memorandum Circular No. 19, Series of 2016, entitled "Code of Corporate Governance for Publicly-Listed Companies," the Company submitted its New Manual on Corporate Governance on May 31, 2017.

Pursuant to the SEC Memorandum Circular No. 24, Series of 2019, on the Code of Corporate Governance for Public Companies and Registered Users, a New Manual on Corporate Governance shall be submitted within six (6) months from the effectivity of the said SEC MC or until July 12, 2020. On June 05, 2020, the Board of Directors resolved to approve and adopt the Company's New Manual on Corporate Governance (June 2020) and was submitted to the PSE and SEC July 13, 2020. This New Manual on Corporate Governance (June 2020) shall supersede the Manual on Corporate Governance adopted by the Company on May 31, 2017.

The Company complied with the leading practices and principles on good corporate governance. The Company's Manual on Corporate Governance has been complied with and there were no deviations from the same.

Pursuant to the SEC Memorandum Circular No. 4, Series of 2012 ("Guidelines for the Assessment of the Performance of Audit Committees of Companies Listed on the Exchange"), the Corporation's Audit Committee Charter was approved by the Board of Directors on September 26, 2012 and the prescribed yearly self-assessment for the year 2019 was conducted by the Audit Committee on June 05, 2020.

In compliance with SEC Memorandum Circular No. 20, Series of 2013, the Company's directors and key officers have attended the Corporate Governance Seminar for the year 2020 conducted by an accredited training provider of the SEC.

Pursuant to the New Code of Corporate Governance as per SEC MC No. 19, Series of 2016 and in accordance with the Company's New Manual on Corporate Governance, the Board of Directors of the Company created the Corporate Governance Committee on May 25, 2018 to assist the Board in the performance of its corporate governance responsibilities. The Corporate Governance Committee Charter sets out the mandate, significance, membership, operations and functions of the Committee of the Company and provides the guidelines which shall govern the performance of its duties and responsibilities.

The Board of Directors conducted a review of the Company's material controls (including operational, financial and compliance controls) and risk management systems.

The Board of Directors continues to review and evaluate the Company's Manual of Corporate Governance and makes necessary changes in response to changes in the Company's business. The Company plans to adopt whatever new principles and practices applicable to the Company that may evolve to improve its corporate governance.

Annual Corporate Governance Reports

On January 08, 2021, the Company submitted to the SEC and PSE the Certificate of Compliance with the Manual on Corporate Governance for the year 2020.

The SEC MC No. 15, Series of 2017 entitled "Integrated Annual Corporate Governance Report (I-ACGR)" states that to harmonize the corporate governance requirements of the SEC and the PSE, the SEC pursuant to its regulatory and supervisory power mandates that all companies already listed in the PSE by December 31 of a given year shall submit three (3) copies of a fully accomplished I-ACGR on May 30 of the following year for every year that the company remains listed in the PSE. The SEC MC No. 15, Series of 2017, further states that the I-ACGR shall be posted on the company website within five (5) business days from submission to the SEC.

Pursuant to the SEC MC No. 15, Series of 2017, the Company submitted its I-ACGR as of December 31, 2019 to the SEC and the PSE on July 20, 2020 and posted it to the Company's website thereafter. As per SEC Notice issued on April 22, 2020, in recognition of the impact of the COVID-19 pandemic on the regular operations of corporations, the SEC extended the deadline for the filing of the I-ACGR as of December 31, 2019 until July 30, 2020.

On January 08, 2021, the Company submitted to the SEC and PSE the Certificate of Attendance of the Board of Directors for the year 2020.

Attendance of Directors in Board Meetings (for the Year 2020)

Board	Name	Date of Election	No. of Meetings Held during the year	No. of Meetings Attended	%
Chairman	Tommy Kin Hing Tia	07.28.20	5	5	100%
Vice-Chairman	Anson Chua Tiu Co	07.28.20	5	5	100%
President/CEO	Anna Mei Nga Tia	07.28.20	5	5	100%
Board Member	Juan Jose Rodom T. Fetiza	07.28.20	5	5	100%
Board Member	Angel Severino Raul B. Ilagan, Jr.	07.28.20	5	5	100%
Independent Director	Albert Y. Yung	07.28.20	5	5	100%
Independent Director	John Edwin N. Co	07.28.20	5	5	100%

Attendance of Directors in Regular Stockholders' Meeting - All of the above named directors attended the regular Annual Stockholders Meeting held on July 28, 2020.

Attendance of Directors in Board Committee Meetings (for the Year 2020)

Board Committee	Name	No. of Meetings Held during the year	No. of Meetings Attended	%
Audit	Albert Y. Yung - Chairman	4	4	100%
Audit	Juan Jose Rodom T. Fetiza - Member	4	4	100%
Audit	John Edwin N. Co - Member	4	4	100%
Corporate Governance	John Edwin N. Co - Chairman	2	2	100%

Corporate Governance	Juan Jose Rodom T. Fetiza - Member	2	2	100%
Corporate Governance	Albert Y. Yung - Member	2	2	100%

Training and external courses attended by Directors and Senior Management for the past three (3) years and continuing education programs for Directors

Name of Director/Officer	Date of Training	Program	Name of Training Institution
Tommy Kin Hing Tia - Chairman	September 25, 2020 September 27, 2019 September 07, 2018	Corporate Governance Seminar Corporate Governance Seminar Corporate Governance Seminar	ROAM, Inc. ROAM, Inc. ROAM, Inc.
Anson Chua Tiu Co - Vice Chairman	September 25, 2020 September 27, 2019 September 07, 2018	Corporate Governance Seminar Corporate Governance Seminar Corporate Governance Seminar	ROAM, Inc. ROAM, Inc. ROAM, Inc.
Anna Mei Nga Tia - President/CEO	September 25, 2020 September 27, 2019 September 07, 2018	Corporate Governance Seminar Corporate Governance Seminar Corporate Governance Seminar	ROAM, Inc. ROAM, Inc. ROAM, Inc.
Angel Severino Raul B. Ilagan, Jr. - Director	September 25, 2020 April 11, 2019 September 07, 2018	Corporate Governance Seminar 2019 Revised Corporation Code of the Philippines Corporate Governance Seminar	ROAM, Inc. Center for Global Best Practices ROAM, Inc.
Juan Jose Rodom T. Fetiza - Director	September 25, 2020 September 27, 2019 September 07, 2018	Corporate Governance Seminar Corporate Governance Seminar Corporate Governance Seminar	ROAM, Inc. ROAM, Inc. ROAM, Inc.
Albert Y. Yung - Independent Director	September 25, 2020 September 27, 2019 September 07, 2018	Corporate Governance Seminar Corporate Governance Seminar Corporate Governance Seminar	ROAM, Inc. ROAM, Inc. ROAM, Inc.
John Edwin N. Co - Independent Director	September 25, 2020 September 27, 2019 September 07, 2018	Corporate Governance Seminar Corporate Governance Seminar Corporate Governance Seminar	ROAM, Inc. ROAM, Inc. ROAM, Inc.
Emilio S. Teng - Corporate Information Officer	September 25, 2020 September 27, 2019 September 07, 2018	Corporate Governance Seminar Corporate Governance Seminar Corporate Governance Seminar	ROAM, Inc. ROAM, Inc. ROAM, Inc.
Juana Lourdes M. Buyson – Treasurer/Compliance Officer	November 19, 2020 September 25, 2020 September 27, 2019 December 05, 2018 September 07, 2018	7th SEC-PSE Corporate Governance Forum Corporate Governance Seminar Corporate Governance Seminar Annual Disclosure Rules Seminar Corporate Governance Seminar	SEC-PSE ROAM, Inc. ROAM, Inc. PSE ROAM, Inc.
Maria Elena F. Alqueza - Corporate Secretary	November 19, 2020 September 25, 2020 September 27, 2019 December 05, 2018 September 07, 2018	7th SEC-PSE Corporate Governance Forum Corporate Governance Seminar Corporate Governance Seminar Annual Disclosure Rules Seminar Corporate Governance Seminar	SEC-PSE ROAM, Inc. ROAM, Inc. PSE ROAM, Inc.
Ma. Marry Janette M. Lescano - Assistant Corporate Secretary	September 25, 2020 September 27, 2019 September 07, 2018	Corporate Governance Seminar Corporate Governance Seminar Corporate Governance Seminar	ROAM, Inc. ROAM, Inc. ROAM, Inc.

Audit Committee Report for 2020

The Audit Committee Charter, which was approved by the Board on September 26, 2012, sets out the mandate, significance, membership, operations and functions of the Audit Committee of the Company and provides the guidelines which shall govern the performance of its duties and responsibilities. The provisions of the Audit Committee Charter have been complied with.

The Company has a Management Attestation Statement from the President/CEO and the Compliance Officer containing representations, among others, that a sound internal control and compliance system is in place and working effectively.

The Audit Committee, in fulfillment of its oversight responsibilities under the Code, has assisted the Board in the performance of its oversight responsibility for the financial reporting process, system of internal control/risk management systems, audit process and monitoring of compliance with applicable laws, rules and regulations.

On March 25, 2019, the Board of Directors, on the recommendation of the Audit Committee, approved the Amended Audit Committee Charter in compliance with the provisions of the SEC New Code of Corporate Governance as per SEC MC No. 19, Series of 2016 entitled "Code of Corporate Governance for Publicly-Listed Companies" and in accordance with the Company's New Manual on Corporate Governance dated May 2017. The amendments include, among others, the other duties and responsibilities of the Audit Committee which are the performance of the functions of a Board Risk Oversight Committee that should be responsible for the oversight of the Company's Enterprise Risk Management system to ensure its functionality and effectiveness and the performance of the functions of a Related Party Transactions Committee which is tasked with reviewing all material related party transactions of the Company.

Material Related Party Transactions (RPT) Rules

Pursuant to the SEC MC No. 10, Series of 2019, entitled "Rules on Material Related Party Transactions for Publicly-Listed Companies," compliance to the SEC Material RPT Rules shall be mandatory for all Publicly-Listed Companies.

On October 08, 2019, pursuant to the SEC MC No. 10, Series of 2019, the Company submitted to the SEC a Policy on Material Related Party Transactions in accordance with the SEC Material RPT Rules.

SEC Requirement on the Submission of E-mail Addresses and Cellular Phone Numbers (SEC MC No. 28, Series of 2020)

On August 27, 2020, the SEC issued Memorandum Circular (MC) No. 28, Series of 2020, on the Requirement for Corporations, Partnerships, and Individuals to Create and/or Designate E-mail Account Address and Cellular Phone Number for Transactions with the SEC, which shall be submitted to the SEC within sixty (60) days from the effectivity of said rules.

In addition to the valid official e-mail address and official cellular phone number, every corporation, association, partnership, and person under the jurisdiction and supervision of the SEC shall also submit a valid alternate e-mail address and valid alternate cellular phone number. The submission of the e-mail addresses and cellular phone numbers shall be accompanied by a duly signed Certification of Authorization which shall state that the corporation, partnership, association, or person allows the SEC to send notices, letter-replies, orders, decisions, and/or other documents through the e-mail addresses and cellular phone numbers provided, for the purpose of complying with the notice requirement of administrative due process.

Pursuant to the SEC MC No. 28, Series of 2020, the Company submitted to the SEC the Company's designated official e-mail address, official cellphone number, alternate e-mail address, alternate cellular phone number and the required Certification of Authorization on December 23, 2020.

MANAGEMENT DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

REVIEW OF CURRENT YEAR 2020 OPERATIONS

Total assets decreased by 1.542% from PhP719.39Million as of December 31, 2019 to PhP708.30Million as of December 31, 2020. Total liabilities increased by 11.579% from PhP28.85Million in 2019 to PhP27.72Million in 2020. Stockholders' Equity decreased to PhP680.58Million as of December 31, 2020 from PhP694.54Million as of December 31, 2019.

Revenues for the year 2020 amounted to PhP33.34Million derived mainly from realized gross profit from the sale of Sta. Rosa Homes housing units, fair value gain on Fair Value Through Profit or Loss (FVPL) financial assets, interest income on time deposits/placements with banks and other revenues as compared to PhP61.06Million in 2019. Total cost and expenses amounted to PhP47.31Million and PhP71.41Million for the year 2020 and 2019, respectively. Net loss amounted to PhP13.97Million and PhP10.35Million for the year 2020 and 2019, respectively.

The top five (5) key performance ratios/indicators of the Company for the years ended December 31, 2020 and 2019 are as follows:

Financial Ratios:

Ratios	Formula	2020	2019
Current Ratio		31.919:1	35.787:1
	Current Assets/	453,316,684	463,135,736
	Current Liabilities	14,201,905	12,941,390
Debt to Equity Ratio		0.041:1	0.036:1
	Total Liabilities/	27,723,517	24,846,589
	Stockholders' Equity	680,576,503	694,543,414
Debt to Total Assets Ratio		0.039:1	0.035:1
	Total Liabilities/	27,723,517	24,846,589
	Total Assets	708,300,020	719,390,003
Book Value Per Share		PhP0.648	PhP0.661
	Stockholders' Equity/	680,576,503	694,543,414
	Total No. Shares	1,050,461,673	1,050,461,673
Earnings/(Loss) Per Share		(PhP.0133)	(PhP.0098)
	Net Income/ (Loss)	(13,966,911)	(10,348,700)
	Weighted Average Shares	1,050,461,673	1,050,461,673

(i) Known Trends, Events or Uncertainties Affecting Liquidity

Except for the current COVID-19 pandemic, the Company is not aware of any trends, demands, commitments, events or uncertainties that will result in or that are reasonably likely to result in the Company's liquidity increasing or decreasing in a material way.

The company does not anticipate any cash flow or liquidity problems.

The company is not in default or breach of any note, loan, lease or other indebtedness or financing arrangement requiring payments.

The Company is evaluating possible business ventures in which it is allowed to engage under its articles of incorporation, to invest its sizeable cash and cash equivalent to provide additional sources of revenue and maximize investor return.

Impact of COVID-19 Pandemic on the Business Operations of the Company

The Company takes into consideration the following risks and impact of the COVID-19 pandemic on our business operations:

- Disruption and limitations in business activities due to the effect of COVID-19 on the health and safety of our employees, workers, customers, suppliers, shareholders and other stakeholders and the implementation by the Government of preventive measures to contain and prevent the spread of COVID-19 such as community quarantine and travel restrictions;
- Delay in the implementation of planned development of new projects;
- Decrease in customers' demand for residential housing units due to economic downturn as an impact of COVID-19 outbreak;
- Delay in completion and delivery of residential housing units for our Santa Rosa Homes Project located in Sta. Rosa, Nueva Ecija due to probable supply chain interruptions in case of localized lockdown; and
- Inability to collect from the buyers of Sta. Rosa Homes housing units as they may not be able to timely fulfill their financial obligations due to the impact of COVID-19 pandemic.

The Company has implemented the following measures to reduce the risks of the COVID-19 pandemic and mitigate its impact on the Company's business operations:

- Observance of the guidelines issued by the Department of Health (DOH) regarding infection control and prevention of transmission of COVID-19 such as personal protection and hygiene, social distancing measures, environmental measures and food safety measures;
- Adherence to the Department of Labor and Employment (DOLE) advisories on the guidelines on COVID-19 prevention and control at the workplace and on the supplemental guidelines relative to remedial measures in view of the ongoing outbreak of COVID-19;
- Support of the Government's efforts and measures outlined to contain and control the spread of COVID-19 such as mandatory quarantine for affected areas, travel restrictions, and stringent social distancing measures;
- Determination of adequate construction supplies inventory for a sustained period and diversification of suppliers to mitigate supply chain disruptions;
- Review of the Company's business continuity plans to ensure that it can adequately address the risks associated with COVID-19 pandemic; and
- Assessment of the Company's liquidity and identification of causes that might significantly impair liquidity.

Different quarantine classifications were imposed nationwide which resulted to disruptions in business and economic activities and their impact on business continue to evolve. Internally, the Company continues to adapt to these including implementation of the following:

- Work-from-home arrangement for certain office and field personnel;
- Online meeting and discussion with client;
- Use of mobile banking and online platforms for certain financial transactions;
- Virtual annual stockholders' meeting and board meetings, subject to SEC Rules and Guidelines;
- Virtual board committee meetings.

Considering the evolving nature of this outbreak, the Company continues to monitor the situation and will take further actions as necessary and appropriate in response to these economic disruptions and other consequences.

The Board of Directors, the Audit Committee and Management of the Company meet regularly to identify key risk areas and performance indicators and monitor these factors with due diligence and to assess and manage risks involved in the businesses of the Company.

(ii) Events That Will Trigger Direct or Contingent Financial Obligation

The Company does not expect any event that will trigger direct or contingent financial obligation that is material to the Company, including any default or acceleration of an obligation.

(iii) Material Off-Balance Sheet Transactions, Arrangements, Obligations

The Company has 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.

(iv) Capital Expenditures

There are no material commitments for capital expenditures for the next twelve months. However, the Company is evaluating possible business ventures, which may require capital expenditures.

(v) Known Trends, Events or Uncertainties Affecting Sales

Except for the current COVID-19 pandemic, the Company does not expect any trends, events or uncertainties that may have material favorable or unfavorable impact on sales or revenues.

(vi) Significant Elements of Income or Loss

There were no significant elements of income or loss that did not arise from the Company's continuing operations.

(vii) Causes for Material Changes in the Financial Statements

Balance Sheet (Financial Position) Accounts

Decrease in Cash and Cash Equivalents - 0.023%

December 31, 2020	December 31, 2019	Increase/(Decrease)
377,467,602	377,552,790	(85,188)

The net decrease in Cash and Cash Equivalents is mainly due to disbursements for development costs on the Company's Sta. Rosa Homes project and operating expenses which was partially offset by the proceeds from the sale of Sta. Rosa Homes housing units and interest income on deposits/placements with banks.

Cash accounts with banks generally earn interest at rates based on prevailing bank deposit rates. Short-term placements can be pre-terminated at any time and have average interest rates ranging from 0.10% to 1.00% and 0.125% to 3.50% per annum in 2020 and 2019, respectively.

Decrease in Financial Assets at Fair Value through Profit or Loss - 30.867%

December 31, 2020	December 31, 2019	Increase/(Decrease)
3,590,757	5,193,998	(1,603,241)

The Company's financial assets at fair value through profit or loss consist of shares of stocks of publicly listed companies which are classified as held for trading.

The Company recognized fair value gain of P9,026,184 in 2020 and fair value loss of P288,041 in 2019. The Company also disposed certain shares of stock which resulted to a net loss of P7,465,657 in 2020 and P1,482,441 net loss in 2018.

Decrease in Receivables - Net - 3.461%

December 31, 2020	December 31, 2019	Increase/(Decrease)
18,895,592	19,572,957	(677,365)

The net decrease in Receivables is mainly due to the decrease in receivables on installment sales contract on the sale of Sta. Rosa Homes housing units and lease contract.

Installment contracts receivable on the sale of house and lots which pertains to Sta. Rosa project are collectible in monthly installments for periods ranging from 3 to 7 years and bear an interest rate of 21% per annum computed on the diminishing balance. Portion of which are covered with postdated checks. For the years ended December 31, 2020, 2019 and 2018, interest income on these installment accounts amounted to P1,285,032, P1,179,844 and P1,215,934, respectively. Lease contract receivable pertains to receivables arising from contract of lease with option to purchase on the Company's share of condominium units on The Wellington Courtyard project with RLC located in Tagaytay City.

Decrease in Real Estate for Sale - 14.010%

December 31, 2020	December 31, 2019	Increase/(Decrease)
50,304,691	58,500,882	(8,196,191)

The decrease in Real Estate for Sale is mainly due to the sale of Sta. Rosa Homes' housing units located in Sta. Rosa, Nueva Ecija. Real estate for sale of Sta. Rosa Homes' project, which is carried at cost, principally pertains to cost of raw land and property development and other expenses related to development and construction of the subdivision housing units. The cost of raw land includes its acquisition cost and expenses incurred to effect the transfer of title of the property to the Company. Development costs include the cost of construction, rehabilitation and other related costs.

With the termination of Joint Venture Agreement with Robinsons Land Corporation, a parcel of land in Tagaytay City, Cavite with a total area of 2,738 square meters ceased to meet the definition of inventory. The property with a carrying value of P12,116,785 was reclassified to investment property as it meets the definition of an investment property.

Increase in Prepayments and Other Current Assets - 32.091%

December 31, 2020	December 31, 2019	Increase/(Decrease)
3,058,042	2,315,109	742,933

The increase in Prepayments and Other Current Assets is mainly due to the increase in input value added tax and prepaid taxes.

Prepayments and Other Current Assets is composed of input value added tax, prepaid taxes, deposits and others. Input tax represents the 12% value added tax (VAT) on purchases of goods and services. Prepaid taxes consist of creditable withholding taxes at source.

Decrease in Installment Contract Receivable – net of current portion - 9.799%

December 31, 2020	December 31, 2019	Increase/(Decrease)
15,138,382	16,782,936	(1,644,554)

The decrease in Installment Contract Receivable represents the decrease in the non-current portion of installment contract receivable on the sale of housing units in the Company's Sta. Rosa Homes' project.

Increase in Financial Assets at Fair Value Through Other Comprehensive Income (FVOCI) - 12.500%

December 31, 2020	December 31, 2019	Increase/(Decrease)
3,150,000	2,800,000	350,000

The increase in Financial Assets at Fair Value Through Other Comprehensive Income (FVOCI) is mainly due to the increase in market value of the golf club shares in Manila Southwoods.

This account consists of golf club shares in Manila Southwoods and Tagaytay Midlands. The fair values of these assets have been determined directly by reference to published prices in an active market.

Decrease in Property and Equipment – Net – 23.168%

December 31, 2020	December 31, 2019	Increase/(Decrease)
4,817,413	6,270,056	(1,452,643)

The decrease in Property and Equipment is mainly due to the disposal of certain transportation equipment in 2020 which resulted to a gain of P209,821.

Increase in Investment Properties - 0.893%

December 31, 2020	December 31, 2019	Increase/(Decrease)
166,781,025	165,304,759	1,476,266

The Company spent a total of P1,476,266 for regulatory clearance in 2020 for the Company's project located in Urdaneta City, Pangasinan.

Increase in Accounts Payable and Accrued Expenses - 9.740%

December 31, 2020	December 31, 2019	Increase/(Decrease)
14,201,905	12,941,390	1,260,515

The increase in Accounts Payable and Accrued Expenses is mainly due to the increase in customers' advances and deposits on the sale of Sta.Rosa Homes' housing units wherein the buyers' deposits were recognized as accounts payable.

Customers' advances pertain to funding from buyers of real estate for future application against transfer and registration fees and other taxes to be incurred upon transfer of properties to the buyer.

Customers' deposits represent collections from the buyers which have not reached the minimum required percentage of collections. These deposits will be recognized as revenue in the consolidated statement of comprehensive income when the required percentage of collection is met.

Increase in Accrued Retirement Liability - 13.577%

December 31, 2020	December 31, 2019	Increase/(Decrease)
13,521,612	11,905,199	1,616,413

The increase in Accrued Retirement Liability is mainly due to the accrual of retirement benefits for the year as required by the provisions of RA No. 7641 (Retirement Law). Under RA 7641, the Company is required to provide minimum retirement benefits to qualified employees.

Revenues and Expenses

Decrease in Revenues – 45.387%

December 31, 2020	December 31, 2019	Increase/(Decrease)
33,346,687	61,060,454	(27,713,767)

The net decrease in Revenues is mainly due to the decrease in sales of housing units on the Company's Sta. Rosa Homes housing project and decrease in investment and other income.

Decrease in Cost and Expenses - 33.743%

December 31, 2020	December 31, 2019	Increase/(Decrease)
47,313,598	71,409,154	(24,095,556)

The net decrease in Cost and Expenses is mainly due to the decrease in cost of real estate sales and administrative expenses.

(viii) Seasonal Aspects

There are no seasonal aspects that will have material effect on the Company's financial condition or results of operation

REVIEW OF PREVIOUS YEAR 2019 OPERATIONS

Total assets decreased by 1.262% from PhP728.58Million as of December 31, 2018 to PhP719.39Million as of December 31, 2019. Total liabilities increased by 4.875% from PhP23.69Million in 2018 to PhP24.85Million in 2019. Stockholders' Equity decreased to PhP694.54Million as of December 31, 2019 from PhP704.89Million as of December 31, 2018.

Revenues for the year 2019 amounted to PhP61.06Million derived mainly from realized gross profit from the sale of Sta. Rosa Homes housing units, income from lease, interest income on time deposits/placements with banks and other revenues as compared to PhP38.04Million in 2018. Total cost and expenses amounted to PhP71.41Million and PhP54.98Million for the year 2019 and 2018, respectively. Net loss amounted to PhP10.35Million and PhP16.94Million for the year 2019 and 2018, respectively.

The top five (5) key performance ratios/indicators of the Company for the years ended December 31, 2019 and 2018 are as follows:

Financial Ratios:

Ratios	Formula	2019	2018
Current Ratio		35.787:1	39.183:1
	Current Assets/	463,135,736	490,540,828
	Current Liabilities	12,941,390	12,519,279
Debt to Equity Ratio		0.036:1	0.034:1
	Total Liabilities/	24,846,589	23,691,623
	Stockholders' Equity	694,543,414	704,892,114
Debt to Total Assets Ratio		0.035:1	0.033:1
	Total Liabilities/	24,846,589	23,691,623
	Total Assets	719,390,003	728,583,737
Book Value Per Share		PhP0.661	PhP0.671
	Stockholders' Equity/	694,543,414	704,892,114
	Total No. Shares	1,050,461,673	1,050,461,673
Earnings/(Loss) Per Share		(PhP.0098)	(PhP.0161)
	Net Income/ (Loss)	(10,348,700)	(16,940,149)
	Weighted Average Shares	1,050,461,673	1,050,461,673

Causes for Material Changes in the Financial Statements

Balance Sheet (Financial Position) Accounts

Increase in Cash and Cash Equivalents - 1.85%

December 31, 2019	December 31, 2018	Increase/(Decrease)

377,552,790	370,681,911	6,870,879

The net increase in Cash and Cash Equivalents is mainly due to the sale of Sta. Rosa Homes housing units and interest income on deposits/placements with banks which was partially offset by

the disbursements for development costs on the Company's Sta. Rosa Homes project and operating expenses.

Cash accounts with banks generally earn interest at rates based on prevailing bank deposit rates. Short-term placements can be pre-terminated at any time and have average interest rates ranging from 0.125% to 3.50% and 0.75% to 6.60% per annum in 2019 and 2018, respectively.

Decrease in Financial Assets at Fair Value through Profit or Loss - 5.25%

December 31, 2019	December 31, 2018	Increase/(Decrease)
5,193,998	5,482,039	(288,041)

The decrease in Financial Assets at Fair Value through Profit or Loss is mainly due the recognition of fair value loss. The Company's financial assets at fair value through profit or loss consist of shares of stocks of publicly listed companies which are classified as held for trading.

Increase in Receivables - Net - 0.47%

December 31, 2019	December 31, 2018	Increase/(Decrease)
19,572,957	19,481,016	91,941

The net increase in Receivables is mainly due to the increase in receivables on installment sales contract on the sale of Sta. Rosa Homes housing units.

Installment contracts receivable on the sale of house and lots which pertains to Sta. Rosa project are collectible in monthly installments for periods ranging from 3 to 7 years and bear an interest rate of 21% per annum computed on the diminishing balance. Portion of which are covered with postdated checks. For the years ended December 31, 2019, 2018 and 2017, interest income on these installment accounts amounted to P1,179,844, P1,215,934 and P1,535,949, respectively. Lease contract receivable pertains to receivables arising from contract of lease with option to purchase on the Company's share of condominium units on The Wellington Courtyard project with RLC located in Tagaytay City.

Decrease in Real Estate for Sale - 37.14%

December 31, 2019	December 31, 2018	Increase/(Decrease)
58,500,882	93,058,140	(34,557,258)

The decrease in Real Estate for Sale is mainly due to the sale of Sta. Rosa Homes' housing units located in Sta. Rosa, Nueva Ecija. Real estate for sale of Sta. Rosa Homes' project, which is carried at cost, principally pertains to cost of raw land and property development and other expenses related to development and construction of the subdivision housing units. The cost of raw land includes its acquisition cost and expenses incurred to effect the transfer of title of the property to the Company. Development costs include the cost of construction, rehabilitation and other related costs.

With the termination of Joint Venture Agreement with Robinsons Land Corporation, a parcel of land in Tagaytay City, Cavite with a total area of 2,738 square meters ceased to meet the definition of inventory. The property with a carrying value of P12,116,785 was reclassified to investment property as it meets the definition of an investment property.

Increase in Prepayments and Other Current Assets - 25.98%

December 31, 2019	December 31, 2018	Increase/(Decrease)
2,315,109	1,837,722	477,387

The increase in Prepayments and Other Current Assets is mainly due to the increase in input value added tax and prepaid taxes.

Prepayments and Other Current Assets is composed of input value added tax, prepaid taxes, deposits and others. Input tax represents the 12% value added tax (VAT) on purchases of goods and services. Prepaid taxes consist of prior year's excess tax credit and creditable withholding tax at source.

Increase in Installment Contract Receivable – net of current portion - 70.78%

December 31, 2019	December 31, 2018	Increase/(Decrease)
16,782,936	9,827,229	6,955,707

The increase in Installment Contract Receivable represents the increase in the non-current portion of installment contract receivable on the sale of housing units in the Company's Sta. Rosa Homes' project.

Increase in Financial Assets at Fair Value Through Other Comprehensive Income (FVOCI) - 5.66%

December 31, 2019	December 31, 2018	Increase/(Decrease)
2,800,000	2,650,000	150,000

The increase in Financial Assets at Fair Value Through Other Comprehensive Income (FVOCI) is due to the increase in market value of the golf club shares in Manila Southwoods.

This account consists of golf club shares in Manila Southwoods and Tagaytay Midlands. The fair values of these assets have been determined directly by reference to published prices in an active market.

Decrease in Property and Equipment – Net – 22.01%

December 31, 2019	December 31, 2018	Increase/(Decrease)
6,270,056	8,039,313	(1,769,257)

The decrease in Property and Equipment is mainly due to the provision for depreciation for the year.

Increase in Investment Properties - 8.45%

December 31, 2019	December 31, 2018	Increase/(Decrease)
165,304,759	152,429,851	12,874,908

The increase in Investment Properties is due to the reclassification of a parcel of land in Tagaytay City from Real Estate for Sale to Investment Property.

With the termination of Joint Venture Agreement with Robinsons Land Corporation, a parcel of land in Tagaytay City, Cavite with a total area of 2,738 square meters ceased to meet the definition of inventory. The property with a carrying value of P12,116,785 was reclassified to investment property as it meets the definition of an investment property.

Increase in Accounts Payable and Accrued Expenses - 3.37%

December 31, 2019	December 31, 2018	Increase/(Decrease)
12,941,390	12,519,279	422,111

The increase in Accounts Payable and Accrued Expenses is mainly due to the increase in customers' advances and deposits on the sale of Sta.Rosa Homes' housing units wherein the buyers' deposits were recognized as accounts payable.

Customers' advances pertain to funding from buyers of real estate for future application against transfer and registration fees and other taxes to be incurred upon transfer of properties to the buyer.

Customers' deposits represent collections from the buyers which have not reached the minimum required percentage of collections. These deposits will be recognized as revenue in the consolidated statement of comprehensive income when the required percentage of collection is met.

Increase in Accrued Retirement Liability - 6.56%

December 31, 2019	December 31, 2018	Increase/(Decrease)
11,905,199	11,172,344	732,855

The increase in Accrued Retirement Liability is mainly due to the accrual of retirement benefits for the year as required by the provisions of RA No. 7641 (Retirement Law). Under RA 7641, the Company is required to provide minimum retirement benefits to qualified employees.

Revenues and Expenses

Increase in Revenues - 60.51%

December 31, 2019	December 31, 2018	Increase/(Decrease)
61,060,454	38,041,515	23,018,939

The net increase in Revenues is mainly due to the increase in sales of housing units on the Company's Sta. Rosa Homes housing project and increase in investment and other income.

Increase in Cost and Expenses - 29.88%

December 31, 2019	December 31, 2018	Increase/(Decrease)
71,409,154	54,981,664	16,427,490

The net increase in Cost and Expenses is mainly due to the increase in cost of real estate sales.

REVIEW OF PRIOR YEAR 2018 OPERATIONS

Total assets decreased by 2.600% from PhP748.03Million as of December 31, 2017 to PhP728.58Million as of December 31, 2018. Total liabilities decreased by 9.574% from PhP26.20Million in 2017 to PhP23.69Million in 2018. Stockholders' Equity decreased to PhP704.89Million as of December 31, 2018 from PhP721.83Million as of December 31, 2017.

Revenues for the year 2018 amounted to PhP38.042Million derived mainly from realized gross profit from the sale of Sta. Rosa Homes housing units, income from lease, interest income on time deposits/placements with banks and other revenues as compared to PhP65.021Million in 2017. Total cost and expenses amounted to PhP54.982Million and PhP67.071Million for the year 2018 and 2017, respectively. Net loss amounted to PhP16.940Million and PhP2.050Million for the year 2018 and 2017, respectively.

The top five (5) key performance ratios/indicators of the Company for the years ended December 31, 2018 and 2017 are as follows:

Financial Ratios:

Ratios	Formula	2018	2017
Current Ratio		39.183:1	35.278:1
	Current Assets/	490,540,828	513,385,490
	Current Liabilities	12,519,279	14,552,563
Debt to Equity Ratio		0.034:1	0.036:1
	Total Liabilities/	23,691,623	26,200,095
	Stockholders' Equity	704,892,114	721,832,263
Debt to Total Assets Ratio		0.033:1	0.035:1
	Total Liabilities/	23,691,623	26,200,095
	Total Assets	728,583,737	748,032,358
Book Value Per Share		PhP0.671	PhP0.687
	Stockholders' Equity/	704,892,114	721,832,263
	Total No. Shares	1,050,461,673	1,050,461,673
Earnings/(Loss) Per Share		(PhP.0161)	(PhP.0020)
	Net Income/ (Loss)	(16,940,149)	(2,050,004)
	Weighted Average Shares	1,050,461,673	1,050,461,673

Causes for Material Changes in the Financial Statements

Balance Sheet (Financial Position) Accounts

Decrease in Cash and Cash Equivalents - 1.55%

December 31, 2018	December 31, 2017	Increase/(Decrease)
370,681,911	376,523,432	(5,841,521)

The net decrease in Cash and Cash Equivalents is mainly due to disbursements for development costs on the Company's Sta. Rosa Homes project and operating expenses which was partially offset by the proceeds from the sale of Sta. Rosa Homes housing units and interest income on deposits/placements with banks.

Cash accounts with banks generally earn interest at rates based on prevailing bank deposit rates. Short-term placements can be pre-terminated at any time and have average interest rates ranging from 0.75% to 6.60% and 0.75% to 3.00% per annum in 2018 and 2017, respectively.

Decrease in Financial Assets at Fair Value through Profit or Loss - 40.85%

December 31, 2018	December 31, 2017	Increase/(Decrease)
5,482,039	9,267,488	(3,785,449)

The decrease in Financial Assets at Fair Value through Profit or Loss is mainly due the disposal of certain shares which resulted to a loss of PhP1,482,441 and the recognition of fair value loss. The Company's financial assets at fair value through profit or loss consist of shares of stocks of publicly listed companies which are classified as held for trading.

Decrease in Receivables - Net - 5.22%

December 31, 2018	December 31, 2017	Increase/(Decrease)
19,481,016	20,553,476	(1,072,460)

The net decrease in Receivables is mainly due to the decrease in receivables on installment sales contract on the sale of Sta. Rosa Homes housing units and lease contract.

Installment contracts receivable on the sale of house and lots which pertains to Sta. Rosa Homes project are collectible in monthly installments for periods ranging from 3 to 7 years and bear an interest rate of 21% per annum computed on the diminishing balance, portion of which are covered with postdated checks. For the years ended December 31, 2018, 2017 and 2016, interest income on these installment accounts amounted to P1,215,934, P1,535,949 and P1,762,335, respectively. Lease contract receivable pertains to receivables arising from contract of lease with option to purchase on the Company's share of condominium units on The Wellington Courtyard project with RLC located in Tagaytay City.

Decrease in Real Estate for Sale - 12.05%

December 31, 2018	December 31, 2017	Increase/(Decrease)
93,058,140	105,801,986	(12,743,846)

The decrease in Real Estate for Sale is mainly due to the sale of Sta. Rosa Homes' housing units located in Sta. Rosa, Nueva Ecija. Real estate for sale of Sta. Rosa Homes' project, which is carried at cost, principally pertains to cost of raw land and property development and other expenses related to development and construction of the subdivision housing units. The cost of raw land includes its acquisition cost and expenses incurred to effect the transfer of title of the property to the Company. Development costs include the cost of construction, rehabilitation and other related costs.

Increase in Prepayments and Other Current Assets - 48.31%

December 31, 2018	December 31, 2017	Increase/(Decrease)
1,837,722	1,239,108	598,614

The increase in Prepayments and Other Current Assets is mainly due to the increase in input value added tax and prepaid taxes.

Prepayments and Other Current Assets is composed of input value added tax, prepaid taxes, deposits and others. Input tax represents the 12% value added tax (VAT) on purchases of goods and services. In 2017, a significant portion of input tax was applied against output tax arising from the sale of Company's Makati investment property. Prepaid taxes consist of prior year's excess tax credit and creditable withholding tax at source. In 2017, the Company claimed portion of prepaid taxes against income tax due.

Increase in Installment Contract Receivable – net of current portion - 51.64%

December 31, 2018	December 31, 2017	Increase/(Decrease)
9,827,229	6,480,693	3,346,536

The increase in Installment Contract Receivable represents the increase in the non-current portion of installment contract receivable on the sale of housing units in the Company's Sta. Rosa Homes' project.

Increase in Financial Assets at Fair Value Through Other Comprehensive Income (FVOCI) - 100.00%

December 31, 2018	December 31, 2017	Increase/(Decrease)
2,650,000	-0-	2,650,000

The increase in Financial Assets at Fair Value Through Other Comprehensive Income (FVOCI) is due to the account reclassification from Available-for-sale (AFS) Financial Assets.

This account consists of golf club shares in Manila Southwoods and Tagaytay Midlands. The fair values of these assets have been determined directly by reference to published prices in an active market.

Decrease in Accounts Payable and Accrued Expenses - 4.88%

December 31, 2018	December 31, 2017	Increase/(Decrease)
12,519,279	13,161,023	(641,744)

The decrease in Accounts Payable and Accrued Expenses is mainly due to the decrease in customers' advances and deposits on the sale of Sta.Rosa Homes' housing units wherein the buyers' deposits were recognized as accounts payable.

Customers' advances pertain to funding from buyers of real estate for future application against transfer and registration fees and other taxes to be incurred upon transfer of properties to the buyer.

Customers' deposits represent collections from the buyers which have not reached the minimum required percentage of collections. These deposits will be recognized as revenue in the consolidated statement of comprehensive income when the required percentage of collection is met.

Decrease in Finance Lease Liability - 100.00%

December 31, 2018	December 31, 2017	Increase/(Decrease)
-0-	1,391,540	(1,391,540)

The decrease in Finance Lease Liability is mainly due to the full payment of a transportation equipment acquired in November 2017 under a finance lease agreement. The lease is payable for a period of 1 year with annual interest of 8%.

Revenues and Expenses

Decrease in Revenues - 41.49%

December 31, 2018	December 31, 2017	Increase/(Decrease)
38,041,515	65,020,587	(26,979,072)

The net decrease in Revenues is mainly due to the decrease in investment and other income particularly on the gain of PhP37,228,416 recognized on the sale of the Company's Makati investment property in 2017. The decrease was partially offset by the interest income earned on time deposit placements with banks amounting to PhP12,780,428 in 2018.

Decrease in Cost and Expenses - 18.02%

December 31, 2018	December 31, 2017	Increase/(Decrease)
54,981,664	67,070,591	(12,088,927)

The net decrease in Cost and Expenses is mainly due to the decrease in income tax expense from PhP20,923,167 for the year 2017 to PhP2,672,968 for the year 2018 which was offset partially by the increase in cost of real estate sales and administrative expenses.

STATUS AND PLAN OF OPERATION

The Company's main business activities are mining exploration and property development. The Company is licensed to operate, prospect, mine, and deal with all kinds of ores, metals and minerals. The Company is also engaged in the business of real estate development.

The mining exploration segment was previously engaged in the exploration activities of mine site while the property development segment is presently engaged in the marketing and sale of real estate and evaluation of future development of other real estate properties.

The Company's businesses are organized and managed separately according to the nature of products provided, with each segment representing a strategic business unit that offers different products and serves different markets. The Company's business is segregated into mining exploration and property development.

MINING EXPLORATION SEGMENT

Omico-Macawiwili Mining Project

The Company previously held a mining agreement with Macawiwili to operate and mine on several claim blocks located within the Baguio Gold District, in the municipality of Itogon, Benguet. The agreement which was signed on September 30, 1968 and extended on January 10, 1996 is effective until January 10, 2021. By virtue of MPSA issued by the DENR in 2009, the Company and its subsidiary, Omico Mining, Inc., subsequently commenced exploration works involving geologic mapping, geophysical survey and sampling.

On August 29, 2012, the Company executed a Termination of Mining Agreement with Macawiwili wherein the Company is relinquishing all its rights and obligations under the mining agreement including the MPSA. In exchange for the Company's relinquishment of its rights and obligation in the aforesaid agreements, Macawiwili will reimburse the Company the amount of PhP25,000,000 in cash for expenses incurred in the exploration, drilling and upkeep of the mine site. With this Agreement, the Company has given the reins in managing the project to Macawiwili but remains an active minority investor in the venture.

Other significant terms and conditions of the agreement are as follows:

- Macawiwili will also issue in favor of the Company unissued and unsubscribed common shares of Macawiwili equivalent to 2.5% of Macawiwili's outstanding common shares after the infusion of fresh equity into Macawiwili of PhP100Million up to PhP150Million.

  The issuance of 2.5% equity is based on the valuation of Macawiwili at PhP2Billion as agreed by both parties. The shares will have the same features, including the rights of stockholders to subscribe to a new issuance of shares pro rata to its shareholdings.

- Should Macawiwili pursue any equity offering based on a valuation of less than PhP2Billion within 36 months from current round of equity raising, Macawiwili will have to offer PhP50Million to the Company for the purchase of its equity stake. Acceptance by the Company of Macawiwili's offer to purchase shall not be unreasonably withheld by the former.

- When Macawiwili offers to Omico PhP50Million to purchase its entire stake, the Company has the option within a non-extendible period of 30 days, not to sell and instead invest additional capital into Macawiwili in order to prevent the dilution of equity in Macawiwili. After the lapse of the said period, the Company shall have no other right to accept the offer of Macawiwili.

Management decided to terminate the mining agreement with Macawiwili because Management would like to focus on other mining prospects/projects.

PROPERTY DEVELOPMENT SEGMENT

Ongoing Project – Sta. Rosa Homes, Sta. Rosa, Nueva Ecija

In December 2005, the Company launched the Sta. Rosa Homes project located in Bgy. Lourdes, Sta. Rosa, Nueva Ecija which is a 14.8-hectare residential project. When completed, the housing project will comprise 1,157 housing units with a balanced mix of single detached, single attached, duplex and rowhouse. The project will have complete community facilities which include underground drainage system, water and electrical distribution system, concrete road network, a clubhouse, parks and playgrounds. The Company is presently engaged in the marketing and selling of the housing units and the financing options available to buyers are Pag-Ibig and In-House financing.

The estimated total development cost of the Sta. Rosa Homes project is PhP395.60Million. As of December 31, 2020, the carrying value of the Sta. Rosa Homes project representing site acquisition cost, housing unit construction, initial land development costs, land use conversion expenses, permits and licenses, net of housing units sold, amounted to PhP32.07Million. With the proceeds from the stock rights offering, the Company allocated PhP110.32Million for site preparation, road construction, drainage and power distribution system, house construction, project overhead, taxes and licenses. The balance for the completion of the development of the Sta. Rosa Homes project is expected to be sourced from internally-generated funds on the sale of the housing units and from credit facility with banks. The total sale from the Sta. Rosa Homes project when completed is estimated at PhP594Milion.

As of December 31, 2020, the Company sold or received reservation payments for 1,064 units, 660 units through Pag-Ibig housing scheme and 404 units through in-house financing. The total sales contract amount of the 1,064 units is PhP571.36Million. As of December 31, 2020, total collections on the sale of housing units amounted to PhP481.49Million including HDMF loan takeout proceeds amounting to PhP282.42Million.

The Home Development Mutual Fund (commonly known as Pag-Ibig Fund) approved a budget allocation/funding commitment line of PhP44.003Million for the year 2020 for the Company as an accredited developer in the Expanded Housing Loan Program of the Pag-IBIG Fund. On April 24, 2006, the Company was granted by the Board of Investments (BOI) a certificate of registration as a “New Developer of Mass Housing Project” for the Company’s Sta. Rosa Homes project. As registrant, the Company is entitled to Income Tax Holiday (ITH) for a period of four (4) years from June 2006. The ITH expired in May 2010.

Joint Venture Project – Tagaytay City Property

On December 21, 2006, the Company entered into a Joint Venture Agreement with Robinsons Land Corporation (“RLC”), as the Developer, whereby the Company contributed three (3) parcels of land located in Tagaytay City with approximate land area of 9,372 square meters. RLC will develop a high density two-phase residential subdivision, consisting of five (5) 5-storey residential condominium buildings. Under the agreement, the Company and the Developer shall share in the development of Phase 1, consisting of 2 Medium Rise Buildings with a land area of 2,606 square meters, by dividing the saleable floor area of the Phase 1 between them, hence, the Company will be entitled to a saleable floor area of 485.04 square meters equivalent to 9 units. The development of Phase 2, consisting of 3 Medium Rise Buildings with a land area of 4,028 square meters, shall also be undertaken by the Developer.

On May 14, 2009, the Company signed the Addendum to the Joint Venture Agreement with RLC for the development of Phase 2. The Company will be entitled to a saleable floor area of 801.19 square meters which is equivalent to 16 units.

The residential project, which is located at the corner of Mahogany Avenue and Mayor's Drive, is named The Wellington Courtyard ("TWC"). As per RLC's development plan, the project has a country-inspired courtyard community with amenities like a main swimming pool, a reflecting pool and wading pool, and a multipurpose open court sprawled at the center for sports and special events. Each of the five (5) buildings has a western style design. RLC has already accomplished 100% of the construction of Building A and B of Phase 1, Building C, D and E of Phase 2 and site development and amenities.

The carrying values of the property contributed, which pertains to parcels of land net of the cost of condominium units sold, amounted to PhP18.23Million as of December 31, 2020. The Company expects to generate PhP85.67Million from the sale of the Company's share of condominium units in Phase 1 (9 units) and Phase 2 (16 units). The development of Phase 3 or the commercial strip, which will be located in front of the residential project, shall be undertaken by the Company. RLC will have no share in Phase 3.

As of December 31, 2020, twenty two (22) condominium units out of the total allocation of twenty five (25) units have already been sold under RLC's regular financing or lease-to-own program with a total selling price of PhP70.48Million of which PhP59.82Million were collected and remitted by RLC to the Company. Management has initiated some marketing effort, in coordination with RLC, to promote and augment the sale of the Company's assigned condominium units.

RLC has officially announced that all unsold units, except the model unit, in TWC may now be offered under the Straight Lease-to-Own program to promote and augment the sale of the TWC condominium units. It is essentially a lease-to-own payment scheme wherein 100% of the Total Contract Price will be payable in equal monthly payments for as long as 120 months (10 years), at 0% interest. Since this is a lease-to-own scheme, ownership of the unit will not transfer to the lessee-buyer unless the unit has been fully paid. RLC is also working on strategic plans and TWC is one of RLC's core/priority projects for sell-out considering that it is already a completed project.

On March 9, 2018, the Company entered into a Termination Agreement of the Joint Venture Agreement wherein RLC will turn-over three (3) unsold condominium units, out of the twenty five (25) units assigned to the Company and shall continue to manage the six (6) remaining condominium units enrolled under the Lease-to-Own Program of RLC. On March 16, 2018, the Company entered into a Memorandum Agreement with RLC for compensation for the excess developed area in the JV project wherein RLC will assign to the Company Parking Slot No. 14 in Building C of the TWC and waive payment of prior years' real property taxes amounting to P96,128.26.

Joint Venture Project – Urdaneta Property, Pangasinan

On April 19, 2005, the Company entered into a Memorandum of Agreement on Property Development (the "Agreement") with Sta. Lucia Realty as developer and APEDCO and Asian Empire as co-landowners, whereby Sta. Lucia Realty will develop into residential and commercial subdivision the parcels of land situated at Pinmaludpod, Urdaneta owned by the Company and the co-landowners. For this jointly-controlled asset, the Company contributed 232,540 square meters of raw land. As part of the Agreement, Sta. Lucia is entitled to 55% of the developed saleable lots while the remaining 45% will be allocated to the Company and co-landowners. The release of the title of the developed saleable lots is subject to the terms and conditions set out in the Agreement. The carrying amount of property contributed, which pertains to the parcels of land, amounted to P78.97Million as of December 31, 2020. The Company expects to generate between PhP180Million to PhP200Million from the sale of the Company's share of JV lots.

On April 16, 2013, the Company filed the application for DAR Land Use Conversion ("DAR LUC") for 4.68hectares which was approved by DAR on August 22, 2013 as per DARRO Conversion Order No. 08-2013-238. On May 17, 2017, the Company filed the application for DAR LUC from agricultural to residential use for 17.17hectares and on September 22, 2017, DAR conducted an on-site inspection and verification of the additional area being applied for land use conversion. DAR required the Company to place a bond amounting to P10,731,250, against any premature conversion activity or development on the subject property. The cash bond is refundable upon issuance of the order of conversion or convertible into performance bond at the Company's option. On April 04, 2019, DAR issued DARCO Order No. CON-1904-1372 Series of 2019 for the Company's application for DAR LUC from agricultural to residential use for the twelve (12) parcels of land with an aggregate area of 17.17hectares located in Barangay Pinmaludpod, Urdaneta City, Pangasinan. The Company has already submitted a request to DAR for the conversion of the Cash Bond of PhP10,731,250 into a Performance Bond.

Proposed Project – Baguio Homes, Bgy. Banangan, Sablan, Benguet

The Company is considering the development of one (1) of the two (2) investment properties located in Bgy, Banangan, Municipality of Sablan, Province of Benguet. The project will be called Baguio Homes and has an area of 6.6217 hectares located on the slopes of mountainside terrain with the majestic view of the Cordilleras. The average sloping terrain is about 18% making the area ideal for a housing project. The project is designed to cater to the low-cost housing needs of Metro Baguio. When completed, it will comprise a neighborhood of one hundred sixty (160) units of socialized houses and two hundred fifty three (253) units of single attached houses. The land had already been converted in the local level from agricultural to residential use.

The project will have complete community facilities which include concrete road network, underground and open canal drainage system, water and electrical distribution system, a clubhouse, parks and playgrounds. As of December 31, 2020, the Company had already infused in the Baguio Homes project a total amount of PhP16.37Million for land acquisition, maintenance, permits and licenses.

Other Investment Properties

Pasong Tamo, Makati Property

The Company is the registered owner of two (2) parcels of land located at the corner of Pasong Tamo Extension and EDSA, Makati City, evidenced by TCT Nos. 206902 and 203760 of the Registry of Deeds for Makati City. These properties were sold by the Guevent Investments and Development Corporation (GIDC) and Honeycomb Builders Inc. (HBI) to the Company. These two properties were separated by a property owned by GIDC and HBI situated between them, indicating an intent by the parties to have these parcels of land developed together with the properties of GIDC and HBI. The parties thus entered into a Joint Venture Agreement ("JVA") in 1995 for the purpose. However, events that were not foreseen and beyond the control of the Company, including the 1997 Asian Financial Crisis, prevented the implementation of the JVA. This resulted in disputes between the parties to the JVA. GIDC threatened a civil suit demanding damages in the hundreds of millions. However, the company resisted the demand and threat and instead started negotiations for amicable settlement with GIDC. Thereafter, GIDC and HBI rescinded the JVA in 2008 and said rescission led to the filing of criminal cases against officers of the Company. However, negotiations for settlement continued between the parties. After several negotiations variously conducted spanning over a decade, the parties have come to an agreement that they must end their long-drawn dispute amicably and withdraw all cases that have been filed or initiated by GIDC and HBI against the officers of the Company. As a necessary consequence of the desire of the parties to settle their differences, the Company has agreed to sell back the subject properties upon terms mutually acceptable to both parties.

On June 10, 2017, the Company entered into a Memorandum of Agreement (MOA) and a Deed of Absolute Sale each for each of the two parcels of land, with GIDC and HBI for the sell back of the Company's two (2) parcels of land located at the corner of Pasong Tamo Extension and EDSA, Makati City, with TCT Nos. 203760 and 206902 of the Registry of Deeds of Makati City in favor GIDC and HBI for PhP177.0Million wherein the first tranche of PhP88.50Million was received in June 2017 and second tranche of PhP88.50Million in July 2017. The Company recognized a gain of PhP37.20Million from the sale transaction. The sell back is the culmination of years of negotiations to settle the disputes over the Joint Venture Agreement to develop the properties, among the parties, and free the investment of Omico Corporation for other projects.

Omico Pine Villas - Haddad Property, Sablan, Benguet

This property, which is situated in Bgy. Banangan, Muncipality of Sablan, Province of Benguet with an area of 66,846 square meters, has a spectacular view of the Cordilleras, and as far away as Lingayen Gulf, the beaches of La Union and the South China Sea. The Haddad Property is being planned as an upscale vacation and residential community in Metro Baguio and will be named the Omico Pine Villas. The Company had commissioned Belt Collins Hawaii, a design firm based in Honolulu, in the design of the master plan of the Omico Pine Villas. The property had been granted by the DENR – Cordillera Administrative Region the ECC from agricultural to residential/commercial purposes. The carrying value of the Haddad Property in the books of the Company as of December 31, 2020 is PhP37.03Million.

Cabanatuan Property

This property, which is situated in Barangay Mayapyap Sur, Cabanatuan City, Nueva Ecija and located along the Maharlika National Highway, has an area of 42,333 square meters. The property has been re-classified as residential area by the City Government of Cabanatuan. Development plans are being formulated for the property and it is beamed at the middle-income residential market. The carrying value of the Cabanatuan Property in the books of the Company as of December 31, 2020 is PhP19.20Million.

Sablan, Benguet – Belmonte Property

This property, which is situated in Dackes, Bgy. Banangan, Muncipality of Sablan, Province of Benguet and located along Naguilian Road, Baguio City has an area of 23,624 square meters. The carrying value of the Belmonte Property in the books of the Company as of December 31, 2020 is PhP3.10 Million.

Tagaytay City Property

The Tagaytay Property which is situated in Barangay Kaybagal South, Tagaytay City has an area of 2,738 square meters. This property is located in front of The Wellington Courtyard residential condominium project, a joint venture project of the Company with RLC. The Company plans to build in this area a low-rise building with 5 floors, with commercial area at the ground floor and hotel and Airbnb rooms at the second to fifth floors. The carrying value of the Tagaytay Property in the books of the Company as of December 31, 2020 is PhP12.12Million.

COVER SHEET

for

AUDITED CONSOLIDATED FINANCIAL STATEMENTS

SEC Registration Number

3 6 1 9 0

COMPANY NAME

O M I C O   C O R P O R A T I O N   A N D
S U B S I D I A R I E S

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

S U I T E   1 1 0 9   E A S T   T O W E R
P S E   C E N T R E ,   E X C H A N G E   R O A D
O R T I G A S   C E N T E R ,   P A S I G   C I T Y

Form Type	Department requiring the report	Secondary License type, If Applicable
A A C F S	S E C	N A

COMPANY INFORMATION

Company's Email Address	Company's Telephone Numbers	Mobile Number
	637-6923 to 25	**NA**

No. of Stockholders	Annual Meeting (Month / Day)	Fiscal Year (Month / Day)
	May/Last Friday	**12/31**

CONTACT PERSON INFORMATION

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

Name of Contact Person	Email Address	Telephone Number/s	Mobile Number
JUANA LOURDES M. BUYSON	jeannieb@omico.com.ph	**637-6923 to 25**	

CONTACT PERSON's ADDRESS

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 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.*

OMICO CORPORATION AND SUBSIDIARIES

CONSOLIDATED FINANCIAL STATEMENTS
December 31, 2020, 2019 and 2018

STATEMENT OF MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL STATEMENTS

The Management of **OMICO CORPORATION AND SUBSIDIARIES** (the "Group") is responsible for the preparation and fair presentation of the consolidated financial statements including the schedules attached therein, for the years ended December 31, 2020 and 2019, in accordance with the prescribed financial reporting framework indicated therein, and for such internal control as management determines is necessary to enable the preparation of 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.

The Board of Directors is responsible for overseeing the Group'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.

R. R. Tan & Associates, CPAs, the independent auditor appointed by the stockholders, has audited the consolidated financial statements of the Group in accordance with Philippine Standards on Auditing, and in its report to stockholders, has expressed its opinion on the fairness of presentation upon completion of such audit.

Tommy Kin Hing Tia
Chairman, Board of Directors

Anna Mei Nga Tia
President/CEO

Juana Lourdes M. Buyson
Treasurer

MAR 29 2021

SUBSCRIBED AND SWORN to before me this __________day of ________ affiants presented to me their respective proof or identification, to wit:

Name	Type of Identification
Tommy Kin Hing Tia	TIN 105-834-884
Anna Mei Nga Tia	TIN 103-915-047
Juana Lourdes M. Buyson	TIN 131-482-310

all known to me and to me known to be the same persons who executed the foregoing Statement of Management's Responsibility for Financial Statements.

IN WITNESS WHEREOF, I have hereunto affixed my notary seal at the date and place first above written.

Doc. No. 238
Page No. 49
Book No. 27
Series of 2021.

ATTY. FERDINAND D. AYAHAO
Notary Public
Until December 31, 2021
Appointment No. 184 (2020-2021)
For Pasig City, Pateros and San Juan City
Roll No. 46377; MCLE VI-0025705; 04-02-19
IBP LRN 02459; O.R. No. 535886; 06-21-2001
TIN 123-011-785; PTR 7206699; 01-06-21, Pasig
Unit 5, West Tower PSE, Exchange Road
Ortigas Center, Pasig City Tel.+632-86314090

R. R. TAN & ASSOCIATES, CPAs

Unit 1705, Antel Global Corporate Center
Doña Julia Vargas Avenue, Ortigas Center
Pasig City, Philippines 1605
Tel.: (632) 8638-3430 to 32; Fax: (632) 8638-3430
e-mail : info@rrtan.net

PRC-BOA Reg. No. 0132, valid until December 31, 2021
SEC Accreditation No. 0394-F, valid until July 23, 2023
BIR Accreditation No. 07-100015-001-2019, valid until September 12, 2022

Report of Independent Public Accountants

The Board of Directors and Stockholders
OMICO CORPORATION AND SUBSIDIARIES
Suite 1109 East Tower, PSE Centre
Exchange Road, Ortigas Center, Pasig City

Report on the Audit of the Consolidated Financial Statements

Opinion
We have audited the consolidated financial statements of Omico Corporation and its subsidiaries (the Group), which comprise the consolidated statements of financial position as at December 31, 2020 and 2019, and the 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, 2020, 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, 2020 and 2019, and its consolidated financial performance and its consolidated cash flows for each of the three years in the period ended December 31, 2020, 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, the description of how our audit addressed the matter is provided in that context.

Going Concern Assessment

The Group has been incurring losses for the past years, as revenues are not enough to cover the cost of operations. While some of its investment properties may provide revenues, the same have become idle since management is still determining the most advantageous and profitable project and facing delays in securing regulatory approvals. We consider this a key audit matter because a steady stream of revenues and cash, coupled with efforts in managing cost and expenses, will provide financial strength for the Group.

The investment properties for which housing projects are given due consideration are disclosed in Note 15 of the Notes to Consolidated Financial Statements.

Audit Procedures Conducted
We thoroughly discussed with management the prospect of launching real estate projects covering the Group's investment properties, which may include a joint venture operation with other property developers. To support management's assertion regarding its probability, we made on-site inspections of certain properties to determine the feasibility and marketability of real estate projects.

Recoverability of Investment in Other Mining Company

The Group carries in its Consolidated Statements of Financial Position a contractual right to receive a minority interest from Macawilili Gold and Mining Co., Inc, (Macawiwili) following the Group's relinquishment of Mining rights to Macawiwili (see Note 1). We consider this a key audit matter because of the inability of Macawiwili to continue exploration activities and for the Group to eventually realize income from this investment.

Audit Procedures Conducted
In the audit of Investment in Other Mining Company, the following procedures were carried out:

- We secured financial and non-financial documents pertinent to the Macawiwili mining project and subjected them to the usual audit procedures necessary for us to assess the full recoverability of the investment.

- We also gathered from the management some information about the future plans of Macawiwili mining project and assessed its feasibility to determine whether an impairment loss had occurred and if the investment would be realized in full.

Other Information
Management is responsible for the other information. The other information comprises the SEC Form 17-A for the year ended December 31, 2020, but does not include the consolidated financial statements and our auditor's report, which we obtained prior to the date of this auditor's report, and the SEC Form 20-IS (Definitive Information Statement) and Annual Report for the year ended December 31, 2020, which are expected to be made available to us after that date.

Our opinion on the consolidated financial statements does not cover the other information and we do not and 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 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.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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 group 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 Chester Nimitz F. Salvador

R. R. TAN AND ASSOCIATES, CPAs

By: CHESTER NIMITZ F. SALVADOR
Partner
CPA Certificate No. 0129556
Tax Identification No. 307-838-154
PTR No. 6514908, February 2, 2021, Pasig City
SEC Accreditation No. 1812-A, valid until July 23, 2023
BIR Accreditation No. 07-000251-003-2019, valid until June 12, 2022

March 29, 2021
Pasig City

OMICO CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2020 AND 2019

	Notes		2020		2019
ASSETS					
Current Assets					
Cash and cash equivalents	**8**	**P**	**377,467,602**	P	377,552,790
Financial assets at fair value through profit or loss	**9**		**3,590,757**		5,193,998
Receivables	**10**		**18,895,592**		19,572,957
Real estate for sale	**11**		**50,304,691**		58,500,882
Prepayments and other current assets	**12**		**3,058,042**		2,315,109
Total Current Assets			**453,316,684**		463,135,736
Non-current Assets					
Installment contract receivable - net of current portion	**10**		**15,138,382**		16,782,936
Financial assets at fair value through other comprehensive income (FVOCI)	**13**		**3,150,000**		2,800,000
Property and equipment - net	**14**		**4,817,413**		6,270,056
Investment properties	**15**		**166,781,025**		165,304,759
Other non-current assets - net	**16**		**65,096,516**		65,096,516
Total Non-current Assets			**254,983,336**		256,254,267
TOTAL ASSETS		**P**	**708,300,020**	P	719,390,003
LIABILITIES AND EQUITY					
Current Liabilities					
Accounts payable and accrued expenses	**17**	**P**	**14,201,905**	P	12,941,390
Non-current Liabilities					
Accrued retirement liability	**22**		**13,521,612**		11,905,199
Total Liabilities			**27,723,517**		24,846,589
Equity					
Share capital	**18**		**1,050,461,673**		1,050,461,673
Additional paid-in capital			**78,000**		78,000
Fair value gain on FVOCI financial assets	**13**		**2,080,000**		1,730,000
Deficit			**(372,043,170)**		(357,726,259)
Total Equity			**680,576,503**		694,543,414
TOTAL LIABILITIES AND EQUITY		**P**	**708,300,020**	P	719,390,003

See accompanying notes to financial statements

OMICO CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED DECEMBER 31, 2020, 2019 AND 2018

	Notes		2020		2019		2018
REVENUES							
Real estate sales	**19**	**P**	**22,010,500**	P	41,474,405	P	23,126,825
Income from lease	**19**		**-**		-		1,088,125
Investment and other income - net	**19**		**10,986,187**		19,436,049		13,726,565
			32,996,687		60,910,454		37,941,515
COST AND EXPENSES							
Cost of real estate sales	**20**		**18,825,074**		35,252,304		20,075,642
Administrative expenses	**21**		**25,679,951**		30,968,571		30,977,069
Selling expenses			**1,023,491**		1,509,024		1,121,225
Finance cost			**-**		-		135,760
			45,528,516		67,729,899		52,309,696
LOSS BEFORE INCOME TAX			**(12,531,829)**		(6,819,445)		(14,368,181)
INCOME TAX EXPENSE	**25**		**1,785,082**		3,679,255		2,671,968
LOSS FOR THE YEAR			**(14,316,911)**		(10,498,700)		(17,040,149)
OTHER COMPREHENSIVE INCOME							
Amount to not be reclassified to profit or loss in subsequent periods:							
Fair value changes in FVOCI financial assets	**13**		**350,000**		150,000		100,000
TOTAL COMPREHENSIVE LOSS		**P**	**(13,966,911)**	P	(10,348,700)	P	(16,940,149)
BASIC/DILUTED EARNINGS (LOSS) PER SHARE	**24**	**P**	**(0.013629)**	P	(0.009994)	P	(0.016222)

See accompanying notes to financial statements

OMICO CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2020, 2019 AND 2018

	Notes	2020	2019	2018
SHARE CAPITAL	**18**	**P 1,050,461,673**	P 1,050,461,673	P 1,050,461,673
ADDITIONAL PAID-IN CAPITAL		**78,000**	78,000	78,000
FAIR VALUE GAIN ON FVOCI FINANCIAL ASSETS				
Balance at beginning of year		**1,730,000**	1,580,000	1,480,000
Fair value changes in FVOCI financial assets	**13**	**350,000**	150,000	100,000
Balance at end of year		**2,080,000**	1,730,000	1,580,000
DEFICIT				
Balance at beginning of year		**(357,726,259)**	(347,227,559)	(330,187,410)
Loss for the year		**(14,316,911)**	(10,498,700)	(17,040,149)
Balance at end of year		**(372,043,170)**	(357,726,259)	(347,227,559)
		P 680,576,503	P 694,543,414	P 704,892,114

See accompanying notes to financial statements

OMICO CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2020, 2019 AND 2018

	Notes	2020	2019	2018
CASH FLOWS FROM OPERATING ACTIVITIES				
Loss before income tax		P (12,531,829)	P (6,819,445)	P (14,368,181)
Adjustments for:				
Fair value (gain) loss on FVPL financial assets	9,19	(9,026,184)	288,041	128,007
Depreciation	14,21	1,818,273	1,897,414	1,709,861
Loss on sale of FVPL financial assets	9,19	7,465,657	-	1,482,441
Gain on sale of transportation equipment	14,19	(209,821)	-	(160,714)
Unrealized foreign exchange (gain) loss	19	24,681	17,935	(25,116)
Interest expense		-	-	135,760
Retirement expense	22	1,616,413	732,855	2,312,071
Dividend income	19	(111,099)	-	(900,503)
Interest income		(7,643,826)	(18,492,520)	(12,780,428)
Operating Loss Before Working Capital Changes		(18,597,735)	(22,375,720)	(22,466,802)
(Increase) decrease in receivables		1,607,858	(7,479,597)	(1,238,360)
Decrease in real estate for sale		8,196,191	22,440,473	12,743,846
(Increase) decrease in prepayments and other current assets		(295,503)	237,273	(714,040)
Increase (Decrease) in accounts payable and accrued expenses		1,260,516	422,110	(641,744)
Cash used in operations		(7,828,673)	(6,755,461)	(12,317,100)
Cash paid for retirement benefits	22	-	-	(2,787,259)
Cash paid for taxes		(2,232,514)	(4,393,914)	(2,556,543)
Net Cash Used in Operating Activities		(10,061,187)	(11,149,375)	(17,660,902)
CASH FLOWS FROM INVESTING ACTIVITIES				
Proceeds from sale of:				
FVPL financial assets		30,886,509	-	2,175,001
Transportation equipment		209,821	-	160,714
Additions to:				
FVPL financial assets	9	(27,722,741)	-	-
Property and equipment	14	(365,630)	(128,157)	(1,459,366)
Investment properties		(1,476,266)	(758,123)	(200,000)
Dividend received	19	111,099	-	900,503
Interest received		8,357,888	18,924,469	11,744,713
Net Cash Provided by Investing Activities		10,000,680	18,038,189	13,321,565
CASH FLOWS FROM FINANCING ACTIVITIES				
Payment of finance lease liability		-	-	(1,391,540)
Interest paid		-	-	(135,760)
Net Cash Used in Financing Activities		-	-	(1,527,300)
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS		(60,507)	6,888,814	(5,866,637)
EFFECT OF FOREIGN EXCHANGE GAIN (LOSS) ON CASH AND CASH EQUIVALENTS	19	(24,681)	(17,935)	25,116
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS		(85,188)	6,870,879	(5,841,521)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR		377,552,790	370,681,911	376,523,432
CASH AND CASH EQUIVALENTS AT END OF YEAR		P 377,467,602	P 377,552,790	P 370,681,911

See accompanying notes to financial statements

OMICO CORPORATION AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2020, 2019 AND 2018

1. CORPORATE INFORMATION AND STATUS OF OPERATIONS

Corporate Information
Omico Corporation (the "Parent Company or the Company") was incorporated in the Philippines and was registered with the Securities and Exchange Commission ("SEC") on August 30, 1968. Its corporate term was extended to another fifty (50) years from and after the date of expiration of its first fifty (50)-year term on August 29, 2018, as per SEC Certificate of Filing of Amended Articles of Incorporation dated October 21, 2015. It holds 100% interest both in Omico Kapital Corporation, a subsidiary which ceased operations in 1997, and Omico Mining Inc. *(formerly Omico-Ivanhoe Mining Inc).* The two subsidiaries have no commercial operation as of December 31, 2020 and 2019. The Parent Company listed its shares of stock in the Philippine Stock Exchange on May 2, 1969.

The Parent Company and Subsidiaries' (the Group) main business activities are mining exploration and property development. It is licensed to operate, prospect, mine, and deal with all kinds of ores, metals and minerals.

The mining exploration segment is engaged in the exploration activities of mine site while the property development segment is engaged in the marketing and sale of real estate and evaluation of future development of other real estate properties.

The registered office of the Company is located at Suite 1109 East Tower, PSE Centre, Exchange Road, Ortigas Center, Pasig City. Omico Corporation has no ultimate Parent Company.

The consolidated financial statements of the Group for the year ended December 31, 2020 with (comparative figures for 2019 and 2018) were authorized for issue by the Company's Board of Directors on March 29, 2021.

Status of Mining Operations
On August 29, 2012, the Parent Company terminated the Mining Agreement with Macawiwili Gold Mining and Development Co., Inc. (Macawiwili) entered in September 30, 1968. With this Agreement, the Parent Company has given the reins in managing the project to Macawiwili but remains an active minority investor in the venture. The salient points of the Termination of Mining Agreement are contained in prior disclosures of the Parent Company.

Management decided to terminate the mining agreement with Macawiwili because Management would like to focus on other mining prospects/projects.

The Parent Company is still interested in investing in mining and is scouting for other mining projects to explore, manage, operate or invest either solely or in partnership with other entities.

2. STATEMENT OF COMPLIANCE, BASIS OF PREPARATION, PRESENTATION AND PRINCIPLE OF CONSOLIDATION

Statement of Compliance
The accompanying consolidated financial statements have been prepared in accordance with generally accepted accounting principles as set forth in Philippine Financial Reporting Standards (PFRS), Philippine Accounting Standards (PAS) and interpretations thereof. PFRS are adopted standards by the Financial Reporting Standards Council (FRSC) from the pronouncements issued by the International Accounting Standards Board (IASB).

Basis of Financial Statements Preparation and Presentation
The consolidated financial statements have been prepared under the historical cost method except for:

- Financial instruments measured at amortized cost;
- Financial instruments which are valued at fair value; and
- Inventories at lower of cost and net realizable value (NRV)

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

The consolidated financial statements are presented in Philippine Peso, the currency of the primary economic environment in which the Group operates. All values represent absolute amounts except when otherwise indicated.

The preparation of consolidated financial statements in conformity with PFRS requires the use of certain critical accounting estimates. It also requires management to exercise judgment in the process of applying the Group's accounting policies. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances.

Principle of Consolidation
The consolidated financial statements comprise the financial statements of the Parent Company and entities it controlled (the subsidiaries) as of December 31, 2020 and 2019. A parent controls a subsidiary when it is exposed, or has rights, to variable returns from its involvement with a subsidiary and has the ability to affect those returns through its power over the subsidiary. Specifically, control is achieved only if a parent company has all the following;

(i) Power over the investee;
(ii) Exposure rights, to variable returns from its involvement with the subsidiary; and
(iii) The ability to use its power over the investee to affect the amount of the parent company's returns.

The Parent Company reassesses whether or not it controls a subsidiary if facts and circumstances indicate that there are changes to one or more of the three elements of control.

The following are the subsidiaries and the respective percentages of ownership as of the period therein presented:

	% of ownership	
	2020	2019
Omico Kapital Corporation	**100**	100
Omico Mining Inc.	**100**	100

Subsidiaries are fully consolidated from the date of acquisition, being the date on which the Parent Company obtains control, and continue to be consolidated until the date when such control ceases. The financial statements of the subsidiaries are prepared for the same reporting period as the Parent Company, using consistent accounting policies. All intra-group balances, transactions, unrealized gains and losses resulting from intra-group transactions and dividends are eliminated in full.

If a parent loses control of a subsidiary, the parent

- Derecognizes the assets and liabilities of the former subsidiary from the statement of financial position
- Recognize any investment retained in the former subsidiary at its fair value and subsequently accounts for it and for any of the amounts owed by or to the former subsidiary in accordance with applicable PFRS.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND DISCLOSURES

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Current versus non-current classification
The Group presents assets and liabilities in the consolidated statements of financial position based on current/non-current classification. An asset is current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading; ·
- Expected to be realized within twelve months after the end of 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 end of the reporting period.

The Group classifies all other assets as non-current.

A liability is current when:

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

The Group classifies all other liabilities as non-current.

Financial Instruments
Date of Recognition
Financial assets and financial liabilities are recognized in the consolidated statements of financial position of the Group when it becomes a party to the contractual provisions of the instrument.

Initial Recognition
All financial assets and financial liabilities are initially recognized at fair value. Except for financial assets and financial liabilities at FVPL, the initial measurement of these financial instruments includes transaction costs.

Determination of Fair Value
The fair value for instruments traded in active market at the reporting date is based on their quoted market price. For all other financial instruments not listed in an active market, the fair value is determined by using appropriate techniques or comparison to similar instruments for which market observable prices exists.

Where the transaction price in a non-active market is different from the fair value of other observable current market transactions in the same instruments or based on a valuation technique, the Group recognizes the difference between the transaction price and fair value in the statement of comprehensive income unless it qualifies for recognition as some other type of asset.

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

Classification and Measurement of Financial Assets
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. Except for financial assets at FVPL, all financial assets are initially measured at fair value plus transaction costs. Trade receivables that do not contain a significant financing component are measured at the transaction price determined under PFRS 15.

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.

- Financial Assets at Amortized Cost

  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 solely payments of principal and interest on the principal amount outstanding.

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

  The Group's financial assets at amortized cost includes cash and cash equivalents and receivables.

- Financial Assets at Fair Value through Other Comprehensive Income (FVOCI)

  Equity instruments
  Upon initial recognition, the Group can elect to classify irrevocably its equity investments as equity instruments 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.

  Subsequent to initial recognition, financial assets at FVOCI are carried at fair value. Gains and losses on these financial assets are never recycled to profit or loss. However, the Group may transfer the cumulative gain or loss within equity. Dividends are recognized as other income in the statement of 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 other comprehensive income. Equity instruments designated at FVOCI are not subject to impairment assessment.

  Included in this category are the Group's investments in club shares. *(see Note 13)*

  Debt instruments
  A debt financial asset is measured at FVOCI if both of the following conditions are met:

  - The financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and;
  - The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

  These financial assets are initially recognized at fair value plus directly attributable transaction costs and subsequently measured at fair value. Gains and losses arising from changes in fair value are included in other comprehensive income within a separate component of equity. Impairment losses or reversals, interest income and foreign exchange gains and losses are recognized in profit and loss until the financial asset is derecognized. Upon derecognition, the cumulative gain or loss previously recognized in other comprehensive income is reclassified from equity to profit or loss. This reflects the gain or loss that would have been recognized in profit or loss upon derecognition if the financial asset had been measured at amortized cost. Impairment is measured based on the expected credit loss (ECL) model.

As of December 31, 2020 and 2019, the Group does not have debt instruments at FVOCI.

- Financial Assets at Fair Value through Profit or Loss (FVPL)

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

  Financial assets at FVPL are subsequently carried in the consolidated statement of financial position at fair value with net changes in fair value recognized in the consolidated statements of comprehensive income. Dividends are also recognized as other income in the consolidated statements of comprehensive income when the right of payment has been established.

  As of December 31, 2020 and 2019, included in this category are the Group’s equity investments listed in Philippine Stock Exchange.

Classification and Measurement of Financial Liabilities
Financial liabilities are measured at amortized cost, except for the following:

(i) Financial liabilities measured at fair value through profit or loss;
(ii) Financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the Group retains continuing involvement;
(iii) Financial guarantee contracts;
(iv) Commitments to provide a loan at a below-market interest rate; and
(v) Contingent consideration recognized by an acquirer in accordance with PFRS 3.

A financial liability may be designated at fair value through profit or loss if it eliminates or significantly reduces a measurement or recognition inconsistency (an accounting mismatch) or:

(i) If a host contract contains one or more embedded derivatives; or
(ii) If a group of financial liabilities or financial assets and liabilities is managed and its performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

Where a financial liability is designated at fair value through profit or loss, the movement in fair value attributable to changes in the Group’s own credit quality is calculated by determining the changes in credit spreads above observable market interest rates and is presented separately in other comprehensive income.

As of December 31, 2020 and 2019, included in this category are the Group’s accounts payable and accrued expenses.

Reclassification of Financial Assets
The Group can only reclassify financial assets if the objective of its business model for managing those financial assets changes. Accordingly, the Group is required to reclassify financial assets:

(i) from amortized cost to FVPL, if the objective of the business model changes so that the amortized cost criteria are no longer met; and,
(ii) from FVPL to amortized cost, if the objective of the business model changes so that the amortized cost criteria start to be met and the characteristic of the instrument's contractual cash flows meet the amortized cost criteria.

A change in the objective of the Group's business model will be effected only at the beginning of the next reporting period following the change in the business model.

Impairment of Financial Assets
The Group recognizes an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the 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 recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL). For trade receivables, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established probability of default rates for third party trade receivables based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment. The Group applies the historical credit loss method in case undue cost or effort is involved in calculating the ECL by considering the forward-looking factors. For inter-group trade receivables, the Group has established probability of default rates based on internal credit rating of the customers. Internal credit ratings are based on methodologies adopted by independent credit rating agencies. Therefore, the internal ratings already consider forward looking information.

The Group considers a financial asset to be in default when contractual payments are 180 days past due. However, the Group considers internal or external information when there are indicators that the Parent Company is unlikely to receive the outstanding contractual amounts 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.

Derecognition of Financial Instruments

Financial Assets
A financial asset (or, where applicable a part of a financial asset or part of a group of financial assets) is derecognized where:

- the rights to receive cash flows from the asset have 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.
- the Group has transferred its rights to receive cash flows from the asset and either (a) has transferred substantially all the risks and rewards of the asset, or (b) has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred the control of the asset.

Where the Group has transferred its rights to receive cash flows from an asset or 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 Liabilities
A financial liability is derecognized when the obligation under the liability is discharged or 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 de-recognition 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.

Cash and Cash Equivalents
Cash and cash equivalents are defined as cash on hand, demand deposits and short-term, highly liquid investments readily convertible to known amounts of cash and which are subject to insignificant risk of changes in value. Cash and cash equivalents are initially measured at fair value.

Real Estate for Sale
Real estate for sale is carried at the lower of cost and net realizable value. Cost includes the value of land plus expenditures necessary to complete the housing units (materials and labor cost). Net realizable value is the estimated selling price in the ordinary course of business less cost to complete and sell the units. NRV is determined in a manner provided in note 5. As of December 31, 2020 and 2019, real estate inventories are carried at cost.

Prepayments and Other Current Assets
Prepayments and other current assets consist of input taxes, prepaid expenses and deposits. They are carried at cost less the amortized portion.

Property and Equipment
Property and equipment are initially recognized at cost. The initial cost of property and equipment comprises its purchase price and any directly attributable costs of bringing the asset to its working condition and location for its intended use.

Property and equipment are subsequently stated at cost less accumulated depreciation and impairment loss, if any. Expenditures for additions, improvements and renewals are capitalized; expenditures for repairs and maintenance are charged to expense as incurred. When assets are sold, retired or otherwise disposed of, their cost and related accumulated depreciation and impairment losses are removed from the accounts and any resulting gain or loss is reflected in income for the period.

Depreciation or amortization of an item of property 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 is computed using the straight-line method over the stipulated useful lives of the assets as follows:

	Estimated useful life
Condominium units and improvements	15-25 years
Office furniture, fixtures and office equipment	3-5 years
Transportation equipment	3-5 years

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

The residual values and estimated useful lives of property and equipment are reviewed, and adjusted if appropriate, at each reporting period.

An item of property and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the item) is included in the consolidated statements of comprehensive income in the year the item is derecognized.

Investment Properties
Investment properties consist of parcels of land that are held for future development or capital appreciation or both and that is not occupied by the Group. Investment properties are carried at cost, less accumulated impairment losses if any.

Investment properties are derecognized when either they have been disposed of, or when the investment property is permanently withdrawn from service and no future economic benefit is expected from its disposal. Any gains or losses on the retirement or disposal of an investment property are recognized in the consolidated statements of comprehensive income in the year of retirement or disposal.

Transfers are made to and from investment property when, and only when there is change in use, evidenced by commencement of owner-occupation or commencement of development with a view to sale. The transfer is recorded using the carrying amount of the investment property at the date of change in use.

Joint Arrangements
For interests in jointly controlled assets, the Group recognized in its consolidated financial statements the assets that it controls/contributed and the liabilities that it incurs, and the related income and expenses from the sale/development of the assets. No adjustment or other consolidation procedures are required since the assets, liabilities, income and expenses of the joint operation are recognized in the financial statements of the operator.

Impairment of Non-financial Assets
The carrying values of property and equipment and investment properties are reviewed for impairment when events or changes in circumstances indicate that their carrying values may not be recoverable. If any such indication exists and where the carrying values exceed the estimated recoverable amount, the assets or cash generating units are written down to their recoverable amount. The recoverable amount of property and equipment and investment is the greater of net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of time value of money and the risks specific to the asset. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs. Impairment losses are recognized in the consolidated statements of comprehensive income.

If there is any indication at end of the reporting period that an impairment loss recognized for an asset in prior years may no longer exist or may have decreased, the Group estimates the recoverable amount of that asset and the carrying amount of the asset is adjusted to the recoverable amount resulting in the reversal of the impairment loss.

Equity
Share capital is determined at the par value of shares that have been issued.

Additional paid-in capital includes any premiums received on the initial issuance of capital stock. Any transaction costs associated with the issuance of shares are deducted from additional paid-in capital, net of any related income tax benefits.

Fair value gain on FVOCI financial assets pertains to mark-to-market valuation of financial assets at fair value through other comprehensive income.

Deficit includes all current and prior period results of operations as disclosed in the consolidated statements of comprehensive income including changes in accounting standard in accordance with PAS 8.

Other comprehensive income comprises items of income and expenses (including items previously presented in the Consolidated Statement of Changes in Equity) that are not recognized in the consolidated statements of income for the year in accordance with PFRS.

Earnings Per Share
Basic earnings per share is computed by dividing profit for the period by the weighted average number of shares issued and outstanding during the year.

Diluted EPS is computed by dividing the profit for the period by the weighted average number of shares issued and outstanding during the year plus the weighted average number of shares that would be issued on the conversion of dilutive potential shares.

Operating Segments
Operating segment is a component of an entity that engages in business activities from which it may earn revenues and incur expenses whose operating results are regularly reviewed by the chief operating decision maker to make decisions about how resources are to be allocated and for which discrete financial information is available. Financial information on operating segments is presented in Note 27.

Related Party Transactions
Parties are considered 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. The related party transactions are recognized based on transfer of resources or obligations between related parties, regardless whether a price is charged.

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

The following specific recognition criteria must be met before revenue is recognized:

- Real estate
  The Group derives its real estate revenue from sale of lots, house and lot and condominium units. Revenue from substantially completed real estate projects where collectability of sales price is reasonably assured is accounted for using the full accrual method. Collectability of the sales price is demonstrated by the buyer's commitment to pay, which in turn is supported by substantial initial and continuing investments that give the buyer a stake in the property sufficient that the risk of loss through default motivates the buyer to honor its obligation to the seller. Revenue from sale of real estate projects under pre-completion stage are recognized over time during the construction period using the Percentage of Completion (POC) method where the Group have material obligation under the sales contract to complete the project after the property is sold. In measuring the progress of its performance obligation over time, the Group uses output method. The Group recognizes revenue on the basis of direct measurements of the value to customers of the goods and services transferred to date, relative to the remaining goods and services promised under the contract. Progress is measured using survey performance completed to date.

  Any excess of progress of work over the right to an amount of consideration that is unconditional, is recognized as installment contract receivables.

  Any excess of collections over recognized receivables are included in the "Customers' advances and deposits" account.

If any of the criteria under full accrual or POC method is not met, the deposit method is applied until all the conditions for recording the sale are met. Pending recognition of sale, cash received from buyers are presented under "Customers' advances and deposits" account except when the underlying contract is a lease contract with option to purchase.

Revenue from lease contract with option to purchase is accounted for as leasing income until the criteria under full accrual method of recording sale is met.

Penalties are recognized as income when cash is received and forfeitures from cancelled sales and reservation fees are recognized as income when the cancellation of sales and reservation fees of buyers has been determined and established.

- Investment income
  Interest income is recognized as the interest accrues (taking into account the effective yield on the asset).

  Dividend income is recognized when the shareholders' right to receive the payment is established.

  Fair value gain (loss) represents all gain and losses for changes in fair values of financial assets at FVPL.

  Realized gain (loss) in sale of shares of stock is recognized upon sale.

- Gains
  Gains represent other items that meet the definition of income and may, or may not, arise in the course of ordinary activities of the Group. Gains represent increases in economic benefits and have the same nature as revenue. These are recognized as income when earned.

<u>*Costs Recognition*</u>

- Cost of real estate sales
  Cost of real estate sales is recognized consistent with the revenue recognition method applied. Costs of subdivision lots and housing unit and condominium units sold before the completion of the development is determined on the basis of the acquisition cost of the land and its full development costs, which include estimated costs for future development works, as determined by the Group's in-house technical team.

  The cost of inventory recognized in profit or loss on disposal is determined with reference to specific costs of the property, allocated to saleable are based on relative size and takes into account the percentage of completion used for revenue recognition purposes.

- Administrative expense
  Cost and expenses are recognized in the consolidated statement of comprehensive income when decrease in future economic benefit related to a decrease in an asset or decrease in a liability has arisen that can be measured reliably.

  Costs and expenses are recognized in the consolidated statements of comprehensive income:

  (i) On the basis of a direct association between the costs incurred and the earning of specific items of income;
  (ii) On the basis of systematic and rational allocation procedures when economic benefits are expected to arise over several accounting periods and the association can be broadly or indirectly determined; or
  (iii) Immediately when expenditures produce no future economic benefits or when, and to the extent that, future economic benefits do not qualify or cease to qualify, for recognition in the consolidated statement of financial position as an asset.

- Commission expense
  The Group recognizes commission expense when services are rendered by agents. Commission expense is recognized upon receipt of certain level of payment from the buyer comprising a substantial portion of the contract price and the capacity to pay and credit worthiness of buyers have been reasonably established for sales of real estate.

Employee Benefits

Retirement Benefit Obligation
Pension benefits are provided to employees based on the amounts required by law, under R.A. 7641.

The Group has not yet established a formal retirement plan; however, it accrues the estimated cost of retirement benefits required by the provisions of RA No. 7641 (Retirement Law). Under RA 7641, the Group is required to provide minimum retirement benefits to qualified employees. The retirement cost accrued includes normal cost and estimated past service cost.

Short-term Employee Benefits
Salaries and wages are recognized in the consolidated statements of comprehensive income when the employees' services have been rendered to the Group.

Leases
Policy Applicable from January 1, 2019
At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group uses the definition of a lease in PFRS 16. This policy is applied to contracts entered into, on or after January 1, 2019.

As a Lessee
At commencement or on modification of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices. However, for the leases of property, the Group has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

The Group recognizes a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset of the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term unless the lease transfers ownership of the underlying asset to the Group by the end of the lease term or the cost of the right-of-use asset reflects that the Group will exercise a purchase option. In that case, the right-of-use asset will be depreciated over the useful life of the underlying asset which is determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or if that rate cannot be readily determined, the Group's incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability comprise the following:

- Fixed payments, including in-substance fixed payments;
- Variable lease payment that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- Amounts expected to be payable under a residual guarantee; and
- The exercise price under a purchase option that the Group is reasonably certain to exercise, lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Group is reasonably certain not to terminate early.

The lease liability is measured at amortized cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, if the Group changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Group used a number of practical expedients when applying PFRS 16 to leases previously classified as operating leases under PAS 17. In particular, the Group:

- Did not recognized right-of-use assets and liabilities for leases for which the lease term ends within 12 months from the date of initial application;
- Excluded initial direct costs from the measurement of the right-of-use asset at the date of initial application; and
- Used hindsight when determining the lease term.

Short-term Leases and Leases of Low-value Assets
The Group has elected not to recognize right-of-use assets and lease liabilities for the leases of low-value assets and short-term leases. The Group recognizes the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

As a Lessor
The policy on leases where the Group is a lessor did not differ with the policy applied before January 1, 2019.

Policy Applicable before January 1, 2019
For contracts entered into before January 1, 2019, the Group determined whether the arrangement was or contained a lease based on the assessment of whether:

- fulfillment of the arrangement was dependent on the use of a specific asset or assets; and
- the arrangement had conveyed a right to use the asset. An arrangement conveyed the right to use the asset if one of the following was met:

    i. the purchaser had the ability or right to operate the asset while obtaining or controlling more than an insignificant amount of the output;
    ii. the purchaser had the ability or right to control physical access to the asset while obtaining or controlling more than insignificant amount of the output; or
    iii. facts and circumstances indicated that it was remote that other parties would take more than an insignificant amount of the output, and the price per unit was neither fixed per unit of output nor equal to the current market price per unit of output.

As a Lessor
When the Group acted as a lessor, it determined at lease inception whether each lease was a finance lease or an operating lease.

To classify each lease, the Group made an overall assessment of whether the lease transferred substantially all of the risks and rewards incidental to ownership of the underlying asset. If this was the case, then the lease is a finance lease; if not, then it was an operating lease. As part of this assessment, the Group considered certain indicators such as whether the lease was for the major part of the economic life of the asset.

Leases where the Group does not transfer substantially all of the risks and rewards of ownership of the asset are classified as operating leases. Rental income is recognized on a straight-line basis over the term of the lease. Initial direct costs incurred in negotiating an operating lease are added to the carrying amount of the leased asset and recognized over the lease term on the same bases as rental income. Contingent rents are recognized as revenue in the period in which they are earned.

Income Taxes
Current income tax assets or liabilities comprise those claims from, or obligations to, fiscal authorities relating to the current or prior reporting period, that are uncollected or unpaid at the end of reporting period. They are calculated according to the tax rates and tax laws applicable to the fiscal periods to which they relate, based on the taxable profit for the year. All changes to current tax assets or liabilities are recognized as a component of tax expense in the consolidated statements of comprehensive income.

Deferred tax is provided, using the balance sheet liability method on temporary differences at the end of reporting period between the tax base of assets and liabilities and their carrying amounts for financial reporting purposes.

Under the balance sheet liability method, with certain exceptions, deferred tax liabilities are recognized for all taxable temporary differences and deferred tax assets are recognized for all deductible temporary differences and the carry forward of unused tax losses and unused tax credits to the extent that it is probable that taxable profit will be available against which the deferred tax asset is to be utilized.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the end of reporting period.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized.

Most changes in deferred tax assets or liabilities are recognized as a component of tax expense in the consolidated statements of comprehensive income. Only changes in deferred tax assets or liabilities that relate to a change in value of assets or liabilities that is charged directly to equity are charged or credited directly to equity.

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

Functional Currency and Foreign Currency Transactions

- *Functional and Presentation Currency*
  Items included in the consolidated financial statements are measured using the currency of the primary economic environment in which the entity operates (the “functional currency”). The consolidated financial statements are presented in Philippine pesos, which is the Group’s functional currency.

- *Transaction and Balances*
  The accounting records of the Group are maintained in Philippine pesos. Foreign currency transactions during the year are translated into the functional currency at exchange rates which approximate those prevailing on transaction dates.

Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the consolidated statements of comprehensive income.

Provisions
Provisions are recognized when present obligations will probably lead to an outflow of economic resources and they can be estimated reliably even if the timing or amount of the outflow may still be uncertain. A present obligation arises from the presence of a legal or constructive commitment that has resulted from past events, for example, legal disputes or onerous contracts.

Provisions are measured at the estimated expenditure required to settle the present obligation, based on the most reliable evidence available at the end of reporting period, including the risks and uncertainties associated with the present obligation. Any reimbursement expected to be received in the course of settlement of the present obligation is recognized, if virtually certain as a separate asset, not exceeding the amount of the related provision. Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. In addition, long-term provisions are discounted to their present values, where time value of money is material.

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate.

In those cases where the possible outflow of economic resources as a result of present obligations is considered improbable or remote, or the amount to be provided for cannot be measured reliably, no liability is recognized in the consolidated financial statements.

Probable inflows of economic benefits that do not yet meet the recognition criteria of an asset are considered contingent assets, hence, are not recognized in the consolidated financial statements.

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

Events after the End of Reporting Period
The Group identifies subsequent events as events that occurred after the reporting period but before the date when the consolidated financial statements were authorized for issue. Any subsequent events that provide additional information about the Group's financial position at the balance sheet date are reflected in the consolidated financial statements.

Events that are not adjusting events are disclosed in the notes to the consolidated financial statements when material.

4. CHANGES IN ACCOUNTING STANDARDS AND DISCLOSURES

New Accounting Standards and Amendments to Existing Standards Effective as of January 1, 2020
The accounting policies adopted are consistent with those of the previous financial year except for the adoption of the following amendments to PFRS effective beginning January 1, 2020.

Amendments to PAS 1, *Presentation of Consolidated financial statements* and PAS 8, *Accounting Policies, Changes in Accounting Estimates and Errors - Definition of Material*
PAS 8.31(b-d) The amendments relate to a revised definition of 'material':

"Information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements, which provide financial information about a specific reporting entity."

Three new aspects of the new definition include (i) obscuring; (ii) could reasonably be expected to influence; and (iii) primary users.

The amendments stress especially five ways material information can be obscured:

- if the language regarding a material item, transaction or other event is vague or unclear;
- if information regarding a material item, transaction or other event is scattered in different places in the consolidated financial statements;
- if dissimilar items, transactions or other events are inappropriately aggregated;
- if similar items, transactions or other events are inappropriately disaggregated; and
- if material information is hidden by immaterial information to the extent that it becomes unclear what information is material.

The amendments are effective for periods beginning on or after January 1, 2020. Earlier application is permitted. The amendments do not have any significant impact on the Group's consolidated financial statements.

Amendments to PFRS 3, *Business Combinations - Definition of Business*
The amendments are to:

- clarify that to be considered a business, an acquired set of activities and assets must include, at a minimum, an input and a substantive process that together significantly contribute to the ability to create outputs;
- narrow the definitions of a business and of outputs by focusing on goods and services provided to customers and by removing the reference to an ability to reduce costs;
- add guidance and illustrative examples to help entities assess whether a substantive process has been acquired;
- remove the assessment of whether market participants are capable of replacing any missing inputs or processes and continuing to produce outputs; and
- add an optional concentration test that permits a simplified assessment of whether an acquired set of activities and assets is not a business.

The amendments are effective for business combinations for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after January 1, 2020 and to asset acquisitions that occur on or after the beginning of that period. The amendments do not have any significant impact on the Group's consolidated financial statements.

Revised Conceptual Framework for Financial Reporting.
The revised conceptual framework will be used in standard-setting decisions with immediate effect. Key changes include (a) increasing the prominence of stewardship in the objective of financial reporting, (b) reinstating prudence as a component of neutrality, (c) defining a reporting entity, which may be a legal entity, or a portion of an entity, (d) revising the definitions of an asset and a liability, (e) removing the probability threshold for recognition and adding guidance on derecognition, (f) adding guidance on different measurement basis, and, (g) stating that profit or loss is the primary performance indicator and that, in principle, income and expenses in other comprehensive income should be recycled where this enhances the relevance or faithful representation of the consolidated financial statements.

No changes will be made to any of the current accounting standards. However, entities that rely on the framework in determining their accounting policies for transactions, events or conditions that are not otherwise dealt with under the accounting standards will need to apply the revised framework from January 1, 2020. These entities will need to consider whether their accounting policies are still appropriate under the revised framework.

New Accounting Standard, Amendments to Existing Standards and Interpretations Effective Subsequent to December 31, 2020

The standards, amendments and interpretations which have been issued but not yet effective as at December 31, 2020 are disclosed below. Except as otherwise indicated, the Group does not expect the adoption of the applicable new and amended PFRS to have a significant impact on its financial position or performance.

Amendments to PFRS 16, *Leases – COVID-19-Related Rent Concessions*

The amendments permit lessees, as a practical expedient, not to assess whether particular rent concessions occurring as a direct consequence of the COVID-19 pandemic are lease modifications and instead to account for those rent concessions as if they are not lease modifications. The amendment does not affect lessors.

The amendment is effective for annual reporting periods beginning on or after June 1, 2020. Earlier application is permitted. A lessee applies the amendments retrospectively, recognizing the cumulative effect of the amendments as an adjustment to the opening balance of retained earnings of other component of equity, as appropriate. The amendments will not have significant impact on the Group's consolidated financial statements.

Amendments to PFRS 9, PAS 39, PFRS 7, PFRS 4 and PFRS 16 – *Interest Rate Benchmark Reform Phase 2*

The amendments address issues that arise from the implementation of the reforms, including the replacement of one benchmark with an alternative one. The Group do not expect the adoption of this amendments to have a material impact on the consolidated financial statements.

The amendment is effective for annual reporting periods beginning on or after January 1, 2021. Earlier application is permitted. The amendments are not expected to have significant impact on the Group's consolidated financial statements.

Amendments to PAS 16, *Property, Plant and Equipment – Proceeds before Intended Use*

The amendments prohibit an entity from deducting from the cost of an item of property, plant and equipment the proceeds from selling items produced before the asset is available for use. The proceeds before intended use should be recognized in profit or loss, together with the costs of producing those items which are identified and measured in accordance with PAS 2 *Inventories.*

The amendments also clarify that testing whether an item of property, plant and equipment is functioning properly means assessing its technical and physical performance rather than assessing its financial performance.

For the sale of items that are not part of a Group's ordinary activities, the amendments require the company to disclose separately the sales proceeds and related production cost recognized in profit or loss and specify the line items in which such proceeds and costs are included in the statement of comprehensive income. This disclosure is not required if such proceeds and costs are presented separately in the consolidated statement of comprehensive income.

The amendment is effective for annual reporting periods beginning on or after January 1, 2022. Earlier application is permitted. The amendments are not expected to have significant impact on the Group's consolidated financial statements.

Amendments to PAS 37, *Provisions, Contingent Liabilities and Contingent Assets – Onerous Contract: Cost of Fulfilling a Contract*

The amendments specify that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract or an allocation of other costs that relate directly to fulfilling contracts.

The amendments are effective for annual periods beginning on or after January 1, 2022. The amendments are not expected to have significant impact on the Group's consolidated financial statements.

Annual Improvements to PFRSs (2018-2020 cycle)
The Annual Improvements to PFRSs (2018-2020 cycle) are effective for annual periods beginning or after January 1, 2022 and are not expected to have a significant impact on the Group's consolidated financial statements.

- PFRS 1, *First-time Adoption of Philippine Financial Reporting Standards.*
  The amendment permits a subsidiary that applies paragraph D16(a) of PFRS 1 to measure cumulative translation differences using the amounts reported by its parent, based on the parent's date of transition to PFRSs.

- PFRS 9, *Financial Instruments*
  The amendment clarifies which fees an entity includes when it applies the '10 per cent' test in paragraph B3.3.6 of PFRS 9 in assessing whether to derecognize a financial liability. An entity includes only fees paid or received between the entity (the borrower) and the lender, including fees paid or received by either the entity or the lender on the other's behalf.

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

- PAS 41, *Agriculture*
  The amendment removes the requirement in paragraph 22 of PAS 41 for entities to exclude taxation cash flows when measuring the fair value of a biological asset using a present value technique. This will ensure consistency with the requirements in PFRS 13.

Amendments to PAS 1, *Presentation of Consolidated Financial Statements – Classification of Liabilities as Current or Non-current*
The amendments are to:

- Clarify that the classification of liabilities as current or non-current should be based on rights that are in existence at the end of the reporting period and align the wording in all affected paragraphs to refer to the "right" to defer settlement by at least twelve months and make explicit that only rights in place "at the end of the reporting period" should affect the classification of a liability;
- Clarify that classification is unaffected by expectations about whether an entity will exercise its right to defer settlement of a liability; and
- Make clear that settlement refers to the transfer to the counterparty of cash, equity instruments, other assets or services.

The amendment is effective for annual reporting periods beginning on or after January 1, 2023. Earlier application is permitted. The amendments are not expected to have significant impact on the Group's consolidated financial statements.

PFRS 17, *Insurance Contracts*
PFRS 17 establishes the principles for the recognition, measurement, presentation and disclosure of insurance contracts within the scope of the standard. The objective of PFRS 17 is to ensure that an entity provides relevant information that faithfully represents those contracts. This information

gives a basis for users of the financial statements to assess the effect that insurance contracts have on the entity's financial position, financial performance and cash flows.

The key principles in PFRS 17 are that an entity:

- Identifies as insurance contracts those contracts under which the entity accepts significant insurance risk from another party (the policyholder) by agreeing to compensate the policyholder if a specified uncertain future event (the insured event) adversely affects the policyholder;
- Separates specified embedded derivatives, distinct investment components and distinct performance obligations from the insurance contracts;
- Divides the contracts into groups that it will recognize and measure;
- Recognizes and measures groups of insurance contracts at:

  i. a risk-adjusted present value of the future cash flows (the fulfilment cash flows) that incorporates all of the available information about the fulfilment cash flows in a way that is consistent with observable market information; plus (if this value is a liability) or minus (if this value is an asset); or
  ii. an amount representing the unearned profit in the group of contracts (the contractual service margin);

- Recognizes the profit from a group of insurance contracts over the period the entity provides insurance cover, and as the entity is released from risk. If a group of contracts is or becomes loss-making, an entity recognizes the loss immediately;
- Presents separately insurance revenue (that excludes the receipt of any investment component), insurance service expenses (that excludes the repayment of any investment components) and insurance finance income or expenses; and
- Discloses information to enable users of the consolidated financial statements to assess the effect that contracts within the scope of PFRS 17 have on the financial position, financial performance and cash flows of an entity.

PFRS 17 includes an optional simplified measurement approach, or premium allocation approach, for simpler insurance contracts.

The standard is effective for periods beginning on or after January 1, 2023. Earlier application is permitted. The adoption of the new standard will not have an impact on the Group for it is not an issuer of insurance contracts.

PFRS 10, *Consolidated Consolidated financial statements* and PAS 28, *Investments in Associates and Joint Ventures - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*
These amendments address an acknowledged inconsistency between the requirements in PFRS 10 and those in PAS 28 in dealing with the sale or contribution of assets between an investor and its associate or joint venture. The amendments require that a full gain or loss is recognized when a transaction involves a business (whether it is housed in a subsidiary or not). A partial gain or loss is recognized when a transaction involves assets that do not constitute a business, even if these assets are housed in a subsidiary. These amendments are originally effective from annual periods beginning on or after January 1, 2016. This mandatory adoption date was later on deferred indefinitely pending the final outcome of the IASB's research project on International Accounting Standards 28. Adoption of these amendments when they become effective will not have any impact on the consolidated financial statements.

5. SUMMARY OF SIGNIFICANT ACCOUNTING JUDGMENTS AND ESTIMATES

The preparation of the consolidated financial statements in conformity with PFRS requires management to make judgments and estimates that affect the amounts reported in the consolidated financial statements. The judgments and estimates used in the consolidated financial statements are based upon management's evaluation of relevant facts and circumstances as of the date of the consolidated financial statements. Actual results could differ from such estimates. Future events may occur which will cause the judgments and estimates used in arriving at the estimates to change. The effects of any change in judgments and estimates are reflected in the consolidated financial statements as they become reasonably determinable.

Judgments
In the process of applying the accounting policies of the Group, management has made the following judgments, apart from those involving estimations, which have the most significant effect on amounts recognized in the consolidated financial statements:

- *Determination of control -* The Parent Company controls an entity if and only if the Parent Company has (i) Power over the entity, (ii) Exposure or rights to variable returns from its involvement with the entity, and (iii) The ability to use its power over the entity to affect the amount of Parent Company's returns.

  The Parent Company regularly reassesses whether it controls an investee when facts and circumstances indicate that there are changes to one or more elements of controls above.

  As of December 31, 2020 and 2019, the Parent Company determined that it exercise control over its subsidiaries.

- *Assessment of joint arrangement* – The Group reviews the joint arrangement with its co-joint operators for any changes in facts and circumstances leading to the determination of joint control between joint operators. As of December 31, 2020, and 2019, Management has determined that its joint arrangements are in the nature of joint operation as guided by PFRS 11.

- *Recognition of deferred tax assets* – the Group review the carrying amounts at the end of each reporting period and adjust the balance of deferred tax assets to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax assets to be utilized. As of December 31, 2020 and 2019, the Group did not recognize deferred tax asset amounting to P26.8 million and P21.3 million, respectively, since it does not expect to have sufficient profit against which the deferred tax asset can be utilized. *(see Note 25)*

- *Classification of financial instruments* – the Group classifies financial assets in their entirety based on the contractual cash flows characteristics of the financial assets and the Group's business model for managing the financial assets. The Group classifies its financial assets into the following measurement categories:

  a. Financial assets measured at amortized cost;
  b. Financial assets measured at fair value through profit or loss;
  c. Financial assets measured at fair value through other comprehensive income, where cumulative gains or losses previously recognized are reclassified to profit or loss; and
  d. Financial assets measured at fair value through other comprehensive income, where cumulative gains or losses previously recognized are not reclassified to profit or loss.

  The Group determines the classification at initial recognition and re-evaluates this classification at every reporting date.

- *Classification of property* – The Group determines whether a property is classified as investment property or inventory as follows:

  a. Investment property comprises land 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 capital appreciation.

  b. 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.

- *Revenue recognition* – Part of the assessment process of the Group before revenue recognition is to assess the probability that the Group will collect the consideration to which it will be entitled in exchange for the real estate property that will be transferred to the customer. In evaluating whether collectability of an amount of consideration is probable, the Group considers the significance of the customer's initial payments in relation to the total contract price. Collectability is also assessed by considering factors such as past history of customer, age and pricing of the property. Management regularly evaluates the historical cancellations and back-outs if it would still support its current threshold of customers' equity before commencing revenue recognition.

- *Litigations* – The Group is currently involved in some legal proceedings. While estimates have been developed on possible outcome of these cases, management believes that the ultimate outcome will not have a material effect on the consolidated financial statements. However, a change in underlying estimates could affect the consolidated financial statements in the future.

  As of December 31, 2020 and 2019, there were no provisions for litigation in the accompanying consolidated financial statements.

<u>Accounting Estimates</u>
The key assumptions concerning the future and other key sources of estimation of uncertainty at the end of reporting period, that have significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

- *Determination of fair value of assets and liabilities*
  The Group measures fair value of assets and liabilities using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements.

  Level 1
  Included in the Level 1 category are assets and liabilities that are measured in whole or in part by reference to published quotes in an active market. Assets and liabilities are regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service or regulatory agency and those prices represent actual and regularly occurring market transactions on an arm's length basis.

  Level 2
  Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices)

  Level 3
  Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs)

  Fair value measurement is discussed in Note 6.

- *Impairment of non-financial assets* – the Group assesses whether there are indications of impairment on its long-lived assets, at least on an annual basis. This requires an estimation of the value-in-use of the cash generating units to which the assets belong. 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.

- *Provisions* – the Group provides for present obligations (legal or constructive) where it is probable that there will be an outflow of resources embodying economic benefits that will be required to settle said obligations. An estimate of the provisions is based on known information at end of the reporting period, net of any estimated amount that may be reimbursed to the Group. The amount of provision is being re-assessed at least on an annual basis to consider new relevant information.

- *Estimating useful lives and residual values of property and equipment* – the Group estimate the useful lives and residual values of property and equipment based on the internal technical evaluation and experience. Estimated lives of property and equipment are reviewed periodically and updated if expectations differ from previous estimates due to physical wear and tear, technical and commercial obsolescence and other limits on the use of the assets.

Depreciation is computed on the straight-line basis over the estimated useful lives of the assets as follows:

	Estimated useful life
Condominium units and improvements	15-25 years
Office furniture, fixtures and office equipment	3-5 years
Transportation equipment	3-5 years

- *Estimating NRV of Real Estate Inventories* -The carrying value of real estate inventories is carried at lower of cost or NRV. The estimates used in determining NRV is dependent on the recoverability of its cost with reference to existing market prices, location or the recent market transactions. The amount and timing of recorded cost for any period would differ if different estimates were used.

- *Estimating retirement benefits cost* – the Group's retirement benefit cost is computed using the provisions of R.A. 7641. This entails using certain assumptions with respect to salary increases and employees' length of stay. *(see Note 22)*

- *Estimation of allowance for impairment loss on receivables* – The Group reviews its receivables at each reporting date to assess whether an allowance for impairment should be recorded in the consolidated statements of comprehensive income. The measurement of credit losses under PFRS 9 requires significant judgment, in particular, the estimation of the amount and timing of future cash flows and collateral values when determining impairment losses and the assessment of a significant increase in credit risk. These estimates are driven by a number of factors, changes in which can result in different levels of allowance.

6. FAIR VALUE MEASUREMENT

The fair value for assets and liabilities traded in active market at the reporting date is based on their quoted market price. For all other assets and liabilities not listed in an active market, the fair value is determined by using appropriate techniques or comparison to similar instruments for which market observable prices exists.

Where the transaction price in a non-active market is different from the fair value of other observable current market transactions in the same instruments or based on a valuation technique, the Group recognizes the difference between the transaction price and fair value in the consolidated statements of comprehensive income unless it qualifies for recognition as some other type of asset.

Assets and liabilities measured at fair value and those which are not measured at fair value but fair value is required to be disclosed are categorized in a manner discussed in note 5.

The following table presents the summary of the Group's assets and liabilities measured or disclosed at fair value on a recurring or non-recurring basis recognized in the Consolidated Statements of Financial Position as of December 31, 2020 and 2019:

2020		**Level 1**		**Level 2**		**Level 3**
Assets						
Loans and receivables						
Cash and cash equivalents*	**P**	**-**	**P**	**377,437,602**	**P**	**-**
Receivables		**-**		**18,895,592**		**-**
Non-current installment contracts receivable		**-**		**12,088,634**		**-**
Financial assets at FVPL		**3,590,757**		**-**		**-**
Financial assets at FVOCI		**3,150,000**		**-**		**-**
Other non-current assets		**-**		**65,096,516**		**-**
Investment properties		**-**		**310,000,000**		**58,100,000**
	P	**6,740,757**	**P**	**783,518,344**	**P**	**58,100,000**
Liabilities						
Accounts payable and accrued expenses	**P**	**-**	**P**	**14,201,905**	**P**	**-**

** Amount is exclusive of cash on hand amounting to P30,000.*

2019		Level 1		Level 2		Level 3
Assets						
Loans and receivables						
Cash and cash equivalents*	P	-	P	377,522,790	P	-
Receivables		-		19,572,957		-
Non-current installment contracts receivable		-		13,948,900		-
Financial assets at FVPL		5,193,998		-		-
Financial assets at FVOCI		2,800,000		-		-
Other non-current assets		-		65,096,516		-
Investment properties		-		310,000,000		58,100,000
	P	7,993,998	P	786,141,163	P	58,100,000
Liabilities						
Accounts payable and accrued expenses	P	-	P	12,941,390	P	-

** Amount is exclusive of cash on hand amounting to P30,000.*

Fair values were determined as follows:

- Due to short-term nature of transactions of Cash and cash equivalents, receivables and accounts payable and accrued expenses, the fair values approximate the carrying amounts.
- Fair values of Non-current installment contracts receivable were determined by discounting future cash flows at market prevailing interest rates.
- Fair values of FVPL financial assets were determined through the Philippine Stocks Exchange.
- Financial assets at FVOCI were determined using the quoted market prices at the end of reporting period.
- Fair values of Investment properties under level 2 were determined by reference to the proposal to buy/sell the properties and adjacent properties thereto. Fair value of level 3 investment properties was determined using Sales comparison approach.

7. RISK MANAGEMENT OBJECTIVES AND POLICIES

Risk management framework
The Group's audit committee is responsible for the over-all effectiveness of risk management system. Furthermore, it is also the committee's purpose to lead the general evaluation and to provide assistance in the continuous improvement of the Group's risk management, control and governance processes. These functions also require that:

(i) Financial reports comply with established internal policies and procedures, pertinent accounting and auditing standards, and other regulatory requirements;

(ii) Risks are properly identified, evaluated and managed, specifically in the areas of managing credit, market, liquidity, operational, legal and other risks;

(iii) The BOD is properly assisted in the development of policies that would enhance the risk management.

Market Risk
Market risk is the risk of change in fair value of financial instruments from fluctuation in foreign exchange rates (currency risk), market interest rates (interest rate risk) and market prices (price risk), whether such change in price is caused by factors specific to the individual instrument or its issuer or factors affecting all instruments traded in the market.

i. Foreign Currency Risk
The risk that the Group will face with respect to the unstable changes in foreign exchange particularly in US dollar. To minimize this risk, the Group maintains a considerable amount of cash and cash equivalents so as not to be affected by the fluctuation of Philippine peso vis-à-vis US dollar.

The Group's exposure to foreign currency risk pertains to its Dollar denominated cash and cash equivalents.

The following table demonstrates the sensitivity to a reasonable change in the US$ exchange rate, with all other variables held constant, of the Group's income before tax and equity:

Increase/Decrease in Peso to US Dollar Rate	Effect on income before taxes				Effect on equity			
		2020		2019		**2020**		2019
+P5.00	**P**	**45,573**	P	45,268	**P**	**31,901**	P	31,688
-P5.00		**(45,573)**		(45,268)		**(31,901)**		(31,688)

ii. Interest rate risk
As of December 31, 2020 and 2019, financial instruments subject to variable interest rate risk are as follows:

2020	**Interest rate**	**Due in 1 year**		**Due in 2-5 years**	
Financial assets that are:					
Cash and cash equivalents	**0.10%-1.00%**	**P**	**377,437,602**	**P**	**-**

2019	Interest rate	Due in 1 year		Due in 2-5 years	
Financial assets that are:					
Cash and cash equivalents	0.125%-3.50%	P	377,522,790	P	-

The table below demonstrates the sensitivity to a reasonably possible change in interest rates, with all other variables held constant, of the Group's profit before tax:

		Increase/decrease in interest rates		Effect on profit before tax
Cash and cash equivalents	**2020**	**+100 bps**	**P**	**3,774,802**
	2020	**-100 bps**		**(3,774,802)**
	2019	+100 bps		3,740,874
	2019	-100 bps		(3,740,874)

iii. Price risk
The Group's price risk exposure at year end relates to financial assets whose rates will fluctuate as a result of changes in market prices, principally, financial assets at fair value through profit or loss and financial assets at fair value through other comprehensive income.

Management monitors movements of equity price on a regular basis by assessing the expected changes in the different portfolios due to parallel movements of a 5% increase or decrease in market values.

The equity securities are classified as financial assets at fair value through profit or loss and financial assets at fair value through other comprehensive income. Any increase and a decrease in the market values of stocks would result to an impact on the consolidated statements of comprehensive income and equity as follows:

% of change in market values		Impact on income 2020		Impact on income 2019		Impact on equity 2020		Impact on equity 2019
+5%	**P**	**179,538**	P	259,700	**P**	**312,336**	P	377,142
-5%		**(179,538)**		(259,700)		**(312,336)**		(377,142)

Credit Risk
Generally, the maximum credit risk exposure of financial assets is the carrying amount of the financial assets as shown on the face of the consolidated statements of financial position (or in the detailed analysis provided in the notes to the consolidated financial statements). Credit risk, therefore, is only disclosed in circumstances where the maximum potential loss differs significantly from the financial asset's carrying amount.

The Group actively monitors its receivables to avoid significant concentrations of credit risk. They set a maximum limit on the amount that each employee can borrow. In addition, receivables from employees are subject to salary deductions.

The maximum exposure to credit risk at the end of reporting period is as follows:

		2020		2019
Cash and cash equivalents*	**P**	**377,437,602**	P	377,522,790
Receivables		**34,033,974**		36,355,893
Financial assets at fair value through profit or loss		**3,590,757**		5,193,998
Financial assets at FVOCI		**1,070,000**		1,070,000
Other non-current assets**		**83,288,870**		83,288,870
	P	**499,421,203**	P	503,431,551

** Amount is exclusive of cash on hand amounting to P30,000.*

*** Amount is exclusive of nonfinancial asset amounting to P302,935.*

The tables below show the credit quality by class of financial assets as at December 31, 2020 and 2019:

2020	Neither past due nor impaired		Past due but not impaired	Past due and impaired	Total
	High grade	Standard grade	90 days past due		
Cash and cash equivalents	**P 377,437,602**	**P -**	**P -**	**P -**	**P 377,437,602**
Receivables	**4,678,288**	**29,355,686**	**-**	**-**	**34,033,974**
FVPL financial assets	**3,590,757**	**-**	**-**	**-**	**3,590,757**
Financial assets at FVOCI	**1,070,000**	**-**	**-**	**-**	**1,070,000**
Other non-current assets	**-**	**10,731,250**	**54,062,331**	**18,495,289**	**83,288,870**
	P 386,776,647	**P 40,086,936**	**P 54,062,331**	**P 18,495,289**	**P 499,421,203**

2019	Neither past due nor impaired		Past due but not impaired	Past due and impaired	Total
	High grade	Standard grade	90 days past due		
Cash and cash equivalents	P 377,522,790	P -	P -	P -	P 377,522,790
Receivables	5,598,725	30,757,168	-	-	36,355,893
FVPL financial assets	5,193,998	-	-	-	5,193,998
Financial assets at FVOCI	1,070,000	-	-	-	1,070,000
Other non-current assets	-	10,731,250	54,062,331	18,495,289	83,288,870
	P 389,385,513	P 41,488,418	P 54,062,331	P 18,495,289	P 503,431,551

High grade cash and cash equivalents are short-term placements and working cash fund placed, invested, or deposited in banks belonging to the top banks in the Philippines in terms of resources and profitability.

High grade accounts, other than cash and cash equivalents, are accounts considered to be of high value. The counterparties have a very remote likelihood of default and have consistently exhibited good paying habits.

Standard grade accounts are active accounts with propensity of deteriorating to mid-range age buckets. These accounts are typically not impaired as the counterparties generally respond to credit actions and update their payments accordingly.

Liquidity Risk
Liquidity or funding risk is the risk that an entity will encounter difficulty in raising funds to meet commitments associated with financial instruments. Liquidity risk may result from either the inability to sell financial assets quickly at their fair values; or counterparty failing on repayment of a contractual obligation; or inability to generate cash inflows as anticipated.

Liquidity risk is a risk due to uncertain liquidity. An institution may suffer liquidity problem when its credit rating falls. The Group is also exposed to liquidity risk if markets on which it depends on are subject to loss of liquidity.

The table below summarizes the maturity profile of the Group's financial liabilities as of December 31, 2020 and 2019, based on undiscounted contractual payments:

		Not later than one month	Later than 1 month & not Later than 3 months	Later than 3 months & not later than 1 year	Total
Accounts payable and accrued expenses	**2020**	**P 886,263**	**P 458,964**	**P 12,856,678**	**P 14,201,905**
	2019	807,601	418,227	11,715,562	12,941,390

8. CASH AND CASH EQUIVALENTS

Cash and cash equivalents as of December 31 are as follows:

	2020	2019
Cash on hand and in banks	**P 112,703,396**	P 6,784,430
Short-term placements	**264,764,206**	370,768,360
	P 377,467,602	P 377,552,790

Cash accounts with banks generally earn interest at rates based on prevailing bank deposit rates. Short-term placements can be pre-terminated at any time and have average interest rates ranging from 0.10% to 1.00% and 0.125% to 3.50% per annum in 2020 and 2019, respectively.

9. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

The Group's financial assets at fair value through profit or loss consist of shares of stock of publicly listed companies which are classified as held for trading.

All amounts presented have been determined directly by reference to published price quoted in the stock market.

The reconciliation of this account is shown below:

	2020	2019
Balance, January 1	**P 5,193,998**	P 5,482,039
Acquisitions during the year	**27,722,741**	-
Disposals during the year	**(38,352,166)**	-
Changes in market value (Note 19)	**9,026,184**	(288,041)
	P 3,590,757	P 5,193,998

The Group recognized fair value gain of P9,026,184 in 2020 and fair value loss of P288,041 in 2019. The Group also disposed certain shares of stock which resulted to a net loss of P7,465,657 in 2020 and P1,482,441 net loss in 2018. *(see Note 19)*

10. RECEIVABLES

In the consolidated financial statements as of December 31, this account is composed of:

		2020		2019
Installment contract receivable	**P**	**19,816,670**	P	22,381,661
Due from HDMF		**11,056,362**		10,673,977
Advances to officers and employees		**2,217,470**		1,948,222
Accrued interest on short-term placements		**130,216**		844,278
Advances to agent		**103,000**		97,000
Other receivables		**710,256**		410,755
		34,033,974		36,355,893
Less: Non-current portion of installment contract receivable		**15,138,382**		16,782,936
	P	**18,895,592**	P	19,572,957

Installment contracts receivable on sale of house and lots which pertains to Sta. Rosa project are collectible in monthly installments for periods ranging from 3 to 7 years and bear an interest rate of 21% per annum computed on the diminishing balance. Portion of which are covered by postdated checks.

For the years ended December 31, 2020, 2019 and 2018, interest income on these installment accounts amounted to P1,285,032, P1,179,844 and P1,215,934, respectively. *(see Note 19)*

Due from HDMF represents portion of take-out proceeds on sale of real estate properties that were withheld in accordance with financing agreement with Home Development Mutual Fund.

Due to short-term nature of transactions of current receivables, the fair values approximate the carrying amounts.

11. REAL ESTATE FOR SALE

Details of this account in 2020 and 2019 are as follows:

2020		**Housing units and developments**		**Land**		**Total**
Real estate inventory, beginning	**P**	**55,880,192**	**P**	**2,620,690**	**P**	**58,500,882**
Costs incurred:						
Materials		**6,283,556**		**-**		**6,283,556**
Labor		**2,945,616**		**-**		**2,945,616**
Others		**1,399,711**		**-**		**1,399,711**
Real estate available for sale		**66,509,075**		**2,620,690**		**69,129,765**
Less: Cost of sales (Note 21)		**18,355,776**		**469,298**		**18,825,074**
Real estate inventory, ending	**P**	**48,153,299**	**P**	**2,151,392**	**P**	**50,304,691**

2019		Housing units and developments		Land		Total
Real estate inventory, beginning	P	77,418,722	P	15,639,418	P	93,058,140
Costs incurred:						
Materials		6,908,932		-		6,908,932
Labor		3,995,672		-		3,995,672
Others		1,907,227		-		1,907,227
Reclassification (Note 21)		-		(12,116,785)		(12,116,785)
Real estate available for sale		90,230,553		3,522,633		93,753,186
Less: Cost of sales (Note 21)		34,350,361		901,943		35,252,304
Real estate inventory, ending	P	55,880,192	P	2,620,690	P	58,500,882

Real estate for sale, which is carried at cost, principally pertains to cost of raw land and property development and other expenses related to development and construction of subdivision and condominium units.

The cost of raw land includes its acquisition cost and expenses incurred to effect the transfer of title of the property to the Group. Development costs include the cost of construction, rehabilitation and other related costs.

With the termination of Joint Venture Agreement with Robinsons Land Corporation, a parcel of land in Tagaytay City, Cavite with a total area of 2,738 square meters ceased to meet the definition of inventory. As at December 31, 2019, the property with a carrying value of P12,116,785 was reclassified to investment property as it meets the definition of an investment property. *(see Note 15)*

12. PREPAYMENTS AND OTHER CURRENT ASSETS

In the consolidated financial statements, this account is composed of the following:

		2020		2019
Prepaid taxes	**P**	**1,821,467**	P	1,374,036
Input value added tax		**1,785,046**		1,403,844
Others		**289,800**		375,500
		3,896,313		3,153,380
Less: Allowance for impairment losses		**838,271**		838,271
	P	**3,058,042**	P	2,315,109

Prepaid taxes consist of creditable withholding taxes at source.

Input value added tax represents the 12% Value Added Tax (VAT) on purchases of goods and services.

Others include prepaid membership dues and insurances.

13. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME (FVOCI)

This account consists of golf club shares in Manila Southwoods and Tagaytay Midlands. The fair values of these assets have been determined directly by reference to published prices in an active market.

In the consolidated financial statements, the details of this account in 2020 and 2019 are as follows:

		2020		2019
Acquisition cost	**P**	**1,070,000**	P	1,070,000
Allowance for market adjustment		**2,080,000**		1,730,000
	P	**3,150,000**	P	2,800,000

The movement of allowance for market adjustment is as follows:

		2020		2019
Balance at beginning of year	**P**	**1,730,000**	P	1,580,000
Change in market value		**350,000**		150,000
Balance at end of year	**P**	**2,080,000**	P	1,730,000

14. PROPERTY AND EQUIPMENT

The movement of property and equipment as of December 31, 2020 is as follows.

	Condominium Units and Improvements	Office Furniture and Fixtures	Office Equipment	Transportation Equipment	Total
Cost					
At January 1, 2020	**P 14,140,270**	**P 853,231**	**P 2,426,854**	**P 17,389,320**	**P 34,809,675**
Additions	**-**	**-**	**365,630**	**-**	**365,630**
Disposals	**-**	**-**	**-**	**(4,074,137)**	**(4,074,137)**
At December 31, 2020	**14,140,270**	**853,231**	**2,792,484**	**13,315,183**	**31,101,168**
Accumulated depreciation					
At January 1, 2020	**12,151,202**	**853,230**	**2,165,917**	**13,369,270**	**28,539,619**
Provisions	**96,500**	**-**	**108,559**	**1,613,214**	**1,818,273**
Disposals	**-**	**-**	**-**	**(4,074,137)**	**(4,074,137)**
At December 31, 2020	**12,247,702**	**853,230**	**2,274,476**	**10,908,347**	**26,283,755**
Net Carrying Value					
At December 31, 2020	**P 1,892,568**	**P 1**	**P 518,008**	**P 2,406,836**	**P 4,817,413**

The movement of property and equipment as of December 31, 2019 is as follows.

	Condominium Units and Improvements	Office Furniture and Fixtures	Office Equipment	Transportation Equipment	Total
Cost					
At January 1, 2019	P 14,140,270	P 853,231	P 2,298,697	P 17,389,320	P 34,681,518
Additions	-	-	128,157	-	128,157
At December 31, 2019	14,140,270	853,231	2,426,854	17,389,320	34,809,675
Accumulated depreciation					
At January 1, 2019	12,054,702	853,230	2,058,217	11,676,056	26,642,205
Provisions	96,500	-	107,700	1,693,214	1,897,414
At December 31, 2019	12,151,202	853,230	2,165,917	13,369,270	28,539,619
Net Carrying Value					
At December 31, 2019	P 1,989,068	P 1	P 260,937	P 4,020,050	P 6,270,056

Certain transportation equipment disposed in 2020 and 2018 resulted to a gain of P209,821 and P160,714, respectively. *(see Note 19)*

The Group has fully depreciated assets which are still being used amounting to P18,324,455 and P23,845,614 as at December 31, 2020 and 2019, respectively.

15. INVESTMENT PROPERTIES

Investment properties comprise parcels of land in the following locations:

	2020	2019
Urdaneta City, Pangasinan	**P 78,969,783**	P 77,493,517
Mayapyap, Cabanatuan City	**19,200,222**	19,200,222
Haddad, Sablan, Benguet	**37,026,389**	37,026,389
Bueno, Sablan, Benguet	**16,372,765**	16,372,765
Belmonte, Sablan, Benguet	**3,095,081**	3,095,081
Tagaytay City, Cavite	**12,116,785**	12,116,785
	P 166,781,025	P 165,304,759

- The property held in Urdaneta City, Pangasinan is a subject of a joint venture with other property developers and co-owners (see Note 26). Pending certain clearances from government agencies, the property will be a location of low and medium cost residential and commercial subdivisions in Urdaneta City. Management determines that based on recent transactions and offers to buy/sell adjacent properties, the fair value of the property which is categorized as level 2 in the fair value hierarchy amounted to P211 million in 2020 and 2019.

  The Group spent a total of P1,476,266 and P758,123 for regulatory clearance in 2020 and 2019, respectively. The same may be recovered once the joint venture operations commence.

- This property, which is situated in Bgy. Mayapyap Sur, Cabanatuan City, Nueva Ecija and located along the Maharlika National Highway, has an area of 42,333 square meters and has a fair value of P74 million in 2020 and 2019. The property has been re-classified as residential area by the local government, the highest and best use for the property. Development plans are being formulated for the property, which is beamed at the middle-income residential market. Fair value was determined by reference to the proposals to sell adjacent properties received from a certain seller which is categorized as level 2 in the fair value hierarchy.

- The Haddad property, which is situated in Bgy. Banangan, Muncipality of Sablan, Province of Benguet with an area of 66,846 square meters, has a spectacular view of the Cordilleras, and as far away as Lingayen Gulf, the beaches of La Union and the South China Sea. The Haddad Property is being planned as an upscale vacation and residential community in Metro Baguio and will be named the Omico Pine Villas.

- The Parent Company is currently evaluating the development of the Bueno property located in Bgy, Banangan, Municipality of Sablan, Province of Benguet. The project will be called Baguio Homes and has an area of 66,217 square meters located on the slopes of mountainside terrain with the majestic view of the Cordilleras. The project is designed to cater to the low cost housing needs of Metro Baguio, the highest and best use of the property. The land had already been converted in the local level from agricultural to residential use.

- The Belmonte property, which is situated in Dackes, Bgy. Banangan, Muncipality of Sablan, Province of Benguet and located along Naguilian Road, Baguio City has an area of 23,624 square meters.

  The aggregate fair value of the Sablan, Benguet (Haddad, Bueno and Belmonte) properties is estimated to be P58 million in 2020 and 2019, determined under level 3 in the fair value hierarchy. The value was determined in consultation with real estate brokers operating within the Baguio district which management believes to be a representative of its fair value.

- The Tagaytay property which is situated in Kaybagal South, Tagaytay City, Cavite has an area of 2,738 square meters. The Group plans to build a low-rise building with 5 floors, with commercial spaces at the ground floor and hotel and Airbnb rooms at the second to fifth floors. Management determines that based on recent transactions and offers to buy/sell adjacent properties, the fair value of the property which is categorized as level 2 in the fair value hierarchy amounted to P25 million in 2020 and 2019.

  The description of valuation techniques and inputs used in determining the fair value of investment properties classified as Level 3 in the fair value hierarchy is as follows:

Valuation techniques	Significant unobservable inputs	Range
Sales comparison approach	Asking price (per square meter)	P200-P450
	Size	
	Location	
	Neighborhood	
	Transport/Road network	

  Sales comparison approach is a comparative approach to value that considers the sales of similar or substitute properties and related market data and establishes a value estimate by processes involving comparison. Except for asking price, the quantitative information on significant unobservable inputs cannot be determined by management alone.

During 2020 and 2019, there were no transfers between levels of fair value hierarchy. No property has been pledge as collateral or security for any of the Group’s liabilities and there have been no restrictions on the realizability of these investment properties. Except for properties that are subject of a joint venture, no contractual obligations to purchase, construct or develop these properties or for repairs, maintenance or enhancements.

There was no rental income generated from investment properties. Direct operating expenses included in the consolidated statements of comprehensive income related to the investment properties amounted to P0.42 million, P0.36 million and P0.34 million in 2020, 2019 and 2018, respectively.

16. OTHER NON-CURRENT ASSETS

As of December 31, 2020 and 2019, other non-current assets account consists of the following:

Other financial asset	P	50,000,000
Advances		20,542,775
Cash bond (Note 26)		10,731,250
Other receivables		2,014,845
Mining and other equipment		302,935
		83,591,805
Less: Allowance for impairment losses		18,495,289
	P	65,096,516

- Other financial asset represents the contractual right of the Group to receive 2.5% equity interest in Macawiwili Gold Mining and Development Co., Inc. based on the valuation of Macawiwili at P2 billion. The security is carried at cost due to lack of a reliable observable and non-observable inputs necessary to calculate the fair value.

- The details of Advances as of December 31, 2020 and 2019, which represent funds given by the Parent Company as its contribution to various housing projects, are as follows:

Beneco Housing	**P**	**11,528,881**
Sto. Domingo Housing		**4,983,363**
DVF Homes-Talavera		**4,030,531**
	P	**20,542,775**

- Cash bond represents bond required by the Department of Agrarian Reform (DAR) in connection with the Land Use Conversion (LUC) application of a 17.17-hectare property in Pinmaludpod, Urdaneta. *(see Note 26)*

- Other receivables represent advances to third parties for real estate projects.

Breakdown of allowance for impairment losses as at December 31, 2020 and 2019 is as follows:

Advances:		
Beneco Housing	P	11,528,881
DVF-Homes Talavera		4,030,531
Sto. Domingo Housing		618,097
Other receivables		2,014,845
Mining and other equipment		302,935
	P	18,495,289

17. ACCOUNTS PAYABLE AND ACCRUED EXPENSES

This account consists of:

		2020		2019
Customers' advances and deposits	**P**	**9,963,608**	P	9,159,230
Accounts payable		**4,028,020**		3,504,925
Accrued taxes and other liabilities		**210,277**		277,235
	P	**14,201,905**	P	12,941,390

Customers' advances pertain to funding from buyers of real estate for future application against transfer and registration fees and other taxes to be incurred upon transfer of properties to the buyer.

Customers' deposits represent collections from the buyers which have not reached the minimum required percentage of collections. These deposits will be recognized as revenue in the consolidated statement of comprehensive income when the required percentage of collection is met.

Accounts payable comprise of amounts due to contractors and suppliers of goods and services.

Accrued taxes and other liabilities include deferred output tax and withholding taxes payable.

18. EQUITY

Share capital
The Group's capital structure as of December 31, 2020 and 2019 is as follows:

Authorized-P1 par value	P	2,000,000,000
Issued and outstanding-1,050,461,673 shares		1,050,461,673

Capital management
The Group manages its capital requirements by assessing shortfalls between reported and required capital levels on a regular basis. Adjustments to current capital levels are made in light of changes in economic conditions and risk characteristics of the Group's activities. In order to maintain or adjust the capital structure, the Group's may require infusion of additional capital.

19. REVENUES

(a) Real estate sales

Real estate sale comprise the sale of lots, house and lot and condominium units in Sta. Rosa, Nueva Ecija and Tagaytay City, Cavite. The Sta. Rosa project is registered with the Housing and Land Use Regulatory Board as seller of low-cost housing units. Low-cost housing units refer to housing units which are within the affordability level of the average and low-income earners.

Real estate sales of low-cost housing units and condominium units amounted to P22,010,500 in 2020, P41,474,405 in 2019 and P23,126,825 in 2018.

(b) Income from lease
This account pertains to income from lease of condominium units in Tagaytay. The lease contract contains an option for the lessee to purchase the condominium units subject to certain conditions and approval of the Group.

Income from lease amounted to P1,088,125 in 2018.

(c) Investment and other income - net consists of:

		2020	2019	2018
Interest income on:				
Cash and cash equivalents	**P**	**7,643,826**	P 18,492,520	P 12,780,428
Installment contract receivable (Note 10)		**1,285,032**	1,179,844	1,215,934
Fair value gain (loss) on FVPL financial assets (Note 9)		**9,026,184**	(288,041)	(128,007)
Gain on sale of transportation equipment (Note 14)		**209,821**	-	160,714
Dividend income		**111,099**	-	900,503
Unrealized foreign exchange gain (loss)		**(24,681)**	(17,935)	25,116
Loss on sale of FVPL financial assets (Note 9)		**(7,465,657)**	-	(1,482,441)
Other income		**200,563**	69,661	254,318
	P	**10,986,187**	P 19,436,049	P 13,726,565

20. COST OF REAL ESTATE SALES

In the consolidated financial statements, details of this account are as follows:

		2020		2019		2018
Real estate inventory, beginning	**P**	**58,500,882**	P	93,058,140	P	105,801,986
Add: Development costs incurred		**10,628,883**		12,811,831		7,331,796
Less: Reclassification (Note 11)		**-**		(12,116,785)		-
Real estate available for sale		**69,129,765**		93,753,186		113,133,782
Less: Real estate inventory, ending		**50,304,691**		58,500,882		93,058,140
Cost of real estate sales	**P**	**18,825,074**	P	35,252,304	P	20,075,642

21. ADMINISTRATIVE EXPENSES

This account consists of:

	2020	2019	2018
Compensation and other employees' benefits (Note 22)	**P 7,792,932**	P 8,132,916	P 10,268,512
Transportation and travel	**5,988,064**	7,056,435	6,940,288
Taxes, licenses and filing fees	**2,510,394**	4,753,745	3,239,407
Representation and entertainment	**2,471,442**	3,102,828	3,995,726
Professional fees	**2,269,033**	2,536,323	1,767,873
Depreciation (Note 14)	**1,818,273**	1,897,414	1,709,861
Repairs and maintenance	**618,575**	865,938	767,664
Association and membership dues	**413,327**	413,927	398,633
Communication, light and water	**389,121**	471,882	489,157
Directors' fee	**252,000**	246,000	228,000
Meetings and conferences	**241,686**	361,604	303,211
Insurance	**199,507**	196,328	217,703
Office supplies	**146,003**	224,427	158,014
Caretaker's fee	**144,497**	152,157	125,102
Miscellaneous	**425,097**	556,647	367,918
	P 25,679,951	P 30,968,571	P 30,977,069

22. COMPENSATION AND OTHER EMPLOYEES' BENEFITS

The breakdown of the consolidated compensation and other benefits is as follows:

	2020	2019	2018
Salaries and wages	**P 5,203,013**	P 6,483,167	P 7,171,828
Retirement expense	**1,616,413**	732,855	2,312,071
13th month pay	**544,579**	522,733	575,363
Social security cost	**428,927**	394,161	209,250
	P 7,792,932	P 8,132,916	P 10,268,512

The movements in the defined benefit obligation recognized and presented as *Accrued Retirement Liability* under Non-current Liabilities in the consolidated statements of financial position are as follows:

	2020	2019	2018
Balance, January 1	**P 11,905,199**	P 11,172,344	P 11,647,532
Expense recognized	**1,616,413**	732,855	2,312,071
Payment during the year	**-**	-	(2,787,259)
Balance, December 31	**P 13,521,612**	P 11,905,199	P 11,172,344

The Group's retirement benefit plan is patterned under the requirements of R. A. 7641 and covers 11 employees. As such, the plan is deemed to be a Defined Benefit Plan. The retirement expense for the years ended December 31, 2020, 2019 and 2018 amounted to P1,616,413, P732,855 and P2,312,071, respectively. No actuarial valuations are made as management believes that the defined benefit obligation computed using the provisions of R.A. 7641 is not materially different with the amount computed using the projected unit credit method required under the revised PAS 19, *Employee Benefits*.

23. RELATED PARTY TRANSACTIONS

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control or common significant influence which include affiliates.

Transactions with related parties, if any, are made at normal market prices. There have been no guarantees provided or received for any related party receivables or payables. Assessment is undertaken each financial year through examining the financial position of the related parties and the markets in which the related parties operate.

The following tables provide the total amount of transactions that have been entered into with related parties and the outstanding balances as of December 31, 2020 and 2019:

Category	Year	Amount of transactions	Outstanding Balance: Due from related parties	Outstanding Balance: Due to related parties	Terms and conditions
Subsidiaries					
Omico Kapital Corporation					
Cash advances	**2020**	**P 55,474**	**P 347,377**	**P 221,084,873**	**Demandable; non-interest bearing; unsecured; payable in cash**
	2019	25,995	291,903	221,084,873	Demandable; non-interest bearing; unsecured; payable in cash
Omico Mining Inc.					
Cash advances	**2020**	**19,984**	**6,293,655**	**-**	**Demandable; non-interest bearing; unsecured; payable in cash**
	2019	20,385	6,273,671	-	Demandable; non-interest bearing; unsecured; payable in cash
	2020		**P 6,641,032**	**P 221,084,873**	
	2019		P 6,565,574	P 221,084,873	

The Parent Company's advances to its subsidiaries represent cash advances for subsidiaries' operating expenses paid by the Parent Company. These advances are shown as part of Receivables in the Parent Company's statements of financial position. The outstanding balance amounted to P6,641,032 and P6,565,574 as of December 31, 2020 and 2019, respectively. Full allowance for credit losses were provided in 2020 and 2019. These accounts were eliminated in full in the consolidated financial statements.

The Parent Company's cash advances from its subsidiary in previous years are shown as Due to subsidiary in the Parent Company's statements of financial position. The outstanding balance amounted to P221,084,873 as of December 31, 2020 and 2019. This amount was eliminated in the consolidated financial statements.

Compensation of key management personnel by benefit type is as follows:

	2020	2019	2018
Short-term employee benefits	**P 4,741,201**	P 5,692,400	P 6,773,000
Post-employment benefits	**544,299**	544,299	673,255
	P 5,285,500	P 6,236,699	P 6,653,255

24. EARNINGS (LOSS) PER SHARE

The following table presents the computation of basic EPS.

		2020		2019		2018
Loss for the year	P	(14,316,911)	P	(10,498,700)	P	(17,040,149)
Divided by: Weighted Average Shares		1,050,461,673		1,050,461,673		1,050,461,673
Basic/Diluted earnings (loss) per share	P	(0.013629)	P	(0.009994)	P	(0.016222)

25. INCOME TAXES

- The Group's income tax expense for the years ended December 31, 2020, 2019 and 2018 represents current income tax amounting to P1,785,082, P3,679,255 and P2,671,968, respectively.

- The Group's reconciliation of tax on pretax income from operation computed at the applicable statutory rates to tax expense are as follows:

		2020		2019		2018
Statutory income tax	P	(3,759,549)	P	(2,045,834)	P	(4,310,454)
Adjustments resulting from:						
Income subjected to final taxes		(1,931,953)		(1,931,953)		(794,450)
Income exempt from income tax		(33,330)		-		(270,151)
Effect of difference in tax base		2,520,498		5,359,494		6,579,582
Non-deductible expenses		1,108,167		2,050,931		1,601,241
Effect of unrecognized deductible temporary differences		3,881,249		246,617		(133,800)
Tax expense reported in the statements of comprehensive income	P	1,785,082	P	3,679,255	P	2,671,968

- The Group did not recognize the balance of the deferred tax assets on net operating loss carry over (NOLCO), excess MCIT and other temporary differences because management believes that the related deferred tax assets may not be recovered. The breakdown of deferred tax assets, which can still be applied if the Group has taxable income in the future, are as follows:

		2020		2019
Allowance for impairment losses	P	5,800,068	P	5,800,068
Accrued retirement		4,056,483		3,571,560
Excess MCIT		362,617		265,359
Net operating loss carryover (NOLCO)		16,619,493		11,673,717
	P	26,838,661	P	21,310,704

- The carry-forward benefits of the NOLCO and the excess of the MCIT over the regular corporate income tax, which can be claimed by the Group as credits against the regular corporate income tax due, are as follows:

Year Incurred	NOLCO Amount	Applied Previous Year	Expired	Remaining Balance	Expiry
2017	P -	P -	P -	P -	2020
2018	21,547,188	-	-	21,547,188	2021
2019	17,365,201	-	-	17,365,201	2022
2020	16,485,921	-	-	16,485,921	2025
	P 55,398,310	P -	P -	P 55,398,310	

Year Incurred	MCIT Amount	Applied	Expired	Remaining Balance	Expiry
2017	P -	P -	P -	P -	2020
2018	115,425	-	-	115,425	2021
2019	149,934	-	-	149,934	2022
2020	97,258	-	-	97,258	2023
	P 362,617	P -	P -	P 362,617	

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

Corporate Recovery and Tax Incentives for Enterprises (CREATE) Act
On February 1, 2021, the Bicameral Conference Committee, approved the House Bill No. 4157 and Senate Bill No.1357 (the CREATE) which seeks to reduce the corporate income tax rates and to rationalize the current fiscal incentives by making it time-bound, targeted and performance-based. CREATE pursues to dynamically fight the effects of COVID-19 and help businesses to recover as quickly as possible.

Among the reforms provided under CREATE Act are the following:

(i) Reduction in Corporate Income Tax rate effective July 1, 2020 as follows:

  - Those with assets amounting to P100,000,000 and below, and with taxable income equivalent to P5,000,000 and below will be subjected to a 20% tax rate;
  - Those with assets above P100,000,000 or those with taxable income amounting to more than P5,000,000 will be subjected to a 25% tax rate.

(ii) Effective July 1, 2020 until June 30, 2023, the MCIT rate shall be one percent (1%).

In accordance with PAS 12 - Income taxes, if a bill is passed into law after the reporting date but before the issuance of the audited financial statements, it is treated as a non-adjusting event, hence the Group still applied the 30% statutory tax rate in the calculation of income taxes.

Had the new income tax rate been applied in the accompanying consolidated financial statements, the effect is insignificant.

26. JOINT VENTURE AGREEMENTS

Sta. Lucia Realty and Development, Inc. (SLRDI)
On April 19, 2005, the Parent Company entered into a Memorandum of Agreement on Property Development (the "Agreement") with Sta. Lucia Realty and Development, Inc. (Sta. Lucia), as developer and Asian Pacific Estates Development Corporation and Asian Empire Corporation as co-landowners, whereby Sta. Lucia will develop into residential and commercial subdivisions the parcels of land situated at Pinmaludpod, Urdaneta owned by the Parent Company and the co-landowners. For this jointly-controlled asset, the Parent Company contributed 232,540 square meters of raw land. As part of the Agreement, Sta. Lucia is entitled to 55% of the developed saleable lots while the remaining 45% will be allocated to the Company and co-landowners. The release of the title of the developed saleable lots is subject to the terms and conditions set out in the Agreement. The carrying amount of property contributed, which pertains to the parcel of land, amounted to P78,969,783 and P77,493,517 as of December 31, 2020 and 2019, respectively.

The Parent Company engaged the services of a consultant to process the Parent Company's application for the DAR Land Use Conversion (LUC) for the property. On October 31, 2012, the Department of Agriculture issued the Certificate of Eligibility for Reclassification of Agricultural Lands. On April 16, 2013, the Parent Company filed the application for DAR LUC for 4.68 hectares, the initial area for development, which was approved by DAR on August 22, 2013. The residential subdivision plan/site development plan for the 4.68 hectares, which is the initial area for development, has been prepared consisting of two hundred (200) saleable lots and the Parent Company is now considering the proposed house designs for the single detached and duplex housing units. In 2017, the Parent Company filed another application for DAR LUC for 17.17 hectares which was approved in April 4, 2019. The DAR required the Parent Company to place a bond amounting to P10,731,250, against any premature conversion activity or development on the subject property. The cash bond is refundable upon issuance of the order of conversion or convertible into performance bond at the Parent Company's option.

The movement of this account is as follows:

		2020		2019
Balance, January 1	**P**	**77,493,517**	P	76,735,394
Additions		**1,476,266**		758,123
Balance, December 31	**P**	**78,969,783**	P	77,493,517

Additions to Sta. Lucia Joint Venture represent expenses incurred in connection with the Parent Company's application to the DAR LUC for the property. Apart from contributing the parcels of land, there are no other capital commitments that were required by the other venturers.

Robinsons Land Corporation (RLC)
On December 21, 2006, the Parent Company entered into a Joint Venture (JV) Agreement with Robinsons Land Corporation (the developer), whereby the Parent Company contributed three (3) parcels of land located in Tagaytay City, with an approximate land area of 9,372 square meters. Robinsons Land Corporation (formerly Robinsons Homes, Inc.) will develop a high density two-phase residential subdivision, consisting of five (5) 5-storey residential condominium buildings. Under the agreement, the Parent Company and the Developer shall share in the development of Phase I, consisting of 2 Medium Rise Buildings with a land area of 2,606 square meters. By dividing the saleable floor area of Phase I between them, the Parent Company will be entitled to a saleable floor area of 464.88 square meters equivalent to 9 units. The development of Phase 2, consisting of 3 Medium Rise Buildings, with a land area of 3,909 square meters shall also be undertaken by the developer.

On May 14, 2009, the Parent Company signed the Addendum to the Joint Venture Agreement with Robinsons Land Corporation for the development of Phase 2 and the Parent Company will be entitled to a saleable floor area of 800 square meters which is equivalent to 16 units.

On March 9, 2018, the Parent Company entered into a Termination Agreement of the Joint Venture Agreement wherein Robinsons Land Corporation will turn-over three (3) unsold condominium units, out of the twenty-five (25) units assigned to the Parent Company and shall continue to manage the six (6) remaining condominium units enrolled under the Lease-to-Own Program of Robinsons Land Corporation. On March 16, 2018, the Parent Company entered into a Memorandum Agreement with Robinsons Land Corporation for compensation for the excess developed area in the JV project wherein Robinsons Land Corporation will assign to the Parent Company Parking Slot No. 14 in Building C and waive payment of prior years' real property taxes amounting to P96,128.

The above joint venture agreements were accounted under "Joint Arrangements" in accordance with PFRS 11.

27. OPERATING SEGMENTS

The Group's businesses are organized and managed separately according to the nature of products provided, with each segment representing a strategic business unit that offers different products and serves different markets. The segment information in the consolidated financial statements as of December 31, 2020, 2019 and 2018 are as follows:

		As of December 31, 2020				
		Real estate		**Corporate and others**		**Total**
Segment revenue	**P**	**23,295,532**	**P**	**9,701,155**	**P**	**32,996,687**
Segment result		**(18,407,468)**		**5,875,639**		**(12,531,829)**
Segment asset		**252,353,762**		**455,946,258**		**708,300,020**
Segment liabilities		**12,419,270**		**15,304,247**		**27,723,517**
Segment cash flows						
Operating		**(10,575,871)**		**514,684**		**(10,061,187)**
Investing		**(1,476,266)**		**11,476,946**		**10,000,680**
Other information:						
Depreciation		**-**		**1,818,273**		**1,818,273**
Capital expenditures		**-**		**365,630**		**365,630**

		As of December 31, 2019				
		Real estate		Corporate and others		Total
Segment revenue	P	42,654,249	P	18,256,205	P	60,910,454
Segment result		(25,971,680)		19,152,235		(6,819,445)
Segment asset		261,345,540		458,044,463		719,390,003
Segment liabilities		11,600,942		13,245,647		24,846,589
Segment cash flows						
Operating		7,040,458		(18,189,834)		(11,149,376)
Investing		(758,123)		18,796,312		18,038,189
Other information:						
Depreciation		-		1,897,414		1,897,414
Capital expenditures		-		128,157		128,157

	As of December 31, 2018		
	Real estate	Corporate and others	Total
Segment revenue	P 25,430,884	P 12,510,631	P 37,941,515
Segment result	(22,051,161)	7,682,980	(14,368,181)
Segment asset	281,457,724	447,126,013	728,583,737
Segment liabilities	10,948,982	12,742,641	23,691,623
Segment cash flows			
Operating	(6,415,666)	(11,245,236)	(17,660,902)
Investing	(200,000)	13,521,565	13,321,565
Financing	-	(1,527,300)	(1,527,300)
Other information:			
Depreciation	-	1,709,861	1,709,861
Capital expenditures	-	1,459,366	1,459,366

Reconciliation between segment information and consolidated financial statements is shown below:

	2020	2019	2018
Total segment results	**P (12,531,829)**	P (6,819,445)	P (14,368,181)
Income tax expense	**(1,785,082)**	(3,679,255)	(2,671,968)
Loss for the period	**P (14,316,911)**	P (10,498,700)	P (17,040,149)

28. OTHER MATTERS

Commitment and contingencies
The following are the significant commitments and contingencies involving the Group.

a. The Parent Company filed an appeal with the Office of the Secretary of the Department of Agrarian Reform (DAR) on October 15, 2002 for the reversal of a Resolution promulgated by the Regional Director of the Department of Agrarian Reform, Cordillera Administrative Region, reversing an earlier Order granting the application of the Parent Company for exemption of its landholdings in Banangan, Sablan, Benguet from the coverage of the Comprehensive Agrarian Reform Program (CARP). This landholding is included as part of Investment Properties in the consolidated statements of financial position. On August 22, 2012, DAR issued an Order granting Omico's appeal for exemption from CARP coverage, pursuant to Section 10 of R.A. 6657, of Omico's lot property situated at Banangan, Sablan, Benguet consisting of 6.6217 hectares. On July 13, 2016, a Certificate of Finality of the DAR Order dated August 22, 2012 was issued by the DAR - Bureau of Agrarian Legal Assistance Office.

b. The Group is either a defendant or plaintiff in lawsuits and legal actions arising from its various business activities. Management believes that the claims against the Group are either without merit or that the ultimate liability, if any, resulting from lawsuits and legal actions will not materially affect the Group's consolidated financial statements.

Non-cash investing activities
Excluded in the consolidated statements of cash flows is the reclassification of a certain property from real estate for sale to investment property amounting to P12,116,785 in 2019.

Reclassification
Certain accounts in 2019 consolidated financial statements were reclassified to conform to 2020 presentation of consolidated financial statements. The reclassification did not have significant impact on the consolidated financial statements taken as a whole.

Effects of COVID-19 Pandemic
On March 11, 2020, the World Health Organization declared a global pandemic as a result of increasing number of COVID-19 cases worldwide. This was followed by the President of Philippines' issuance of Presidential Proclamation Order No. 929 declaring a State of Calamity in the Country from the COVID-19 outbreak.

Different quarantine classifications were imposed nationwide which resulted to disruptions in business and economic activities and their impact on business continue to evolve. Internally, the Parent Company continues to adapt to these including implementation of the following:

- Work-from-home arrangement for certain office and field personnel;
- Online meeting and discussion with client;
- Use of mobile banking and online platforms for certain financial transactions;
- Virtual annual stockholders' meeting and board meetings, subject to SEC Rules and Guidelines;
- Virtual board committee meetings.

Considering the evolving nature of this outbreak, the Group continues to monitor the situation and will take further actions as necessary and appropriate in response to these economic disruptions and other consequences.

R. R. TAN & ASSOCIATES, CPAs

Unit 1705, Antel Global Corporate Center
Doña Julia Vargas Avenue, Ortigas Center
Pasig City, Philippines 1605
Tel.: (632) 8638-3430 to 32; Fax: (632)8638-3430
e-mail : info@rrtan.net

PRC-BOA Reg. No. 0132, valid until December 31, 2021
SEC Accreditation No. 0394-F, valid until July 23, 2023
BIR Accreditation No. 07-100015-001-2019, valid until September 12, 2022

Independent Auditors' Report on Supplementary Schedules

The Board of Directors and Stockholders
OMICO CORPORATION AND SUBSIDIARIES
Suite 1109 East Tower, PSE Centre
Exchange Road, Ortigas Center, Pasig City

We have audited in accordance with Philippine Standards on Auditing, the consolidated financial statements of Omico Corporation and its subsidiaries (the Group) as at December 31, 2020 and 2019 and for each of the three years in the period ended December 31, 2020, included in this Form 17-A, and have issued our report thereon dated March 29, 2021. Our audits were made for the purpose of forming an opinion on the basic consolidated financial statements taken as a whole. The schedules listed in the Index to the Consolidated Financial Statements and Supplementary Schedules are the responsibility of the management of Omico Corporation. These schedules are presented for purposes of complying with the Revised Securities Regulation Code Rule 68 and are not part of the consolidated financial statements. The schedules have been subjected to the auditing procedures applied in the audit of the basic consolidated financial statements. In our opinion, the information are fairly stated in all material respects in relation to the consolidated financial statements taken as a whole.

R. R. TAN AND ASSOCIATES, CPAs

By: CHESTER NIMITZ F. SALVADOR
Partner
CPA Certificate No. 0129556
Tax Identification No. 307-838-154
PTR No. 6514908, February 2, 2021, Pasig City
SEC Accreditation No. 1812-A, valid until July 23, 2023
BIR Accreditation No. 07-000251-003-2019, valid until June 12, 2022

March 29, 2021
Pasig City

Omico Corporation and Subsidiaries
Index to the Consolidated Financial Statements and Supplementary Schedules
Under Revised Securities Regulation Code Rule 68
December 31, 2020

Table of Contents

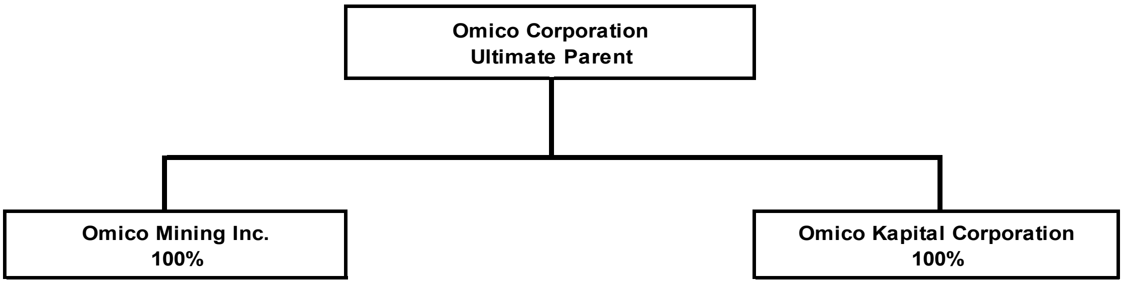
Omico Corporation and Subsidiaries
Schedule I - Financial Soundness Indicators

Key Performance Indicators	Formula	For the Year Ended December 31	
		2020	**2019**
A. Current/Liquidity Ratio			
Current Ratio	Current Assets / Current Liabilities	**31.92:1**	35.79:1
Quick Ratio	Current Assets - Inventory - Other Current Assets / Current Liabilities	**28.16:1**	31.09:1
B. Solvency Ratio/Debt-to-Equity Ratio			
Solvency Ratio	Net Income Before Depreciation and Amortization / Total Liabilities	**(0.39):1**	(0.20):1
Debt-to-Equity Ratio	Total Liabilities / Total Equity	**0.04:1**	0.04:1
C. Asset to Equity Ratio			
Asset-to-Equity Ratio	Total Assets / Total Equity	**1.04:1**	1.04:1
D. EBITDA (Earnings Before Interest, Tax, Depreciation and Amortization)	Profit Before Tax Add: Depreciation and Amortization Foreign Exchange Loss Interest Expense Less: Interest Income	**(P19.6) Million**	(P23.4) Million
E. Profitabilty Ratios			
Profit Before Tax Margin Ratio	Profit (Loss) Before Tax / Total Revenue	**(37.98%)**	(11.20%)
Return on Assets	Net Income / Average Total Assets	**(2.01%)**	(1.45%)
Return on Equity	Net Income / Average Total Equity	**(2.08%)**	(1.50%)

Omico Corporation and Subsidiaries
Schedule II - Parent Company Reconciliation of Retained Earnings Available for Dividend Declaration
DECEMBER 31, 2020

Deficit as at December 31, 2019, *as previously reported*			P (376,529,741)
Add (Less): Cumulative mark to market loss on FVPL financial asset			12,576,419
Deficit as at December 31, 2019, *as adjusted*			(363,953,322)
Add: Net loss actually incurred during the period			
Net loss during the period closed to deficit		(14,348,293)	
Less:	Non-actual/unrealized income net of tax	-	
	Equity in net income of associate/joint venture	-	
	Unrealized foreign exchage gain - net (except those attributable to cash and cash equivalents)	-	
	Unrealized actuarial gain	-	
	Fair value adjustment (mark-to-market gains)	9,026,184	
	Fair value adjustment of investment property resulting to gain	-	
	Recognized deferred tax asset that increased the net income	-	
	Adjustment due to deviation from PFRS/GAAP - gain	-	
	Other unrealized gains or adjustments to the retained earnings as a result of certain transactions accounted for under PFRS	-	
Subtotal		9,026,184	
Add:	Non-actual losses		
	Depreciation on revaluation increment (after tax)	-	
	Unrealized actuarial loss	-	
	Fair value adjustment (mark-to-market losses)	-	
	Adjustment due to deviation from PFRS/GAAP - loss	-	
	Loss on fair value adjustment of investment property (after tax)	-	
Subtotal		-	
Net loss actually incurred during the period			(23,374,477)
Add(less):			
	Dividend declarations during the period	-	
	Appropriations of retained earnings during the year	-	
	Reversals of appropriations	-	
	Revaluation surplus realized through sale	-	
	Treasury shares	-	
Subtotal			-
Deficit as at December 31, 2020			P (387,327,799)

Omico Corporation and Subsidiaries
Schedule III - A Map Showing the Relationship Between and Among the Parent Company and its Subsidiaries
December 31, 2020



Omico Corporation and Subsidiaries
Schedule A - Financial Assets
December 31, 2020

Name of Issuing Entity and Association of Each Issue	Number of Share or Principal Amount of Bonds and Notes	Amount Shown in the Statement of Financial Position	Valued based on Market Quotation at End of Reporting Period	Income Received and Accrued
Cash on hand and in banks	NA	P 112,703,396	P 112,703,396	P 33,688
Short-term placements	NA	264,764,206	264,764,206	7,609,905
Cash and cash equivalents		377,467,602	377,467,602	7,643,593
Installment contract receivables	NA	19,816,670	19,816,670	1,285,032
Due from HDMF	NA	11,056,362	11,056,362	-
Advances to officers and employees	NA	2,217,470	2,217,470	-
Other receivables	NA	943,472	943,472	-
Receivables		34,033,974	34,033,974	1,285,032
Empire East Land Holdings Inc.	1,230,500	387,608	387,608	-
Megaworld Corporation	1,000	4,080	4,080	-
Security Bank Corporation	199	26,666	26,666	-
SM Prime Holdings, Inc.	1,505	57,942	57,942	-
APC Group Inc.	28,000	11,340	11,340	-
Waterfront Phillipines Inc.	22,000	12,760	12,760	-
Lepanto Mining Corp. "A"	-	-	-	-
Cosco Capital, Inc.	392,200	2,215,930	2,215,930	-
ACE Enexor, Inc.	14,994	172,431	172,431	-
Robinsons Retail Holdings, Inc.	5,000	325,000	325,000	
Cemex Holdings Philippines, Inc.	260,000	377,000	377,000	-
Financial assets at fair value through profit or loss	1,955,398	3,590,757	3,590,757	-
Manila Southwoods	2	2,600,000	2,600,000	-
Tagaytay Midlands	1	550,000	550,000	-
Financial assets at fair value through OCI	3	3,150,000	3,150,000	-
Other financial asset	NA	50,000,000	50,000,000	-
Advances and other receivables	NA	14,793,581	14,793,581	-
Other non-current assets		64,793,581	64,793,581	-
Total		P 483,035,914	P 483,035,914	P 8,928,625

Omico Corporation and Subsidiaries
Schedule B - Amount Receivable from Directors, Officers, Employees, Related Parties and Principal Stockholders (Other than Related Parties)
December 31, 2020

Name and Designation of Debtor	Balance at Beginning of Period	Additions	Amounts Collected	Amounts Written Off	Current	Not Current	Balance at End of Period
Receivable from officer and employees	P 1,948,222	P 1,225,646	P 956,398	P -	P 2,217,470	P -	P 2,217,470

Omico Corporation and Subsidiaries
Schedule C - Amounts Receivable from Related Parties which are Eliminated during the Consolidation of Financial Statements
December 31, 2020

Name and Designation of Debtor		Balance at Beginning of Period		Additions		Amounts Collected		Amounts Written Off		Current		Not Current		Balance at End of Period
Subsidiaries:														
Omico Kapital Corporation	P	291,903	P	55,474	P	-	P	-	P	347,377	P	-	P	347,377
Omico Mining Inc.		6,273,671		19,984		-		-		6,293,655		-		6,293,655
	P	6,565,574	P	75,458	P	-	P	-	P	6,641,032	P	-	P	6,641,032

Omico Corporation and Subsidiaries
Schedule E - Indebtedness to Related Parties
December 31, 2020

Related Party		Balance at Beginning of Period		Balance at End of Period
Omico Kapital Corporation	P	221,084,873	P	221,084,873

OMICO CORPORATION
Schedule G - Capital Stock
December 31, 2020

Title of Issue	Number of Shares Authorized	Number of Shares Issued and Outstanding as shown under related Statement of Financial Position Caption	Number of Shares Reserved for Options, Warrants, Convertion and other Rights	Number of Shares Held by Related Parties	Directors, Officers and Employees	Others
Common shares - P1.00 par value	2,000,000,000	1,050,461,673	-	-	148,444,850	902,016,823

COVER SHEET

3 6 1 9 0
S.E.C. Registration Number

O M I C O C O R P O R A T I O N

(Company's Full Name)

S U I T E 1 1 0 9 E A S T T O W E R P S E C T R
O R T I G A S C E N T E R P A S I G C I T Y
(Business Address : No. Street City / Town / Province)

JUANA LOURDES M. BUYSON
Contact Person

86376923 & 86376924
Company Telephone Number

1 2 | 3 1
Month *Day*
Fiscal Year

March 31, 2021
1 7 - Q
FORM TYPE

Last Friday
0 5
Month *Day*
Annual Meeting

Secondary License Type, If Applicable

M S R D
Dept. Requiring this Doc.

Amended Articles Number/Section

Total Amount of Borrowings

2 8 6 6 as of March 31, 2021
Total No. of Stockholders

N O N E
Domestic

N O N E
Foreign

To be accomplished by SEC Personnel concerned

File Number

LCU

Document I.D.

Cashier

S T A M P S

Remarks = pls. Use black ink for scanning purposes

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: **March 31, 2021**

2. Commission ID Number: **36190**

3. BIR Tax ID No.: **047-000-483-136**

4. Exact Name of issuer as specified in its charter:

OMICO CORPORATION

5. **Metro Manila, Philippines**
   Province, Country or Other Jurisdiction
   of incorporation or organization

6. Industry Classification Code: [ ] (SEC Use only)

7. **Suite 1109 East Tower, PSE Centre**
   Exchange Road, Ortigas Center, Pasig City — 1605
   Address of principal office — Postal Code

8. **(02) 86376923 & 86376924**
   Registrant's telephone number, including area code

9. Former name, former address, and former fiscal year, if changed since last report. **N/A**

10. Securities registered pursuant to Sections 4 & 8 of the RSA

Title of Each Class	Number of Shares of Common Stock Outstanding
Common Stock	**1,050,461,673 shares**

11. Are any of these securities listed on the Philippine Stock Exchange? Yes (/) No ( )

12. Indicate by check mark whether registrant:

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

b) has been subject to such filing requirements for the past ninety (90) days.
Yes (/) No ( )

PART I - FINANCIAL INFORMATION

Item 1. Financial Statements

The Unaudited Interim Financial Statements of the Company for the period ending March 31, 2021 are hereto attached as follows:

Statements of Financial Position	-	Annex “A”
Statements of Comprehensive Income	-	Annex “B”
Statements of Cash Flows	-	Annex “C”
Statements of Changes in Equity	-	Annex “D”
Aging of Accounts Receivable	-	Annex “E”
Notes to Interim Financial Statements	-	Annex “F”

Item 2. Management’s Discussion and Analysis of Financial Condition and Results of Operations - Annex “G”

PART II – OTHER INFORMATION (None)

SIGNATURES

Pursuant to the requirements of the Securities Regulation Code, the issuer has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

OMICO CORPORATION
Issuer

By:

ANNA MEI NGA TIA
President/CEO

JUANA LOURDES M. BUYSON
Treasurer/Compliance Officer

Date: April 22, 2021

Annex "A"

OMICO CORPORATION
STATEMENTS OF FINANCIAL POSITION
March 31, 2021

	31.Mär.21	(Audited Figures) December 31, 2020
A S S E T S		
CURRENT ASSETS		
Cash and cash equivalents	359,702,457	377,467,602
Financial assets at fair value through profit or loss	26,559,199	3,590,757
Receivables - net	18,108,208	18,895,592
Real estate for sale	43,987,472	50,304,691
Prepayments and other current assets	3,404,337	3,058,042
Total Current Assets	451,761,672	453,316,684
NON-CURRENT ASSETS		
Installment contract receivable-net of current portion	15,138,382	15,138,382
Financial asset at fair value through other	-	-
comprehensive income (FVOCI)	3,150,000	3,150,000
Property and equipment - net	4,371,479	4,817,413
Investment properties	166,781,025	166,781,025
Other non-current assets-net	65,096,516	65,096,516
Total Non-current Assets	254,537,402	254,983,336
TOTAL ASSETS	706,299,075	708,300,020
LIABILITIES AND EQUITY		
CURRENT LIABILITIES		
Accounts payable and accrued expenses	15,968,329	14,201,905
Finance lease liability	-	-
Total Current Liabilties	15,968,329	14,201,905
NON-CURRENT LIABILITIES		
Accrued retirement liability	13,521,612	13,521,612
Total Non-Current Liabilties	13,521,612	13,521,612
TOTAL LIABILITIES	29,489,941	27,723,517
EQUITY		
Capital Stock (at P1.00 par value)		
Authorized - 2 billion shares		
Issued and outstanding - 1,050,461,673 shares	1,050,461,673	1,050,461,673
Additional paid-in capital	78,000	78,000
Fair value loss on available-for-sale financial assets	2,080,000	2,080,000
Deficit	(375,810,540)	(372,043,170)
Total Equity	676,809,133	680,576,503
TOTAL LIABILITIES AND EQUITY	706,299,075	708,300,020

Annex "B"

OMICO CORPORATION
STATEMENTS OF COMPREHENSIVE INCOME
FOR THE QUARTER ENDED MARCH 31, 2021 AND 2020
(For Three Months)

	2021 January to March	2020 January to March
REVENUES		
Realized gross profit on real estate sale	1,716,264	1,868,897
Interest income	910,404	2,649,483
Rent Income	422,079	510,243
Gain on marketable securities	215,800	-
Miscellaneous Income	16,071	64,821
	3,280,618	5,093,445
EXPENSES		
Compensation and other employee's benefits	1,750,685	1,646,951
Transportation and travel, gas and oil	1,164,693	1,092,825
Taxes and Licenses	1,044,023	1,300,292
Representation and entertainment	584,996	642,456
Fair value loss	529,873	550,734
Professional fees	528,474	445,566
Depreciation and amortization	465,621	510,676
Commission	272,202	111,105
Repairs and maintenance	126,510	105,160
Association and membership dues	102,935	25,000
Office supplies	88,430	36,371
Directors fee	78,000	-
Light, power and utilities	70,792	54,528
Insurance and bond expenses	69,998	10,022
Communications	50,008	60,071
Caretakers fee	40,907	36,543
Miscellaneous	79,842	197,127
TOTAL EXPENSES	7,047,988	6,825,427
NET INCOME (LOSS)	**(3,767,370)**	**(1,731,982)**
INCOME (LOSS) PER SHARE	**(0.0035864)**	**(0.0016488)**

Computation:
March 31, 2021 (PhP-3,767,370.00 /1,050,461,673)
March 31, 2020 (PhP-1,731,982.00 /1,050,461,673)

Annex "C"

OMICO CORPORATION
STATEMENTS OF CASH FLOWS
FOR THE PERIOD ENDED MARCH 31, 2021 and 2020
(For Three Months)

	31.Mär.21	31.Mär.20
CASH FLOWS FROM OPERATING ACTIVITIES		
Net Income (loss)	(3,767,370)	(1,731,982)
Adjustments for:		
Depreciation and amortization	465,621	453,748
Financial assets at fair value through profit & loss	(22,968,442)	304,334
(Increase) decrease in receivables	787,384	1,285,583
(Increase) decrease in real estate for sale	6,317,219	(2,727,451)
(Increase) decrease in prepayment and other current assets	(346,295)	(248,127)
(Increase) decrease investment properties	-	-
(Increase) decrease in property and equipment	(19,688)	-
(Increase) decrease in other non-current assets-net	-	-
Increase (decrease) in accounts payable and accrued expenses	1,766,424	176,704
Net Cash Used in Operating Activities	(17,765,146)	(2,487,191)
CASH FLOWS FROM INVESTING ACTIVITIES		
(Increase) decrease availabe for sale (AFS) financial assets - net	-	-
Net Cash From Investing Activities	-	-
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(17,765,146)	(2,487,191)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	377,467,602	377,552,790
CASH AND CASH EQUIVALENTS AT END OF PERIOD	**359,702,456**	**375,065,599**

Annex "D"

OMICO CORPORATION
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE PERIOD ENDED MARCH 31, 2021 AND 2020
(For Three Months)

	31.Mär.21	31.Mär.20
CAPITAL STOCK		
Common Stock- P1.00 par value		
Authorized - 2,000,000,000 shares		
Issued and outstanding - 1,050,461,673 shares	1,050,461,673	1,050,461,673
	1,050,461,673	1,050,461,673
ADDITIONAL PAID-IN CAPITAL	78,000	78,000
FAIR VALUE LOSS ON AVAILABLE FOR-SALE FINANCIAL ASSETS		
Balance at beginning of year	2,080,000	1,730,000
	2,080,000	1,730,000
DEFICIT		
Balance at beginning of year	(372,043,170)	(357,726,259)
Net Income (loss) for the period	(3,767,370)	(1,731,982)
Balance at end of period	(375,810,540)	(359,458,241)
TOTAL EQUITY	**676,809,133**	**692,811,432**

Annex "E"

OMICO CORPORATION
Accounts Receivable Aging Schedule
March 31, 2021

	Advances to Officers and Employees	Accrued Interest Receivable	Installment Contracts Receivable	Receivable from Joint Venture	Advances to Agents	HDMF Retention	Other Receivables	TOTAL
Current	557,592	-	2,426,882	-	107,500	11,407,797	2,408,437	16,908,208
								-
30 days			500,000					500,000
								-
60 days			450,000					450,000
								-
90 days			250,000					250,000
180 days			-					
More than 180 days	-	-	-		-		-	
T O T A L	**557,592**	**-**	**3,626,882**	**-**	**107,500**	**11,407,797**	**2,408,437**	**18,108,208**
								-
			-					

Annex "F"

NOTES TO FINANCIAL STATEMENTS
First Quarter 2021

1. Corporate Information

Omico Corporation (the Parent Company or the Company or Omico) was incorporated in the Philippines and was registered with the Securities and Exchange Commission (SEC) on August 30, 1968. Its corporate term was extended to another fifty (50) years from and after the date of expiration of its first fifty (50)-year term on August 29, 2018, as per SEC Certificate of Filing of Amended Articles of Incorporation dated October 21, 2015. The Company listed its shares of stock in the Philippine Stock Exchange (PSE) on May 2, 1969. Omico Corporation has no ultimate parent company. It holds 100% interest both in Omico Kapital Corporation, a subsidiary which ceased operations in 1997, and Omico Mining Inc. *(formerly Omico-Ivanhoe Mining Inc)* which has no operations.

The Company's main business activities are mining and real property development. It is authorized under its articles of incorporation to operate, prospect, mine, and deal with all kinds of ores, metals and minerals and various other kinds of businesses. It is presently mainly engaged in the business of the development of real property on its own or in joint venture with other real property developers.

The mining exploration segment is now mainly inactive with only a minor investment in Macawiwili Gold Mining and Development Co. Inc. while the property development segment is engaged in the marketing and sale of real estate and evaluation of future development of other real estate properties.

The principal office of the Company is located at Suite 1109 East Tower, PSE Centre, Exchange Road, Ortigas Center, Pasig City.

2. Basis of Preparation, Presentation and Consolidation

Statement of Compliance
The accompanying consolidated financial statements have been prepared in accordance with generally accepted accounting principles as set forth in Philippine Financial Reporting Standards (PFRS), Philippine Accounting Standards (PAS) and interpretations thereof. PFRS are adopted standards by the Financial Reporting Standards Council (FRSC) from the pronouncements issued by the International Accounting Standards Board (IASB).

Basis of Financial Statements Preparation and Presentation
The consolidated financial statements have been prepared under the historical cost method except for:

- Financial instruments measured at amortized cost;
- Financial instruments which are valued at fair value; and
- Inventories at lower of cost and net realizable value (NRV)

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

The consolidated financial statements are presented in Philippine Peso and all values represent absolute amounts except when otherwise indicated.

The preparation of consolidated financial statements in conformity with PFRS requires the use of certain critical accounting estimates. It also requires management to exercise judgment in the process of applying the Company's accounting policies. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances.

Principle of Consolidation
The consolidated statements of financial position, statements of comprehensive income, statements of changes in equity and cash flows comprise the accounts of Omico Corporation (Omico), the parent company and its wholly owned subsidiaries, Omico Kapital Corporation (Omico Kapital) and Omico Mining, Inc. (formerly Omico-Ivanhoe Mining Inc.), after elimination of material intercompany transactions.

The financial statements of the subsidiaries are prepared for the same reporting period as the Parent company, using consistent accounting policies.

3. Summary of Significant Accounting Policies and Disclosures

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Current versus non-current classification
The Company presents assets and liabilities in the consolidated statements of financial position based on current/non-current classification. An asset is current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading; ·
- Expected to be realized within twelve months after the end of 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 end of the reporting period.

The Company classifies all other assets as non-current.

A liability is current when:

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

The Company classifies all other liabilities as non-current.

Financial Instruments
Date of Recognition
Financial assets and financial liabilities are recognized in the consolidated statements of financial position of the Company when it becomes a party to the contractual provisions of the instrument.

Initial Recognition
All financial assets and financial liabilities are initially recognized at fair value. Except for financial assets and financial liabilities at FVPL, the initial measurement of these financial instruments includes transaction costs.

Determination of Fair Value
The fair value for instruments traded in active market at the reporting date is based on their quoted market price. For all other financial instruments not listed in an active market, the fair value is determined by using appropriate techniques or comparison to similar instruments for which market observable prices exists.

Where the transaction price in a non-active market is different from the fair value of other observable current market transactions in the same instruments or based on a valuation technique, the Company recognizes the difference between the transaction price and fair value in the statement of comprehensive income unless it qualifies for recognition as some other type of asset.

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

Classification and Measurement of Financial Assets
The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them. Except for financial assets at FVPL, all financial assets are initially measured at fair value plus transaction costs. Trade receivables that do not contain a significant financing component are measured at the transaction price determined under PFRS 15.

The Company'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.

- Financial Assets at Amortized Cost

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

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

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

  The Company's financial assets at amortized cost includes cash and cash equivalents and receivables.

- Financial Assets at Fair Value through Other Comprehensive Income (FVOCI)

  Equity instruments
  Upon initial recognition, the Company can elect to classify irrevocably its equity investments as equity instruments 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.

  Subsequent to initial recognition, financial assets at FVOCI are carried at fair value. Gains and losses on these financial assets are never recycled to profit or loss. However, the Company may transfer the cumulative gain or loss within equity. Dividends are recognized as other income in the statement of profit or loss when the right of payment has been established, except when the Company benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in other comprehensive income. Equity instruments designated at FVOCI are not subject to impairment assessment.

Included in this category are the Company's investments in club shares.

Debt instruments

A debt financial asset is measured at FVOCI if both of the following conditions are met:

- The financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and;
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

These financial assets are initially recognized at fair value plus directly attributable transaction costs and subsequently measured at fair value. Gains and losses arising from changes in fair value are included in other comprehensive income within a separate component of equity. Impairment losses or reversals, interest income and foreign exchange gains and losses are recognized in profit and loss until the financial asset is derecognized. Upon derecognition, the cumulative gain or loss previously recognized in other comprehensive income is reclassified from equity to profit or loss. This reflects the gain or loss that would have been recognized in profit or loss upon derecognition if the financial asset had been measured at amortized cost. Impairment is measured based on the expected credit loss (ECL) model.

As of March 31, 2021 and December 31, 2020, the Company does not have debt instruments at FVOCI.

- Financial Assets at Fair Value through Profit or Loss (FVPL)

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

  Financial assets at FVPL are subsequently carried in the consolidated statement of financial position at fair value with net changes in fair value recognized in the consolidated statement of profit or loss. Dividends are also recognized as other income in the consolidated statement of profit or loss when the right of payment has been established.

  As of March 31, 2021 and December 31, 2020, included in this category are the Company's equity investments listed in Philippine Stock Exchange.

Classification and Measurement of Financial Liabilities

Financial liabilities are measured at amortized cost, except for the following:

(i) Financial liabilities measured at fair value through profit or loss;
(ii) Financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the Company retains continuing involvement;
(iii) Financial guarantee contracts;
(iv) Commitments to provide a loan at a below-market interest rate; and
(v) Contingent consideration recognized by an acquirer in accordance with PFRS 3.

A financial liability may be designated at fair value through profit or loss if it eliminates or significantly reduces a measurement or recognition inconsistency (an accounting mismatch) or:

(i) If a host contract contains one or more embedded derivatives; or
(ii) If a group of financial liabilities or financial assets and liabilities is managed and its performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

Where a financial liability is designated at fair value through profit or loss, the movement in fair value attributable to changes in the Company's own credit quality is calculated by determining the changes in credit spreads above observable market interest rates and is presented separately in other comprehensive income.

As of March 31, 2021 and December 31, 2020, included in this category are the Company's accounts payable and accrued expenses.

Reclassification of Financial Assets
The Company can only reclassify financial assets if the objective of its business model for managing those financial assets changes. Accordingly, the Company is required to reclassify financial assets:

(i) from amortized cost to FVPL, if the objective of the business model changes so that the amortized cost criteria are no longer met; and,
(ii) from FVPL to amortized cost, if the objective of the business model changes so that the amortized cost criteria start to be met and the characteristic of the instrument's contractual cash flows meet the amortized cost criteria.

A change in the objective of the Company's business model will be effected only at the beginning of the next reporting period following the change in the business model.

Impairment of Financial Assets
The Company recognizes an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms. ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL). For trade receivables, the Company applies a simplified approach in calculating ECLs. Therefore, the Company does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Company has established probability of default rates for third party trade receivables based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment. The Company applies the historical credit loss method in case undue cost or effort is involved in calculating the ECL by considering the forward-looking factors. For inter-group trade receivables, the Company has established probability of default rates based on internal credit rating of the customers. Internal credit ratings are based on methodologies adopted by independent credit rating agencies. Therefore, the internal ratings already consider forward looking information.

The Company considers a financial asset to be in default when contractual payments are 180 days past due. However, the Company considers internal or external information when there are indicators that the Company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Company. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Derecognition of Financial Instruments

Financial Assets
A financial asset (or, where applicable a part of a financial asset or part of a group of financial assets) is derecognized where:

- the rights to receive cash flows from the asset have expired;
- the Company 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.
- the Company has transferred its rights to receive cash flows from the asset and either (a) has transferred substantially all the risks and rewards of the asset, or (b) has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred the control of the asset.

Where the Company has transferred its rights to receive cash flows from an asset or 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 Company'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 Company could be required to repay.

Financial Liabilities
A financial liability is derecognized when the obligation under the liability is discharged or 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 de-recognition 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.

Cash and Cash Equivalents
Cash and cash equivalents are defined as cash on hand, demand deposits and short-term, highly liquid investments readily convertible to known amounts of cash and which are subject to insignificant risk of changes in value. Cash and cash equivalents are initially and subsequently measured at fair value.

Real Estate for Sale
Real estate for sale is carried at the lower of cost and net realizable value. Cost includes the value of land plus expenditures necessary to complete the housing units (materials and labor cost). Net realizable value is the estimated selling price in the ordinary course of business less cost to complete and sell the units. As at March 31, 2021 and December 31, 2020, real estate inventories are carried at cost.

Prepayments and Other Current Assets
Prepayments and other current assets consist of input taxes, prepaid expenses and deposits. They are carried at cost less the amortized portion.

Property and Equipment
Property and equipment are stated at cost less accumulated depreciation and any impairment in value. The cost of an asset comprises its purchase price and directly attributable costs of bringing the asset to working condition for its intended use. Expenditures for additions, improvements and renewals are capitalized; expenditures for repairs and maintenance are charged to expense as incurred. When assets are sold, retired or otherwise disposed of, their cost and related accumulated depreciation and impairment losses are removed from the accounts and any resulting gain or loss is reflected in income for the period.

Depreciation or amortization of an item of property 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 is computed using the straight-line method over the stipulated useful lives of the assets as follows:

	Estimated useful life
Condominium units and improvements	15-25 years
Mining and other equipment	3-5 years
Office furniture, fixtures and equipment	3-5 years
Transportation equipment	3-5 years

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

The residual values and estimated useful lives of property and equipment are reviewed, and adjusted if appropriate, at each reporting period.

An item of property and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the item) is included in the statement of comprehensive income in the year the item is derecognized.

Investment Properties
Investment properties consist of parcels of land that are held for future development or capital appreciation or both and that is not occupied by the Company.

Investment properties are derecognized when either they have been disposed of, or when the investment property is permanently withdrawn from service and no future economic benefit is expected from its disposal. Any gains or losses on the retirement or disposal of an investment property are recognized in the statement of comprehensive income in the year of retirement or disposal.

Transfers are made to and from investment property when, and only when there is change in use, evidenced by commencement of owner-occupation or commencement of development with a view to sale. The transfer is recorded using the carrying amount of the investment property at the date of change in use.

Impairment of Non-Financial Assets
The carrying values of investments in subsidiaries and joint ventures, property and equipment and investment properties are reviewed for impairment when events or changes in circumstances indicate that their carrying values may not be recoverable. If any such indication exists and where the carrying values exceed the estimated recoverable amount, the assets or cash generating units are written down to their recoverable amount. The recoverable amount of property and equipment, investment properties and mine exploration and evaluation cost is the greater of net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of time value of money and the risks specific to the asset. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs. Impairment losses are recognized in the statements of comprehensive income.

If there is any indication at end of the reporting period that an impairment loss recognized for an asset in prior years may no longer exist or may have decreased, the Parent Company estimates the recoverable amount of that asset and the carrying amount of the asset is adjusted to the recoverable amount resulting in the reversal of the impairment loss.

Equity
Share capital is determined at the par value of shares that have been issued.

Additional paid-in capital includes any premiums received on the initial issuance of capital stock. Any transaction costs associated with the issuance of shares are deducted from additional paid-in capital, net of any related income tax benefits.

Fair value gain/loss on available for sale financial assets pertains to mark-to-market valuation of available-for-sale financial assets.

Deficit includes all current and prior period results of operations as disclosed in the statements of comprehensive income.

Earnings Per Share
Basic earnings per share is computed by dividing profit for the period by the weighted average number of shares issued and outstanding during the year.

Diluted EPS is computed by dividing the profit for the period by the weighted average number of shares issued and outstanding during the year plus the weighted average number of shares that would be issued on the conversion of dilutive potential shares.

Related Party Transactions
Parties are considered 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. The related party transactions are recognized based on transfer of resources or obligations between related parties, regardless whether a price is charged.

Revenue Recognition
Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Parent company and its subsidiaries and the revenue can be reliably measured. The following specific recognition criteria must be met before revenue is recognized:

- Real estate – Revenue from sales of lots, completed house and lot and condominium units is accounted under the full accrual method. The percentage of completion method is used to recognize revenue where the Parent Company have material obligation under the sales contract to complete the project after the property is sold. Under this method, revenue is recognized as the related obligations are fulfilled, measured principally on the basis of the estimated completion of a physical proportion of the contract work.

  Any excess of progress of work over the right to an amount of consideration that is unconditional, is recognized as installment contract receivables.

  Any excess of collections over recognized receivables are included in the "Customers' advances and deposits" account.

  Revenue from lease contract with option to purchase is accounted for as leasing income until the criteria under full accrual method of recording sale is met.

  Penalties are recognized as income when cash is received and forfeitures from cancelled sales and reservation fees are recognized as income when the cancellation of sales and reservation fees of buyers has been determined and established.

- Investment income
  Interest income is recognized as the interest accrues (taking into account the effective yield on the asset).

  Dividend income is recognized when the shareholders' right to receive the payment is established.

  Fair value gain (loss) represents all gain and losses for changes in fair values of financial assets at FVPL.

  Realized gain (loss) in sale of shares of stock is recognized upon sale.

- Gains
  Gains represent other items that meet the definition of income and may, or may not, arise in the course of ordinary activities of the Company. Gains represent increases in economic benefits and have the same nature as revenue. These are recognized as income when cash is realized.

<u>*Costs Recognition*</u>

- Cost of real estate sales
  Cost of real estate sales is recognized consistent with the revenue recognition method applied. Costs of subdivision lots and housing unit and condominium units sold before the completion of the development is determined on the basis of the acquisition cost of the land and its full development costs, which include estimated costs for future development works, as determined by the Group's in-house technical team.

  The cost of inventory recognized in profit or loss on disposal is determined with reference to specific costs of the property, allocated to saleable are based on relative size and takes into account the percentage of completion used for revenue recognition purposes.

- Administrative expense
  Cost and expenses are recognized in the consolidated statement of comprehensive income when decrease in future economic benefit related to a decrease in an asset or decrease in a liability has arisen that can be measured reliably.

  Costs and expenses are recognized in the consolidated statements of comprehensive income:

  (i) On the basis of a direct association between the costs incurred and the earning of specific items of income;
  (ii) On the basis of systematic and rational allocation procedures when economic benefits are expected to arise over several accounting periods and the association can be broadly or indirectly determined; or
  (iii) Immediately when expenditures produce no future economic benefits or when, and to the extent that, future economic benefits do not qualify or cease to qualify, for recognition in the consolidated statement of financial position as an asset.

- Commission expense
  The Company recognizes commission expense when services are rendered by agents. Commission expense is recognized upon receipt of certain level of payment from the buyer comprising a substantial portion of the contract price and the capacity to pay and credit worthiness of buyers have been reasonably established for sales of real estate.

<u>*Employee Benefits*</u>

- *Retirement Benefit Obligation*

Pension benefits are provided to employees based on the amounts required by law, under R.A. 7641.

The Company has not yet established a formal retirement plan; however, it accrues the estimated cost of retirement benefits required by the provisions of RA No. 7641 (Retirement Law). Under RA 7641, the Company is required to provide minimum retirement benefits to qualified employees. The retirement cost accrued includes normal cost and estimated past service cost.

Leases

Policy Applicable from January 1, 2019

At inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company uses the definition of a lease in PFRS 16. This policy is applied to contracts entered into, on or after January 1, 2019.

As a Lessee

At commencement or on modification of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices. However, for the leases of property, the Group has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

The Company recognizes a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset of the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term unless the lease transfers ownership of the underlying asset to the Company by the end of the lease term or the cost of the right-of-use asset reflects that the Company will exercise a purchase option. In that case, the right-of-use asset will be depreciated over the useful life of the underlying asset which is determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability comprise the following:

- Fixed payments, including in-substance fixed payments;
- Variable lease payment that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- Amounts expected to be payable under a residual guarantee; and
- The exercise price under a purchase option that the Company is reasonably certain to exercise, lease payments in an optional renewal period if the Company is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Company is reasonably certain not to terminate early.

The lease liability is measured at amortized cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, if the Company changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Company used a number of practical expedients when applying PFRS 16 to leases previously classified as operating leases under PAS 17. In particular, the Group:

- Did not recognized right-of-use assets and liabilities for leases for which the lease term ends within 12 months from the date of initial application;
- Excluded initial direct costs from the measurement of the right-of-use asset at the date of initial application; and
- Used hindsight when determining the lease term.

Short-term Leases and Leases of Low-value Assets
The Company has elected not to recognize right-of-use assets and lease liabilities for the leases of low-value assets and short-term leases. The Company recognizes the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

As a Lessor
The policy on leases where the Company is a lessor did not differ with the policy applied before January 1, 2019.

Policy Applicable before January 1, 2019
For contracts entered into before January 1, 2019, the Company determined whether the arrangement was or contained a lease based on the assessment of whether:

- fulfillment of the arrangement was dependent on the use of a specific asset or assets; and
- the arrangement had conveyed a right to use the asset. An arrangement conveyed the right to use the asset if one of the following was met:

i. the purchaser had the ability or right to operate the asset while obtaining or controlling more than an insignificant amount of the output;
ii. the purchaser had the ability or right to control physical access to the asset while obtaining or controlling more than insignificant amount of the output; or
iii. facts and circumstances indicated that it was remote that other parties would take more than an insignificant amount of the output, and the price per unit was neither fixed per unit of output nor equal to the current market price per unit of output.

As a Lessor
When the Company acted as a lessor, it determined at lease inception whether each lease was a finance lease or an operating lease.

To classify each lease, the Company made an overall assessment of whether the lease transferred substantially all of the risks and rewards incidental to ownership of the underlying asset. If this was the case, then the lease is a finance lease; if not, then it was an operating lease. As part of this assessment, the Company considered certain indicators such as whether the lease was for the major part of the economic life of the asset.

Leases where the Company does not transfer substantially all of the risks and rewards of ownership of the asset are classified as operating leases. Rental income is recognized on a straight-line basis over the term of the lease. Initial direct costs incurred in negotiating an operating lease are added to the carrying amount of the leased asset and recognized over the lease term on the same bases as rental income. Contingent rents are recognized as revenue in the period in which they are earned.

Income Taxes
Current income tax assets or liabilities comprise those claims from, or obligations to, fiscal authorities relating to the current or prior reporting period, that are uncollected or unpaid at the end of reporting period. They are calculated according to the tax rates and tax laws applicable to the fiscal periods to which they relate, based on the taxable profit for the year. All changes to current tax assets or liabilities are recognized as a component of tax expense in the statements of comprehensive income.

Deferred tax is provided, using the balance sheet liability method on temporary differences at the end of reporting period between the tax base of assets and liabilities and their carrying amounts for financial reporting purposes.

Under the balance sheet liability method, with certain exceptions, deferred tax liabilities are recognized for all taxable temporary differences and deferred tax assets are recognized for all deductible temporary differences and the carry forward of unused tax losses and unused tax credits to the extent that it is probable that taxable profit will be available against which the deferred tax asset is to be utilized.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the end of reporting period.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized.

Most changes in deferred tax assets or liabilities are recognized as a component of tax expense in the statement of comprehensive income. Only changes in deferred tax assets or liabilities that relate to a change in value of assets or liabilities that is charged directly to equity are charged or credited directly to equity.

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

Functional Currency and Foreign Currency Transactions

- *Functional and Presentation Currency*
  Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The financial statements are presented in Philippine pesos, which is the Parent Company and subsidiaries' functional currency.

- *Transaction and Balances*
  The accounting records of the Parent company and subsidiaries are maintained in Philippine pesos. Foreign currency transactions during the year are translated into the functional currency at exchange rates which approximate those prevailing on transaction dates.

  Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the statement of comprehensive income.

Provisions
Provisions are recognized when present obligations will probably lead to an outflow of economic resources and they can be estimated reliably even if the timing or amount of the outflow may still be uncertain. A present obligation arises from the presence of a legal or constructive commitment that has resulted from past events, for example, legal disputes or onerous contracts.

Provisions are measured at the estimated expenditure required to settle the present obligation, based on the most reliable evidence available at the end of reporting period, including the risks and uncertainties associated with the present obligation. Any reimbursement expected to be received in the course of settlement of the present obligation is recognized, if virtually certain as a separate asset, not exceeding the amount of the related provision. Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. In addition, long-term provisions are discounted to their present values, where time value of money is material.

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate.

In those cases where the possible outflow of economic resources as a result of present obligations is considered improbable or remote, or the amount to be provided for cannot be measured reliably, no liability is recognized in the financial statements.

Probable inflows of economic benefits that do not yet meet the recognition criteria of an asset are considered contingent assets, hence, are not recognized in the financial statements.

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

Events after the End of the Reporting Period
The Company identifies subsequent events as events that occurred after the balance sheet date but before the date when the financial statements were authorized for issue. Any subsequent events that provide additional information about the Company's financial position at the balance sheet date are reflected in the financial statements.

Events that are not adjusting events are disclosed in the notes to the financial statements when material.

4. Significant Accounting Judgments and Estimates

The preparation of the consolidated financial statements in conformity with PFRS requires management to make judgments and estimates that affect the amounts reported in the consolidated financial statements. The judgments and estimates used in the consolidated financial statements are based upon management's evaluation of relevant facts and circumstances as of the date of the consolidated financial statements. Actual results could differ from such estimates. Future events may occur which will cause the judgments and estimates used in arriving at the estimates to change. The effects of any change in judgments and estimates are reflected in the consolidated financial statements as they become reasonably determinable.

5. Fair Value Measurement

The fair value for assets and liabilities traded in active market at the reporting date is based on their quoted market price. For all other assets and liabilities not listed in an active market, the fair value is determined by using appropriate techniques or comparison to similar instruments for which market observable prices exists.

Where the transaction price in a non-active market is different from the fair value of other observable current market transactions in the same instruments or based on a valuation technique, the Company recognizes the difference between the transaction price and fair value in the statements of income unless it qualifies for recognition as some other type of asset.

6. Risk Management Objectives and Policies

Risk management framework
The Parent company and its Subsidiary's audit committee are responsible for the over-all effectiveness of risk management system. Furthermore, it is also the committee's purpose to lead the general evaluation and to provide assistance in the continuous improvement of the Company's risk management, control and governance processes.

(i) Financial reports comply with established internal policies and procedures, pertinent accounting and auditing standards, and other regulatory requirements;
(ii) Risks are properly identified, evaluated and managed, specifically in the areas of managing credit, market, liquidity, operational, legal and other risks;
(iii) The BOD is properly assisted in the development of policies that would enhance the risk management.

Market Risk
Market risk is the risk of change in fair value of financial instruments from fluctuation in foreign exchange rates (currency risk), market interest rates (interest rate risk) and market prices (price risk), whether such change in price is caused by factors specific to the individual instrument or its issuer or factors affecting all instruments traded in the market.

i. Foreign Currency Risk
The risk that Company will face with respect to this is the unstable changes in foreign exchange particularly in US dollar. To minimize this risk, the Company maintains a considerable amount of cash and cash equivalents so as not to be affected by the fluctuation of Philippine peso vis-à-vis US dollar.

ii. Interest Rate Risk
As at March 31, 2021 and December 31, 2020, financial instruments subject to variable interest rate risk represents short-term placement with banks.

iii. Price risk
The Parent company and its Subsidiary's price risk exposure at year end relate to financial assets whose rates will fluctuate as a result of changes in market prices, principally, financial assets at fair value through profit or loss and available-for-sale.

Management monitors movements of equity price on a regular basis by assessing the expected changes in the different portfolios due to parallel movements of a 5% increase or decrease in market values.

The equity securities are classified as fair value through profit or loss and available-for-sale. Any increase and a decrease in the market values of stocks would result to an impact on the statements of comprehensive income and equity.

Credit Risk
Generally, the maximum credit risk exposure of financial assets is the carrying amount of the financial assets as shown on the face of the statements of financial position (or in the detailed analysis provided in the notes to the financial statements). Credit risk, therefore, is only disclosed in circumstances where the maximum potential loss differs significantly from the financial asset's carrying amount.

The Company actively monitors its receivables to avoid significant concentrations of credit risk. They set a maximum limit on the amount that each employee can borrow. In addition, receivables from employees are subject to salary deductions.

High grade cash and cash equivalents are short-term placements and working cash fund placed, invested, or deposited in banks belonging to the top banks in the Philippines in terms of resources and profitability.

High grade accounts, other than cash and cash equivalents, are accounts considered to be of high value. The counterparties have a very remote likelihood of default and have consistently exhibited good paying habits.

Standard grade accounts are active accounts with propensity of deteriorating to mid-range age buckets. These accounts are typically not impaired as the counterparties generally respond to credit actions and update their payments accordingly.

Liquidity Risk
Liquidity or funding risk is the risk that an entity will encounter difficulty in raising funds to meet commitments associated with financial instruments. Liquidity risk may result from either the inability to sell financial assets quickly at their fair values; or counterparty failing on repayment of a contractual obligation; or inability to generate cash inflows as anticipated.

Liquidity risk is a risk due to uncertain liquidity. An institution may suffer liquidity problem when its credit rating falls. The Company is also exposed to liquidity risk if markets on which it depends on are subject to loss of liquidity.

The ability of the Company to finance increases in assets and meet obligations as they become due is extremely important to the Company's operations. The Company's policy is to maintain liquidity at all times. This policy aims to honor all cash requirements on an ongoing basis and to avoid raising funds above market rates or through forced sale of assets.

7. Financial Soundness Indicators

The financial soundness indicators of the Company for the comparative periods ended March 31, 2021 and 2020 are as follows:

Ratios	Formula	March 31, 2021	March 31, 2020
Current Ratio		28.291:1	35.221:1
	Current Assets/	451,761,672	462,034,206
	Current Liabilities	15,968,329	13,118,094
Debt to Equity Ratio		0.044:1	0.036:1
	Total Liabilities/	29,489,941	25,023,293
	Stockholders' Equity	676,809,133	692,811,432

Asset to Equity Ratio	Total Assets/ Stockholders' Equity	1.044:1 706,299,075 676,809,133	1.036:1 717,834,725 692,811,432
Interest Coverage Ratio	EBIT*/Interest Expense	Not Applicable	Not Applicable
Return on Assets	Net Income/ Total Assets	Not Applicable	Not Applicable
Return on Equity	Net Income/ Total Equity	Not Applicable	Not Applicable
Book Value Per Share	Stockholders' Equity/ Total No. Shares	PhP0.644 676,809,133 1,050,461,673	PhP0.660 692,811,432 1,050,461,673
Earnings/(Loss) Per Share	Net Income/ (Loss) Weighted Average Shares	(PhP0.00359) (3,767,370) 1,050,461,673	(PhP0.00165) (1,731,982) 1,050,461,673

**Earnings before interest and taxes (EBIT)*

Annex "G"

Management's Discussion and Analysis of Financial Condition and Results of Operations As of March 31, 2021

Gross revenues for the period ended March 31, 2021 amounted to PhP3.28Million as compared to PhP5.09Million for the same period in 2020. The Company's revenues for the period ended March 31, 2021 and 2020 were derived mainly from realized gross profit from the sale of Sta. Rosa Homes housing units and interest income on time deposits/placements with banks. Total expenses amounted to PhP7.05Million and PhP6.82Million for the period ended March 31, 2021 and 2020, respectively, resulting to a net loss of PhP3.77Million for the period ended March 31, 2021 as compared to a net income of PhP1.73Million for the same period in 2020.

The Company's total assets decreased by 0.28% from PhP708.30Million as of December 31, 2020 to PhP706.30Million as of March 31, 2021 while total liabilities increased by 6.31% from PhP27.72Million to PhP29.49Million. Stockholders' Equity decreased to PhP676.81Million as of March 31, 2021 from PhP680.58Million as of December 31, 2020.

The key performance ratios of the Company for the period ended March 31, 2021 and for the year ended December 31, 2020 are as follows:

Financial Ratios:

Ratios	Formula	March 31, 2021	December 31, 2020
Current Ratio		28.291:1	31.919:1
	Current Assets/	451,761,672	453,316,684
	Current Liabilities	15,968,329	14,201,905
Debt to Equity Ratio		0.044:1	0.041:1
	Total Liabilities/	29,489,941	27,723,517
	Stockholders' Equity	676,809,133	680,576,503
Debt to Total Assets Ratio		0.042:1	0.039:1
	Total Liabilities/	29,489,941	27,723,517
	Total Assets	706,299,075	708,300,020
Book Value Per Share		PhP0.644	PhP0.648
	Stockholders' Equity/	676,809,133	680,576,503
	Total No. Shares	1,050,461,673	1,050,461,673
Earnings/(Loss) Per Share		(PhP.0036)	(PhP.0133)
	Net Income/ (Loss)	(3,767,370)	(13,966,911)
	Weighted Average Shares	1,050,461,673	1,050,461,673

Known Trends, Events or Uncertainties Affecting Liquidity

Except for the current COVID-19 pandemic, the Company is not aware of any trends, demands, commitments, events or uncertainties that will result in or that are reasonably likely to result in the Company's liquidity increasing or decreasing in a material way.

The company does not anticipate any cash flow or liquidity problems.

The company is not in default or breach of any note, loan, lease or other indebtedness or financing arrangement requiring payments.

The Company is evaluating possible business ventures in which it is allowed to engage under its articles of incorporation, to invest its sizeable cash and cash equivalent to provide additional sources of revenue and maximize investor return.

Events That Will Trigger Direct or Contingent Financial Obligation

The Company does not expect any event that will trigger direct or contingent financial obligation that is material to the Company, including any default or acceleration of an obligation.

Material Off-Balance Sheet Transactions, Arrangements, Obligations

The Company has 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.

Capital Expenditures

There are no material commitments for capital expenditures for the next twelve months. However, the Company is evaluating possible business ventures, which may require capital expenditures.

Known Trends, Events or Uncertainties Affecting Sales or Revenues

Except for the current COVID-19 pandemic, the Company does not expect any trends, events or uncertainties that may have material favorable or unfavorable impact on sales or revenues.

Significant Elements of Income or Loss

There were no significant elements of income or loss that did not arise from the Company's continuing operations.

Impact of COVID-19 Pandemic on the Business Operations of the Company

Based on our assessment, we would like to state the following risks and impact of COVID-19 on our business operations:

- Disruption and limitations in business activities due to the effect of COVID-19 on the health and safety of our employees, workers, customers, suppliers, shareholders and other stakeholders and the implementation by the Government of preventive measures to contain and prevent the spread of COVID-19 such as community quarantine and travel restrictions;
- Delay in the implementation of planned development of new projects;

- Decrease in customers' demand for residential housing units due to economic downturn as an impact of COVID-19 outbreak;
- Delay in completion and delivery of residential housing units for our Santa Rosa Homes Project located in Sta. Rosa, Nueva Ecija due to probable supply chain interruptions in case of localized lockdown; and
- Inability to collect from the buyers of Sta. Rosa Homes housing units as they may not be able to timely fulfill their financial obligations due to the impact of COVID-19.

We have implemented the following measures to reduce the risks of the COVID-19 pandemic and its impact on the Company's business operations:

- Observance of the guidelines issued by the Department of Health (DOH) regarding infection control and prevention of transmission of COVID-19 such as personal protection and hygiene, social distancing measures, environmental measures and food safety measures;
- Adherence to the Department of Labor and Employment (DOLE) advisories on the guidelines on COVID-19 prevention and control at the workplace and on the supplemental guidelines relative to remedial measures in view of the ongoing outbreak of COVID-19;
- Support of the Government's efforts and measures outlined to contain and control the spread of COVID-19 such as mandatory quarantine for affected areas, travel restrictions, and stringent social distancing measures;
- Determination of adequate construction supplies inventory for a sustained period and diversification of suppliers to mitigate supply chain disruptions;
- Review of the Company's business continuity plans to ensure that it can adequately address the risks associated with COVID-19; and
- Assessment of the Company's liquidity and identification of causes that might significantly impair liquidity.

Different quarantine classifications were imposed nationwide which resulted to disruptions in business and economic activities and their impact on business continue to evolve. Internally, the Company continues to adapt to these including implementation of the following:

- Work-from-home arrangement for certain office and field personnel;
- Online meeting and discussion with client;
- Use of mobile banking and online platforms for certain financial transactions;
- Virtual annual stockholders' meeting and board meetings, subject to SEC Rules and Guidelines;
- Virtual board committee meetings.

Considering the evolving nature of this COVID-19 pandemic, the Company continues to monitor the situation and will take further actions as necessary and appropriate in response to these economic disruptions and other consequences.

The Board of Directors, the Audit Committee and Management of the Company meet regularly to identify key risk areas and performance indicators and monitor these factors with due diligence and to assess and manage risks involved in the businesses of the Company.

Causes for Any Material Changes in the Financial Statements

Financial Position Accounts

Decrease in Cash and Cash Equivalents - 4.71%

March 31, 2021	December 31, 2020	Increase/(Decrease)

359,702,457	377,467,602	(17,765,145)

The net decrease in Cash and Cash Equivalents is mainly due to the acquisition of shares of stocks of publicly-listed companies, disbursements for development costs on the Company's Sta. Rosa Homes project and operating expenses which was partially offset by the proceeds from the sale of Sta. Rosa Homes housing units and interest income on deposits/placements with banks.

Cash accounts with banks generally earn interest at rates based on prevailing bank deposit rates. Short-term placements can be pre-terminated at any time and have average interest rates ranging from 0.10% to 1.00% per annum as of March 31, 2021 and December 31, 2020.

Increase in Financial Assets at Fair Value Through Profit or Loss - 639.65%

March 31, 2021	December 31, 2020	Increase/(Decrease)
26,559,199	3,590,757	22,968,442

The increase in Financial Assets at Fair Value Through Profit or Loss is mainly due the acquisition of certain shares of stocks. The Company's Financial Assets at Fair Value Through Profit or Loss consist of shares of stocks of publicly listed companies which are classified as held for trading.

Decrease in Receivables - Net - 4.17%

March 31, 2021	December 31, 2020	Increase/(Decrease)
18,108,208	18,895,592	(787,384)

The net decrease in Receivables is mainly due to the decrease in installment contracts receivables on the sale of Sta. Rosa Homes housing units.

Decrease in Real Estate for Sale - 12.56%

March 31, 2021	December 31, 2020	Increase/(Decrease)
43,987,472	50,304,691	(6,317,219)

The decrease in Real Estate for Sale is mainly due to the sale of Sta. Rosa Homes' housing units located in Sta. Rosa, Nueva Ecija. Real estate for sale of Sta. Rosa Homes' project, which is carried at cost, principally pertains to cost of raw land and property development and other expenses related to development and construction of the subdivision housing units. The cost of raw land includes its acquisition cost and expenses incurred to effect the transfer of title of the property to the Company. Development costs include the cost of construction, rehabilitation and other related costs.

Increase in Prepayments and other Current Assets - 11.32%

March 31, 2021	December 31, 2020	Increase/(Decrease)
3,404,337	3,058,042	346,295

The increase in Prepayments and Other Current Assets is mainly due to the increase in prepaid taxes and input value added tax.

Prepayments and Other Current Assets is composed of input value added tax, prepaid taxes, deposits and others. Input tax represents the 12% value added tax

(VAT) on purchases of goods and services. Prepaid taxes consist of creditable withholding taxes at source.

Decrease in Property and Equipment – Net - 9.26%

March 31, 2021	December 31, 2020	Increase/(Decrease)
4,371,479	4,817,413	(445,934)

The decrease in Property and Equipment is mainly due to the provision for depreciation for the period.

Increase in Accounts Payable and Accrued Expenses - 12.44%

March 31, 2021	December 31, 2020	Increase/(Decrease)
15,968,329	14,201,905	1,766,424

The increase in Accounts Payable and Accrued Expenses is mainly due to the additional sales of Sta.Rosa Homes' housing units wherein the buyers' deposits were recognized as accounts payable.

Seasonal Aspects

There are no known seasonal aspects that will have material effect on the Company's financial condition or results of operations.

STATUS AND PLAN OF OPERATION

The Company's main business activities are mining and real property development. It is licensed to operate, prospect, mine, and deal with all kinds of ores, metals and minerals and it is also presently engaged in the business of the development of real property on its own or in joint venture with other real property developers.

The mining exploration segment was previously engaged in the exploration activities of mine site while the property development segment is presently engaged in the marketing and sale of real estate and evaluation of future development of other real estate properties.

The Company's businesses are organized and managed separately according to the nature of products provided, with each segment representing a strategic business unit that offers different products and serves different markets. The Company's business is segregated into mining exploration and property development.

MINING EXPLORATION SEGMENT

Omico-Macawiwili Mining Project

The Company previously held a mining agreement with Macawiwili to operate and mine on several claim blocks located within the Baguio Gold District, in the municipality of Itogon, Benguet. The agreement which was signed on September 30, 1968 and extended on January 10, 1996 is effective until January 10, 2021. On August 29, 2012, the Company executed a Termination of Mining Agreement with Macawiwili wherein the Company is relinquishing all its rights and obligations under the mining agreement including the MPSA. With this Agreement, the Company has given the reins in managing the project to Macawiwili but remains an active minority investor in the venture. The salient features of the Agreement are contained in prior disclosures of the Company.

PROPERTY DEVELOPMENT SEGMENT

Ongoing Project – Sta. Rosa Homes, Sta. Rosa, Nueva Ecija

In December 2005, the Company launched the Sta. Rosa Homes project located in Bgy. Lourdes, Sta. Rosa, Nueva Ecija which is a 14.8-hectare residential project. When completed, the housing project will comprise 1,325 housing units with a balanced mix of single detached, single attached, duplex and rowhouse. The project will have complete community facilities which include underground drainage system, water and electrical distribution system, concrete road network, a clubhouse, parks and playgrounds. The Company is presently engaged in the marketing and selling of the housing units and the financing options available to buyers are Pag-Ibig and In-House financing.

The estimated total development cost of the Sta. Rosa Homes project is PhP395.60Million. As of March 31, 2021, the carrying value of the Sta. Rosa Homes project representing site acquisition cost, housing unit construction, initial land development costs, land use conversion expenses, permits and licenses, net of housing units sold, amounted to PhP25.75Million. With the proceeds from the stock rights offering, the Company allocated PhP110.32Million for site preparation, road construction, drainage and power distribution system, house construction, project overhead, taxes and licenses. The balance for the completion of the development of the Sta. Rosa Homes project is expected to be sourced from internally-generated funds on the sale of the housing units and from credit facility with banks. The total sale from the Sta. Rosa Homes project when completed is estimated at PhP641.70Milion.

As of March 31, 2021, the Company sold or received reservation payments for 1,117 units, 689 units through Pag-Ibig housing scheme and 428 units through in-house financing. The total sales contract amount of the 1,117 units is PhP594.07Million. As of March 31, 2021, total collections on the sale of housing units amounted to PhP493.35Million including HDMF loan takeout proceeds amounting to PhP288.63Million.

The Home Development Mutual Fund (commonly known as Pag-Ibig Fund) approved a budget allocation/funding commitment line of PhP44.00Million for the year 2020 for the Company as an accredited developer in the Expanded Housing Loan Program of the Pag-IBIG Fund. On April 24, 2006, the Company was granted by the Board of Investments (BOI) a certificate of registration as a “New Developer of Mass Housing Project” for the Company’s Sta. Rosa Homes project. As registrant, the Company is entitled to Income Tax Holiday (ITH) for a period of four (4) years from June 2006. The ITH expired in May 2010.

Joint Venture Project – Tagaytay City Property

On December 21, 2006, the Company entered into a Joint Venture Agreement with Robinsons Land Corporation (“RLC”), as the Developer, whereby the Company contributed three (3) parcels of land located in Tagaytay City with approximate land area of 9,372 square meters. RLC will develop a high density two-phase residential subdivision, consisting of five (5) 5-storey residential condominium buildings. Under the agreement, the Company and the Developer shall share in the development of Phase 1, consisting of 2 Medium Rise Buildings with a land area of 2,606 square meters, by dividing the saleable floor area of the Phase 1 between them, hence, the Company will be entitled to a saleable floor area of 485.04 square meters equivalent to 9 units. The development of Phase 2, consisting of 3 Medium Rise Buildings with a land area of 4,028 square meters, shall also be undertaken by the Developer.

On May 14, 2009, the Company signed the Addendum to the Joint Venture Agreement with RLC for the development of Phase 2. The Company will be entitled to a saleable floor area of 801.19 square meters which is equivalent to 16 units.

The residential project, which is located at the corner of Mahogany Avenue and Mayor's Drive, is named The Wellington Courtyard ("TWC"). As per RLC's development plan, the project has a country-inspired courtyard community with amenities like a main swimming pool, a reflecting pool and wading pool, and a multipurpose open court sprawled at the center for sports and special events. Each of the five (5) buildings has a western style design. RLC has already accomplished 100% of the construction of Building A and B of Phase 1, Building C, D and E of Phase 2 and site development and amenities.

The carrying values of the property contributed, which pertains to parcels of land net of the cost of condominium units sold, amounted to PhP18.23Million as of March 31, 2021. The Company expects to generate PhP85.67Million from the sale of the Company's share of condominium units in Phase 1 (9 units) and Phase 2 (16 units). The development of Phase 3 or the commercial strip, which will be located in front of the residential project, shall be undertaken by the Company. RLC will have no share in Phase 3.

As of March 31, 2021, twenty two (22) condominium units out of the total allocation of twenty five (25) units have already been sold under RLC's regular financing or lease-to-own program with a total selling price of PhP70.48Million of which PhP59.82Million were collected and remitted by RLC to the Company. Management has initiated some marketing effort, in coordination with RLC, to promote and augment the sale of the Company's assigned condominium units.

RLC has officially announced that all unsold units, except the model unit, in TWC may now be offered under the Straight Lease-to-Own program to promote and augment the sale of the TWC condominium units. It is essentially a lease-to-own payment scheme wherein 100% of the Total Contract Price will be payable in equal monthly payments for as long as 120 months (10 years), at 0% interest. Since this is a lease-to-own scheme, ownership of the unit will not transfer to the lessee-buyer unless the unit has been fully paid. RLC is also working on strategic plans and TWC is one of RLC's core/priority projects for sell-out considering that it is already a completed project.

On March 9, 2018, the Company entered into a Termination Agreement of the Joint Venture Agreement wherein RLC will turn-over three (3) unsold condominium units, out of the twenty five (25) units assigned to the Company and shall continue to manage the six (6) remaining condominium units enrolled under the Lease-to-Own Program of RLC. On March 16, 2018, the Company entered into a Memorandum Agreement with RLC for compensation for the excess developed area in the JV project wherein RLC will assign to the Company Parking Slot No. 14 in Building C of the TWC and waive payment of prior years' real property taxes amounting to P96,128.26.

Joint Venture Project – Urdaneta Property, Pangasinan

On April 19, 2005, the Company entered into a Memorandum of Agreement on Property Development (the "Agreement") with Sta. Lucia Realty as developer and APEDCO and Asian Empire as co-landowners, whereby Sta. Lucia Realty will develop into residential and commercial subdivision the parcels of land situated at Pinmaludpod, Urdaneta owned by the Company and the co-landowners. For this jointly-controlled asset, the Company contributed 232,540 square meters of raw land. As part of the Agreement, Sta. Lucia is entitled to 55% of the developed saleable lots while the remaining 45% will be allocated to the Company and co-landowners. The release of the title of the developed saleable lots is subject to the terms and conditions set out in the Agreement. The carrying amount of property contributed, which pertains to the parcels of land, amounted to P78.97Million as of March 31, 2021. The Company expects to generate between PhP180Million to PhP200Million from the sale of the Company's share of JV lots.

On April 16, 2013, the Company filed the application for DAR Land Use Conversion ("DAR LUC") for 4.68hectares which was approved by DAR on August 22, 2013 as per DARRO Conversion Order No. 08-2013-238. On May 17, 2017, the Company filed the application for DAR LUC from agricultural to residential use for 17.17hectares and on September 22, 2017, DAR conducted an on-site inspection and verification of the additional area being applied for land use conversion. DAR required the Company to place a bond amounting to P10,731,250, against any premature conversion activity or development on the subject property. The cash bond is refundable upon issuance of the order of conversion or convertible into performance bond at the Company's option. On April 04, 2019, DAR issued DARCO Order No. CON-1904-1372 Series of 2019 for the Company's application for DAR LUC from agricultural to residential use for the twelve (12) parcels of land with an aggregate area of 17.17hectares located in Barangay Pinmaludpod, Urdaneta City, Pangasinan. The Company has already submitted a request to DAR for the conversion of the Cash Bond of PhP10,731,250 into a Performance Bond.

Proposed Project – Baguio Homes, Bgy. Banangan, Sablan, Benguet

The Company is considering the development of one (1) of the two (2) investment properties located in Bgy, Banangan, Municipality of Sablan, Province of Benguet. The project will be called Baguio Homes and has an area of 6.6217 hectares located on the slopes of mountainside terrain with the majestic view of the Cordilleras. The average sloping terrain is about 18% making the area ideal for a housing project. The project is designed to cater to the low-cost housing needs of Metro Baguio. When completed, it will comprise a neighborhood of one hundred sixty (160) units of socialized houses and two hundred fifty three (253) units of single attached houses. The land had already been converted in the local level from agricultural to residential use.

The project will have complete community facilities which include concrete road network, underground and open canal drainage system, water and electrical distribution system, a clubhouse, parks and playgrounds. As of March 31, 2021, the Company had already infused in the Baguio Homes project a total amount of PhP16.37Million for land acquisition, maintenance, permits and licenses.

Other Investment Properties

Pasong Tamo, Makati Property

The Company is the registered owner of two (2) parcels of land located at the corner of Pasong Tamo Extension and EDSA, Makati City, evidenced by TCT Nos. 206902 and 203760 of the Registry of Deeds for Makati City. These properties were sold by the Guevent Investments and Development Corporation (GIDC) and Honeycomb Builders Inc. (HBI) to the Company. These two properties were separated by a property owned by GIDC and HBI situated between them, indicating an intent by the parties to have these parcels of land developed together with the properties of GIDC and HBI. The parties thus entered into a Joint Venture Agreement ("JVA") in 1995 for the purpose. However, events that were not foreseen and beyond the control of the Company, including the 1997 Asian Financial Crisis, prevented the implementation of the JVA. This resulted in disputes between the parties to the JVA. GIDC threatened a civil suit demanding damages in the hundreds of millions. However, the company resisted the demand and threat and instead started negotiations for amicable settlement with GIDC. Thereafter, GIDC and HBI rescinded the JVA in 2008 and said rescission led to the filing of criminal cases against officers of the Company. However, negotiations for settlement continued between the parties. After several negotiations variously conducted spanning over a decade, the parties have come to an agreement that they must end their long-drawn dispute amicably and withdraw all cases that have been filed or initiated by GIDC and HBI against the officers of the Company. As a necessary consequence of the desire of the parties to settle their differences, the Company has agreed to sell back the subject properties upon terms mutually acceptable to both parties.

On June 10, 2017, the Company entered into a Memorandum of Agreement (MOA) and a Deed of Absolute Sale each for each of the two parcels of land, with GIDC and HBI for the sell back of the Company's two (2) parcels of land located at the corner of Pasong Tamo Extension and EDSA, Makati City, with TCT Nos. 203760 and 206902 of the Registry of Deeds of Makati City in favor GIDC and HBI for PhP177.0Million wherein the first tranche of PhP88.50Million was received in June 2017 and second tranche of PhP88.50Million in July 2017. The Company recognized a gain of PhP37.20Million from the sale transaction. The sell back is the culmination of years of negotiations to settle the disputes over the Joint Venture Agreement to develop the properties, among the parties, and free the investment of Omico Corporation for other projects.

Omico Pine Villas - Haddad Property, Sablan, Benguet

This property, which is situated in Bgy. Banangan, Muncipality of Sablan, Province of Benguet with an area of 66,846 square meters, has a spectacular view of the Cordilleras, and as far away as Lingayen Gulf, the beaches of La Union and the South China Sea. The Haddad Property is being planned as an upscale vacation and residential community in Metro Baguio and will be named the Omico Pine Villas. The Company had commissioned Belt Collins Hawaii, a design firm based in Honolulu, in the design of the master plan of the Omico Pine Villas. The property had been granted by the DENR – Cordillera Administrative Region the ECC from agricultural to residential/commercial purposes. The carrying value of the Haddad Property in the books of the Company as of March 31, 2021 is PhP37.03Million.

Cabanatuan Property

This property, which is situated in Barangay Mayapyap Sur, Cabanatuan City, Nueva Ecija and located along the Maharlika National Highway, has an area of 42,333 square meters. The property has been re-classified as residential area by the City Government of Cabanatuan. Development plans are being formulated for the property and it is beamed at the middle-income residential market. The carrying value of the Cabanatuan Property in the books of the Company as of March 31, 2021 is PhP19.20Million.

Sablan, Benguet – Belmonte Property

This property, which is situated in Dackes, Bgy. Banangan, Muncipality of Sablan, Province of Benguet and located along Naguilian Road, Baguio City has an area of 23,624 square meters. The carrying value of the Belmonte Property in the books of the Company as of March 31, 2021 is PhP3.10 Million.

Tagaytay City Property

The Tagaytay Property which is situated in Barangay Kaybagal South, Tagaytay City has an area of 2,738 square meters. This property is located in front of The Wellington Courtyard residential condominium project, a joint venture project of the Company with RLC. The Company plans to build in this area a low-rise building with 5 floors, with commercial area at the ground floor and hotel and Airbnb rooms at the second to fifth floors. The carrying value of the Tagaytay Property in the books of the Company as of March 31, 2021 is PhP12.12Million.