COVER SHEET
for
AUDITED FINANCIAL STATEMENTS

SEC Registration Number

9142

COMPANY NAME

METRO GLOBAL HOLDINGS CORPORATION (FORMERLY FIL-ESTATE CORPORATION)

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

MEZZANINE FLOOR, RENAISSANCE TOWER, MERALCO AVENUE, PASIG CITY

Form Type	Department requiring the report	Secondary License Type, if applicable
17-A	SEC	Not applicable

COMPANY INFORMATION

Company's Email Address	Company's Telephone Number(s)	Mobile Number
info@metroglobalholdings.com	8633-6205	Not applicable

No. of Stockholders	Annual Meeting (Month/Day)	Fiscal Year (Month/Day)
1906	1st Thursday of March	December 31

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

Name of Contact Person	Email Address	Telephone Number(s)	Mobile Number
Ramon Jimenez	monjay@ymail.com	8633-6205	Not applicable

Contact Person's Address

Mezzanine Floor, Renaissance Tower, Meralco Avenue, Pasig City

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

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

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-A

ANNUAL REPORT PURSUANT TO SECTION 17 OF THE SECURITIES REGULATION AND SECTION 141 OF THE CORPORATE CODE OF THE PHILIPPINES

1. For the fiscal year ended **December 31, 2020**

2. SEC Identification Number **9142**

3. BIR Tax Identification No. **000-194-408-000**

4. Exact name of registrant as specified initials charter **METRO GLOBAL HOLDING CORPORATION**

5. **Pasig City, Philippines**
   Province, Country or other jurisdiction of Incorporation or organization

6. (SEC Use Only)
   Industry Classification Code

6. **Mezzanine Floor Renaissance Tower Meralco Ave., Pasig City**
   Address of Principal Office

   1600
   Postal Code

8. **(632) 8633-6248**
   Issuer's Telephone Number, including area code

9. **FIL-ESTATE CORPORATION**
   Former name, former address, and former fiscal year, if changed since last report

10. Securities registered pursuant to Section 8 n 12 of the SRC, or Sec 4 n 8 of the RSA

Title of Each Class	Number of Shares of common Stock Outstanding and Amount of Debt Outstanding
Common Stock - P1 par value	**2,000,000,000** (out of the total shares)

11. Are any or all these securities listed on the Philippine Stock Exchange.
    Yes [X] No [ ]

12. Check whatever the registrant:

    (a) has filed all reports required to be filed by Section 17 of the SRC and SRC Rule 17 thereunder of Section 11 of the RSA and SRA Rule 11 (1a)-1 thereunder and Sections 26 and 141 of the Corporation Code of the Philippines during the preceding 12 months (or for such shorter period that the registrant was required to file such report).

    Yes [X] No [ ]

    (b) has been subject to such filing requirements for the past 90 days.
    Yes [ ] No [ ]

13. Aggregate market value of the voting stock held by non-affiliates:
    ₱240,559,298.00@ ₱1.00/share as of December 31, 2020

14. Document incorporated by reference: **2020 Audited Financial Statements**

METRO GLOBAL HOLDINGS CORPORATION

TABLE OF CONTENTS
SEC FORM 17-A

Item 1. Business

Business Development

Metro Global Holdings Corporation (the Company), formerly Fil-Estate Corporation, was incorporated on September 17, 1954 originally as San Jose Oil, Incorporated. The original and primary purpose of the corporation was to prospect for and market oil, natural gas and other minerals and, secondarily, to invest in non-mining corporations or other enterprises. The Company was listed in the Philippine Stock Exchange (PSE) on May 4, 1964.

In July 1996, the Board of Directors (BOD) and the stockholders of the Company approved (a) the change in the Company's primary purpose from oil exploration to that of a holding Company authorized to engage in property and infrastructure development and the relegation of its erstwhile primary purpose to one of the Company's secondary purposes, (b) the increase in the Company's authorized capital stock from ₱300.0 million, divided into 30.0 billion shares with a par value of ₱0.01 per share, to ₱2 billion, divided into 2 billion shares with a par value of ₱1.00 per share and (c) the declassification of Classes A and B common shares to a single class of common shares.

On January 22, 1998, The Securities and Exchange Commission ('SEC') approved the change in corporate name of San Jose Oil, Incorporated to Fil-Estate Corporation, accompanied by a shift in the primary purpose to that of a holding company engaged in property and infrastructure development, the declassification of Classes A and B common shares to a single class of common shares, and the change in par value of its shares from P0.01 in 1997to P1.00 in 1998.

On December 11, 2000, the SEC approved the Company's increase in authorized capital stock from 300.0 million shares to two (2) billion shares. Fil-Estate Management, Inc. (FEMI) subscribed to 700 million shares in exchange for the assignment of its interests in the Metro Rail Transit Holdings, Inc. (MRTHI) and Metro Rail Transit Corp., Limited (MRTCL).

On September 9, 2004, the SEC approved the extension of the Company's term of existence for another fifty (50) years.

The Company's key investment is in the form of equity interest in MRTHI and Metro Rail Transit Holdings II, Inc. (MRTHII). The combined investment in these holding companies represents approximately twenty nine percent (29%) interest in the Metro Rail Transit systems ('EDSA MRT systems'). The Phase I of the MRT project (LRTS Phase I) began full operations on July 15, 2000 and involved thirteen (13) stations from the North Triangle to Taft Avenue.

The Company has a 28.47% equity interest in Monumento Rail Transit Corporation (Monumento Rail), which, as a result, allows participation in the train system extension (e.g. the Makati Loop and Airport Link) and additional train/vehicle procurements in the event the Philippine government awards the project to MRTC.

On December 17, 2014, by virtue of the Redemption and Deed of Assignment between Monumento Rail and the Company, the Company became a successor-in-interest of Monumento Rail to the extent of 28.47% of 5% of the Depot Income relative to the improvements and leased areas of the 16-hectare, more or less, North Triangle Depot. As successor-in-interest, the Company is entitled to receive 28.47% of royalties corresponding to 5% of the gross receipts of the rental income from 8.3 ha commercial center and 5% of the gross proceeds of sale or leases on improvements constructed on the lot pads less management fees and general and administrative expenses.

On May 19, 2017, the Company incorporated MGHC Royal Holdings Corporation (MGHC Royal). MGHC Royal was organized and established as a domestic corporation to engage in the business of investing, purchasing, or otherwise acquiring, and owning, holding, using, selling, assigning, transferring, pledging, exchanging, or otherwise disposing of real and personal property of every kind and description, including shares of stocks, bonds, debentures, notes, evidences of indebtedness, and other securities of obligation of any other corporation or corporations associations or associations, domestic or foreign, for whatever lawful purpose or purposes. The Company owns 99% of MGHC Royal.

On December 20, 2018, the Company acquired the 15.79% equity interest of Fil-Estate Properties, Inc. in MRT Development Corporation (MRTDC).

Last November 22, 2018, at the Annual Stockholder's Meeting of the Company, the stockholders representing 2/3 of the outstanding capital stock of the Company, approved the Increase in the Capital Stock of the Company from P2 billion to P5 billion, with the parent company, Fil-Estate Management, Inc. subscribing to the said increase to the extent of P750,000,000.00. The Increase is pending approval with the Securities and Exchange Commission.

Likewise, during the 2018 Annual Stockholder's Meeting, the stockholders representing 2/3 of the outstanding capital stock of the Company, approved the amendment of its Articles of Incorporation to allow the Company to invest in businesses engaged in the development of renewable energy through solar farms, wind farms, waste-to-energy and other energy projects. This Amendment is likewise pending approval with the Securities and Exchange Commission.

In line with the new business directions the Company intends to pursue, the Company has entered into an Agreement last November 20,2018with its parent company, Fil-Estate Management, Inc. (FEMI's), for the acquisition by the Company of FEMI's 100% equity stake in Metro Solar Power Solutions, Inc. (Metro Solar), a power company with an existing 65 megawatt solar farm project in Pililia, Rizal. The stockholders of the Company likewise have approved this transaction during the Annual Meeting of November 22, 2018, subject to mutually acceptable valuation of the project to be determined by an independent appraiser.

On August 25, 2020, the Company incorporated Metro Renewable Transport Solutions, Inc. (MRTSI). MRTSI was organized and established as a domestic corporation to engage in infrastructure development or providing services in relation with and in connection thereto, including but not limited to the construction of whatever kind and nature and for whatever purpose, buildings, roads, bridges, railways, ports, highways and other passages and facilities for transportation and communication.

MRTSI is intended to be the special purpose vehicle company to undertake the new public transport system projects of the Group that offers access to multiple transport options using one interface that includes monorail, trolleybus, electric bus and similar electricity-fed transport. The first of these kind of projects is already the subject of an ongoing Feasibility Study in Baguio City under a Memorandum of Understanding (MOU) with the City of Baguio signed last September 3, 2020 concerning the development of an Intelligent Transport System as a Sustainable Long-Term Strategy to Urban Mass Transport Management for Baguio City by Easing Traffic Congestion, Improving Traffic Management for Baguio City, Minimizing Environmental Impact and Increasing Benefits of Transportation to the Public in General. The Company owns 100% of MRTSI.

Since 2007 the Company has voluntarily suspended the trading of its securities to allow the Company to re-align its business and explore new strategic directions.

Change of Principal Place of Business

On December 6, 2019, at the Annual Stockholder's Meeting, the stockholders approved the amendment of the Third Article of the Articles of Incorporation to indicate the new location in another city of the MGHC's principal place of business with details of the specific complete address from Mandaluyong, Metro Manila to Mezzanine Floor, Renaissance Towers, Meralco Avenue, Pasig City, Metro Manila. After the approval of the amendment, Article Third shall read as follows:

"That the place where the principal office of the Corporation is to be established or located is at MEZZANINE FLOOR, RENAISSANCE TOWERS, MERALCO AVENUE, PASIG CITY, METRO MANILA (As Amended on __________)"

The above amendment was necessitated by Memorandum Circular No. 16, Series of 2014 issued by the Securities and Exchange Commission (SEC) which directs corporations to file an Amended Articles of Incorporation to indicate its new location to another city or municipality. Likewise, SEC's Memorandum Circular No. 6, Series of 2014, directs all existing corporations whose Articles of Incorporation still indicate only a general address, such as a city, town or municipality, or "Metro Manila", to file an amended Articles of Incorporation in order to specify their complete address, such that, if feasible, it has a street number, street name, barangay, city or municipality, and if applicable, the name of the building, the number of the building, and name or number of the room or unit.

The amendments in Third Article of the Articles of Incorporation are intended for compliance to the above-mentioned Memorandum Circulars of the SEC by indicating in the proposed amendments the new location to another city of the Company (from Mandaluyong to Pasig City), and to indicate the specific complete address of the Company in its new location in Pasig City, that is, Mezzanine Floor, Renaissance Towers, Meralco Avenue, Pasig City, Metro Manila.

As at December 31, 2020, the amendment has not yet been approved by the Securities and Exchange Commission.

Corporate Name Change

On March 18, 2014, the BOD approved the amendment of the Articles of Incorporation and By-laws of the Company, a major provision of which was the change in its corporate name from Fil-Estate Corporation to Metro Global Holdings Corporation.The amendments were intended to identify the group of companies under the "METRO GROUP" and establish the affiliation of the Company with its affiliate infrastructure companies which likewise had the word "Metro" in their corporate names.

The foregoing amendments were approved by the Securities and Exchange Commission on May 14, 2014.

Equity Infusion. On March 19, 2007, the Company accepted FEMI's proposal to infuse its 30% equity ownership in Camp John Hay Development Corporation (CJHDEVCO) in exchange for up to 450.0 million shares of the Company at ₱1.00 par value, subject to approval by the SEC.

On September 11, 2007, the Company signed a Deed of Assignment whereby the 30% equity ownership of FEMI in CJHDEVCO was transferred to the Company in exchange for 450.0 million shares at ₱1.00 par value subject to the approval of the Bases Conversion Development Authority (BCDA). The Deed of Assignment by FEMI of its equity interest in CJHDEVCO in favor of the Company was signed in 2007 in conjunction with CJHDEVCO's then active discussions with certain property developers and Business Process Outsourcing (BPO) operators who intended to invest in the CJHDEVCO area. The expansion of the CJHDEVCO tourism and leisure complex in the northern resort destination of Baguio City involved approximately19 hectares of new development out of the total 247-hectare former rest-and-recreation facility of the United States military. It was further expected that the profitability of CJHDEVCO would be boosted by such investments and in turn, would positively affect the financial performance of the Company.

On July 1, 2008, the BCDA consented to the transfer made by FEMI of its 30.0% equity interest in CJH in exchange for new shares of stocks in the Company.

On April 23, 2009, the Company and FEMI (the parties) executed an Amendment to the Deed of Assignment which (a) amended the number of shares to be transferred to 1.5 million shares still representing 30.0% equity interest in CJHDEVCO, and (b) extended the date of closing of the transaction June 30, 2010, or any date agreed upon by the parties in writing, in order to allow the parties to fully comply with the conditions precedent to closing as set forth in the Deed of Assignment, particularly as it related to the required consent of the SEC.

On January 9, 2012, CJHDEVCO rescinded the Restructured Memorandum of Agreement it had entered into with the BCDA on July 1, 2008 due to the BCDA's continuing inability to make good on its one-stop shop 30-day permit issuance guaranty. CJHDEVCO subsequently filed a directly related case against the BCDA for arbitration with the Philippine Dispute Resolution Center, Inc. (PDRCI).

On March 14, 2012, the House of Representatives passed a resolution creating a technical working group aimed at assisting CJHDEVCO and the BCDA in amicably resolving the dispute.

On April 12, 2012, the BOD approved the deferment of the assignment, transfer and conveyance in favor of the Company, of FEMI'S 30.0% equity in CJHDEVCO until the resolution of the dispute between CJHDEVCO and the BCDA.

On February 11, 2015, the PDRCI handed down its decision on the arbitration case filed by CJHDEVCO against the BCDA. The decision stated that the Original Lease Agreement (OLA), and the subsequent Memorandums of Agreement entered into by CJHDEVCO and the BCDA, was rescinded due to mutual breach byte parties. The PDRCI, in its decision, (a) directed the BCDA to return to CJHDEVCO the total amount of rent CJHDEVCO had paid amounting to P1,421,096,052; and (b) ordered CJHDEVCO to vacate the leased premises and promptly deliver the leased property to the BCDA upon full payment by the BCDA to CJHDEVCO of the aforementioned rental amount. The decision also concluded that the CJHDEVCO was not liable for any unpaid back rent as had been claimed by the BCDA.

On March 6, 2015, CJHDEVCO filed for a confirmation of judgment with the Regional Trial Court of Baguio City (Court). On March 27, 2015, the Court issued an order of confirmation of The Final Award.

In view of the PDRCI decision, the BOD approved to cancel the implementation of the transfer by FEMI of its 30.0% equity in CJHDEVCO in exchange for equity shares in the Company. The cancellation was also in line with the Company's plan to focus on its core business of infrastructure development.

Conversion of Liabilities to Equity. On January 28, 2008, the BOD approved the conversion of a portion of the liabilities to FEMI amounting to about ₱400.0 million into equity shares of the Company at a par value of ₱1.00 per share. In view of the increase in the balance of liabilities to FEMI, the amount to be converted into equity was increased to ₱600.0 million as approved by the BOD on April 18, 2011. The liability amount for conversion was further increased to ₱800.0 million and subsequently approved by the BOD on April 12, 2012.

On December 16, 2013, the SEC approved the conversion of a portion of the liabilities of the Company to FEMI amounting to ₱800.0 million into equity shares in the Company, equivalent to 800.0 million shares with a par value of ₱1.00 per share.

On May 6, 2014, the BOD approved the request of FEMI to increase its shareholdings and further reduce its receivables from the Company through the conversion into equity of a portion of its receivables amounting to ₱200.15 million, equivalent to 200,150,000 shares at ₱1.00 per share par value.

On September 4, 2014, the SEC approved the conversion of a portion of the Company's liabilities to FEMI amounting to P200.15 million, into equity shares equivalent to 200,150,000 shares at P1.00 par value.

Infusion of Certain Properties. On April 12, 2012, the Company accepted the infusion by FEMI of certain properties of Mt. Zion Memorial, Inc. (MZMI) worth ₱500.0 million in shares of the Company at ₱1.00 par value. MZMI is wholly-owned subsidiary of FEMI engaged in the development of Class A memorial parks. Organized in 1999, by 2012, MZMI had twelve (12) memorial parks nationwide with a total combined saleable memorial lots aggregating to 50 hectares, with an estimated concurrent value of ₱2,500.0 million. A significant amount of annual income was expected to be generated from this infusion.

Consistent with the direction of the Company to focus on its core business of infrastructure development, the BOD approved to cancel the implementation of the proposed plan of FEMI to assign -properties of Mt. Zion Memorial Inc. (MZMI), worth P500 million in exchange for 500,000,000 shares of the Company at P1.00 per share.

Cooperation Agreement. On November 12, 2010, the Parent Company, Fil-Estate Properties, Inc. (FEPI) and FEMI (collectively termed as the 'Fil-Estate Companies') entered into a Cooperation Agreement with Metro Pacific Investment Corporation (MPIC) relating to the Fil-Estate Companies' rights and interests in the MRT Companies. The cooperation has the following objectives: (i) explore solutions that will enable the expansion of the MRT 3 system through financially and legally viable means, and (ii) to transfer the interests of the Fil-Estate Companies in the MRT Companies, subject to obtaining the necessary consents from the relevant parties. Under the Cooperation Agreement, the Fil-Estate Companies appoint MPIC as its attorney-in-fact in connection with the exercise of the rights and interests of the Fil-Estate Companies in the MRT Companies. MPIC and Fil-Estate Companies are still in the process of discussing possible scenarios on how to implement the transactions contemplated by the parties when they entered into the Cooperation Agreement. The completion and consummation of the transaction contemplated by the parties is subject to certain conditions, which as at December 31, 2020 has not yet occurred.

Redemption of Redeemable Preferred Shares in Monumento Rail. On August 22, 2006, the Board of Directors of Monumento Rail Transit Corporation (Monumento Rail) approved the redemption of the redeemable preferred shares it issued to its shareholders giving the latter a redemption privilege by assigning the former's right to receive Depot Royalties ("Depot Royalty Rights" with respect to improvements constructed on the 16-hectare Depot located at North Triangle, EDSA and rental income from the commercial center known as Trinoma Mall in the Depot pro-rata to the percentage of shareholdings held by each shareholder. On December 17, 2014, Monumento Rail and the Company executed the Redemption and Deed of Assignment whereby for and in consideration of the cancellation of the redeemable preferred shares issued by Monumento Rail to the Company and certain trustees of the Company, Monumento Rail assigned to the Company a pro-rata interest of Monumento Rail's Depot Royalty Rights to the extent of an aggregate of28.47%.

The cost of the Company's 18,029,417 redeemable preferred shares amounts to P901,471 based on par value P.05 per share which is the price per share at time of redemption. In accordance with the Articles of Incorporation of Monumento Rail, the holder of the redeemable preferred shares is given the privilege of a right to receive Depot Royalty pro-rata to the percentage of shareholdings of redeemable shares held by each shareholder of record thereof as at August 22, 2006.

As a result of the redemption, the Company recognized a Depot royalty right intangible asset amounting to P901,471 which is equivalent to the value of the Company's investment in the redeemable preferred shares of Monumento Rail consisting of 18,029,417 shares. The intangible asset was assigned with a useful life of 33 years commencing from 2014 up to 2047 or the expiration of development rights as provided for in the Redemption and Deed of Assignment.

As at December 31, 2020, 2019 and 2018, the Company recognized its share in lease rental income from the Trinoma Mall, classified as depot royalty income in the financial statements, of ₱9,329,483, ₱30,296,661, and ₱29,455,307, respectively. This represents the 28.47% in the 5% of the lease rental income of Trinoma Mall in those years, which were collected in subsequent years.

Settlement Agreement. On December 17, 2014, the Company, together with all the shareholders of Monumento Rail Transit Corp., entered into a Settlement Agreement with Metro Rail Transit Development Corporation (MRTDEVCO) and companies who are parties to a Vested Rights Agreement dated May 22, 1995, whereby MRTDEVCO agreed to assign to parties of the Vested Rights Agreement the development rights to specific developable areas of the 16-hectare Depot in North Triangle corner EDSA, North Avenue and Mindanao Avenue. The assignment of development rights, however, are conditioned on the assumption of the assignees of the obligation to pay the Depot Royalty arising from the development of assigned specific developable areas in the Depot to Monumento Rail Transit Corp. (Monumento Rail)or its successors-in-interest in accordance with the Deed of Assignment of Development Rights of June 16, 1995 between Metro Rail Transit Corp. Ltd. (MRTCL) and MRTDEVCO and the Assignment and Assumption Agreement of December 18, 2000 between MRTCL and Monumento Rail.

The Company became a successor-in-interest of Monumento Rail to the extent of 28.47% of Depot Royalties corresponding to 5% of the gross receipts of the rental income and 5% of the gross proceeds of sale or leases of improvements from the exercise by specific assignees of the development rights in specific developable areas of the Depot by virtue of the Settlement Agreement and the December 17, 2014Deed of Assignment between Monumento Rail and the Company.

Proposal to Department of Transportation and Communications (DOTC). On December 19, 2014, the Company presented to the Department of Transportation and Communication (DOTC) its proposal for a Fast-Track Rehabilitation of the MRT-3 system as a substantial shareholder of Metro Rail Transit Holdings II, owner of Metro Rail Transit Corporation (MRTC) which in turn owns the MRT-3 System. The proposal, included among others, the total rehabilitation of the MRT-3 rail system and of the existing 73 rail cars, and the acquisition of new rail cars, at no cost to the government. Subsequently, MRTC adopted the proposal and submitted the same to DOTC and the Office of the President.

As at December 31, 2020, the foregoing proposals remain pending with the Office of the President.

Proposed increase in Authorized Capital Stock. The Company plans to increase its authorized capital stock to 5,000,000,000 shares at P1.00 per share, from 2,000,000,000 shares at P1.00 per share. The initial plan in increase of its authorized Capital stock to 3,000,000,000 shares at P1.00 per share, from 2,000,000,000 shares at P1.00 per share has been superseded by the approval by the Board of Directors on 24 September 2018.

FEMI agrees to subscribe to 25% of the planned increase in capitalization, or 750,000,000 shares at P1.00 per share. Out of the said subscription, Five Hundred Million Pesos (P500,000,000.00) corresponding to Five Hundred Million (500,000,000) common shares at P1.00 per share will be fully paid through the conversion into equity of portion of FEMI's advances to the Company.

At the Annual Stockholder's Meeting held on November 22, 2018, the stockholders approved the increase in authorized capital stock from Two Billion Pesos (Php2,000,000,000.00) divided into Two Billion (2,000,000,000) shares with a par value of One Peso (Php1.00) per share to Five Billion Pesos (Php5,000,000,000) divided into Five Billion (5,000,000,000) shares with a par value of One Peso (Php1.00) per share and the corresponding amendments to Article Seventh of the Amended Articles of Incorporation of the Company. The stockholders also approved the subscription of FEMI to Seven Hundred Fifty Million (750,000,000) common shares of the Company at par value of P1.00 per share with part of subscription price to the extent of Five Hundred Million Pesos (P500,000,000.00) to be offset against the Company's advances from FEMI. The subscription for 250,000,000 common shares at P1.00 per share or subscription price of P250,000,000.00is intended to be paid fully or partially via assignment to the Company of shares of FEMI in Metro Solar Power Solutions, Inc. (Metro Solar) as discussed further below.

As at December 31, 2020, the application for increase in authorized capital stock is pending with the SEC while awaiting the valuation of the Metro Solar shares.

Expansion of the Company's primary purpose**.**

The Company plans to expand its primary purpose to include investment in business engaged in solar, wind and other renewable energy generation facilities.

On November 20, 2018, the Board authorized the Company to enter into a Memorandum of Agreement with Fil-Estate Management Inc. (FEMI) whereby the Company shall purchase the Two Hundred Forty Nine Thousand Nine Hundred Ninety Five (249,995) shares of common stock of FEMI in Metro Solar Power Solutions, Inc. (Metro Solar); a stock corporation registered with the Securities and Exchange Commission (the "SEC") with SEC registration No. CS201622607 on September 28, 2016 with principal activity to construct, erect, assemble, commission and maintain power-generating plants and related facilities for the conversion of renewable energy into usable form fit for electricity generation and distribution.

Such shares issued by Metro Solar to FEMI represent 100% percent of the entire issued and outstanding capital stock of Metro Solar. As per agreement with FEMI, the consideration in the value of the Metro Solar shares will be determined based on an appraisal report to be prepared by an independent appraiser acceptable to the Company.

The shares that the Company will issue to FEMI in exchange for the Metro Solar shares will come from the proposed P3 billion (P3,000,000,000.00) increase in authorized capital stock of the Company.

On November 22, 2018, during the annual Stockholders Meeting, the stockholders approved the amendment of the Article Second of the Articles of Incorporation to include in the primary purpose investment in business engaged in solar, wind, and other renewable energy generation facilities. The proposed amendment will allow the Company to expand its investment into business engaged in solar, wind, and other renewable energy generation facilities.

On October 30, 2019, the SEC approved said amendment and upon payment of corresponding assessment fees, shall issue the corresponding Certificate of Amended Articles of Incorporation.

Assignment of Share in Lease Income Termed "Depot Royalties".
On November 20,2018 the Board approved to earmark/allocate to FEMI its Depot Royalties from the rental income derived from Trinoma Mall for a period of fifteen (15) years commencing January 30, 2020 and ending January 30, 2034 to enable the Company to partially repay the Advances to FEMI to the extent of Three Hundred Million Pesos (P300,000,000.00)

On April 11, 2019, the Board of Directors of the Company passed a Resolution approving the Company's agreement with FEMI that in consideration of FEMI not charging interest on the outstanding obligations of the Company, the Company agreed to partially repay the Advances from FEMI by way of allocating to FEMI dividends and other income from affiliates of the Company in addition to the assignment of Depot Royalties from the rental income derived in Trinoma Mall for a period of fifteen (15) years commencing on January 30, 2020 and ending on January 30, 2034.

Business of Issuer

The business activities of Metro Global Holdings Corporation (the Company) arise from its investments in the equity of the entities mentioned in the preceding. Hence, the Company has no principal products or services, nor does it derive revenues or sales from any products or services. No part of the Company's revenues or income over the last three years has been derived from any foreign sales. Corollary, the Company has no requirement for any distribution methods that would otherwise be needed for any products or services. Since the Company's inception it has had nor publicly-announced new product or services.

There is no competition with respect to other train services. Instead, the MRT project complements other train systems and various public transportation modes available in Metro Manila such as buses, taxis and FXs. Passengers along EDSA have a choice between riding the MRT system and using the described alternatives.

Not being engaged in the manufacturing of any product, the Company does not require any raw materials, energy or other items from suppliers for conducting its business.

The MRT system is dependent on public ridership and not on a single or a few customers. Current ridership is approximately 300,000 people per day. The Government, through the Department of Transportation (DOTR) is responsible for the collection of fares and for the day-to-day operations of the system. The owner of the system, MRTC, on the other hand is assured of a scheduled rental payment over the life of the Build Lease Transfer (BLT) agreement with DOTC.

The Company is 87.885% owned by FEMI. The Company obtains its financial support from its Parent Company as and when it is needed.

The Company's business does not require any patents, trademarks, copyrights, licenses, franchises, concessions or royalty agreements. Instead the Company has substantial investment in corporations (e.g. the MRTC) that have concession agreements with the government, specifically agreements with the DOTC under the Build Operate and Transfer Law ('BOT Law'). Under the BLT Agreement with DOTC, the MRTC designed, financed, built, completed and leased a light rail transit system (LRTS) operating from North Avenue to Taft Avenue, connecting approximately 16.8 kilometers with 13 stations. The MRTC completed the said LRTS in June 2000. As provided under the BLT Agreement, upon completion of the LRTS, the DOTC operates the same and pays MRTC guaranteed rental fees for a period of twenty-five (25) years from date of completion (until 2025). The rental fees are used to pay debt to foreign funders, and equity rental payments to stockholders of MRTC to guarantee a fifteen percent (15%) net economic return.

The investment of the Company in the EDSA MRT system does not require further approvals from the Philippine Government. The MRT system in EDSA has fully complied and continues to comply with the governmental requirements directly related to the project.

The Company has not been the subject of any bankruptcy, receivership or any other similar proceedings for the last three (3) years. There has likewise been no material reclassification, merger, consolidation, purchase or sale of a significant amount of assets not in the ordinary course of business finalized within the same period.

In line with the new business directions of the Company to invest in business engaged in solar, wind, and other renewable energy generation facilities, the Company entered into an Agreement with FEMI on November 20, 2018, for the acquisition of FEMI's 100% equity stake in Metro Solar Power Solutions, Inc. (Metro Solar), a power company with an existing 65-megawatt solar farm project in Pililia, Rizal. As at December 31, 2019, the Agreement has not yet been implemented pending valuation of the Metro Solar shares which will be determined by an independent appraiser.

MGHC Royal intends to engaged in the business of investing, purchasing, or otherwise acquiring, and owning, holding, using, selling, assigning, transferring, pledging, exchanging, or otherwise disposing of real and personal property of every kind and description, including shares of stocks, bonds, debentures, notes, evidences of indebtedness, and other securities of obligation of any other corporation or corporations associations or associations, domestic or foreign, for whatever lawful purpose or purposes.

MRTSI intends to engaged in infrastructure development or providing services in relation with and in connection thereto, including but not limited to the construction of whatever kind and nature and for whatever purpose, buildings, roads, bridges, railways, ports, highways and other passages and facilities for transportation and communication.

MGHC Royal and MRTSI were not in commercial operation as at December 31, 2020.

Effects of existing or probable regulations on the business

The business of the Company is to hold its investments in the securities of other corporations. Hence, its income is derived from dividends from other corporations.

Existing government regulations do not impose any tax on dividends received by a domestic corporation from other domestic corporations. Any law or policy changes to the existing regulations on dividends may have an effect on the income of the Company. However, to date, the Company is not aware of any pending legislation that may affect the Company's source of income.

Research and development activities

The Company and its subsidiaries have not been involved in any significant research and development activities over the last three fiscal years.

Costs and effects of compliance with environmental laws

The Company and its subsidiaries do not engage in business operations that are subject to regulations which require compliance with environmental laws.

Employees

MGHC has ten (10) employees in year 2020 while in 2019, the Company had two (2) employees.

MGHC Royal and MRTSI are both not yet in commercial operation and have no employees as of December 31, 200. The management of the two companies is currently being undertaken by the executive officers of MGHC.

Risks

The Group's principal financial exposures consist of its payables to associates and stockholders. Such financial instruments were used in prior years to raise funds for working capital and to retire interest-bearing US Dollar denominated bank loans. The group, as a matter of policy, discourages the use of any foreign currency denominated obligations to avoid foreign currency risks and exchange losses. On the other hand, the group encourages the creation of US dollar denominated assets to take advantage of potential gains arising from foreign exchange movements. On balance, the group maintains a margin currency position in its asset and liability management function.

The residual financial risks from the Group's financial instruments are cash flow/liquidity risks, credit risks and equity price risks.

Cash flow/liquidity risk arises from the possibility that the group may encounter difficulties in raising funds to meet or settle its obligations and to support the group's operations and activities.

The group coordinates and negotiates closely with each principal stockholder to manage cash flow risks by jointly identifying new sources of cash flow infusions into the group over the next five years.

The group's exposure to credit risk arises primarily from its deposits with banks of good credit rating. The maximum exposure to credit risk is equivalent to the carrying amount of these cash in banks.

The group is exposed to fair value changes of its Available-For-Sale (AFS) investments in listed equity securities.

The group's policy is to maintain risk at an acceptable level. The group's shares are not traded at the PSE at the moment. Once the voluntary suspension of the trading of the group's shares is lifted, movement in share price will be monitored regularly to determine the impact on its financial position.

The group continuously conducts an internal review of its financial risks management objectives and policies.

Item 2. **Properties**

As at December 31, 2020, the Company's primary asset continues to be its investment in the MRT companies. The Company is the record and beneficial owner of the shares of stock representing its investments in the said corporations.

The Company holds 4,278,511 shares or 18.6% interest in MRTHI and 24,034,840 shares or 12.6% interest in MRTHII. MRTHI has 84.9% interest in MRTHII, which wholly owns MRTC. MRTHI, MRTHII and MRTC, are collectively referred to as the MRT companies. The earnings of the MRT companies are derived from lease financing income relating to equity rentals received from the DOTC as defined in the BLT Agreement.

Notwithstanding the sale of future share distributions as discussed in Note 5 of the Financial Statements, the Company continues to hold on to the legal rights over the shares of stock in MRTHI and MRTH II.

On August 18, 2005, the Company and FEMI entered into a "Letter of Agreement," whereby FEMI agreed to grant and did grant the Company the sole option to assign to FEMI its equity interests in MRTHI and MRTH II as settlement of the outstanding amount of the Company's liabilities to FEMI and any additional advances or interest which FEMI may charge to the Company in relation to the said advances at settlement date. Liabilities to FEMI as at December 31, 2005 amounted to ₱1,741.3 million. Under the "Letter of Agreement", should the Company opt to sell the said investments to third party or parties in the future, FEMI would have the right of first refusal to purchase the said investments at their prevailing market value.

On November 12, 2010, the Fil-Estate Companies entered into a Cooperation Agreement with MPIC relating to the Fil-Estate Companies' rights and interests in the MRT Companies. Under the Cooperation Agreement, the Fil-Estate Companies appointed MPIC as its attorney-in-fact in connection with the exercise of the rights and interests of the Fil-Estate Companies in the MRT Companies. The completion and consummation of the transaction contemplated by the parties was subject to certain consents and conditions, which as at 31 December 2020 had not yet occurred.

The Company, through its direct and indirect investments in MRTHI and MRTH II, is the beneficial owner of 28.47% equity interest in Monumento Rail Transit Corporation (Monumento Rail). The Company's interest in Monumento Rail expectedly allows the Company's participation in the train system extension and additional train/vehicle procurement, in the event the Government awards the projects to MRTC, which it will continue to pursue. As at December 31, 2020, Monumento Rail has no commercial activity and is in the process of negotiating with the Government towards the submission of a proposal for the said projects.

The Company also owns one thousand five hundred seventy-nine (1,579) shares or 15.79% equity ownership in Metro Rail Transit Development Corporation (MRTDC), which it acquired from Fil-Estate Properties, Inc. (FEPI) through a Deed of Assignment entered into with FEPI on December 20, 2018.

On May 19, 2017, the Company incorporated MGHC Royal Holdings Corporation (MGHC Royal). MGHC Royal was organized and established as a domestic corporation to engage in the business of investing, purchasing, or otherwise acquiring, and owning, holding, using, selling, assigning, transferring, pledging, exchanging, or otherwise disposing of real and personal property of every kind and description, including shares of stocks, bonds, debentures, notes, evidences of indebtedness, and other securities of obligation of any other corporation or corporations associations or associations, domestic or foreign, for whatever lawful purpose or purposes. The Company owns 99% of MGHC Royal.

On August 25, 2020, the Company incorporated Metro Renewable Transport Solutions, Inc. (MRTSI). MRTSI was organized and established as a domestic corporation to engage in infrastructure development or providing services in relation with and in connection thereto, including but not limited to the construction of whatever kind and nature and for whatever purpose, buildings, roads, bridges, railways, ports, highways and other passages and facilities for transportation and communication.

MRTSI is intended to be the special purpose vehicle company to undertake the new public transport system projects of the Group that offers access to multiple transport options using one interface that includes monorail, trolleybus, electric bus and similar electricity-fed transport. The first of these kind of projects is already the subject of an ongoing Feasibility Study in Baguio City under a Memorandum of Understanding (MOU) with the City of Baguio signed last September 3, 2020 concerning the development of an Intelligent Transport System as a Sustainable Long-Term Strategy to Urban Mass Transport Management for Baguio City by Easing Traffic Congestion, Improving Traffic Management for Baguio City, Minimizing Environmental Impact and Increasing Benefits of Transportation to the Public in General. The Company owns 100% of MRTSI.

As of December 31, 2020, MGHC Royal and MRTSI were not yet in commercial operation.

The Company and its subsidiaries do not hold property subject of any lease arrangement, nor does the Company expect to purchase or sell any equipment within the ensuing twelve (12) months.

Item 3. **Legal Proceedings**

There are no material legal proceedings to which the Company or its subsidiaries and affiliates are a party to or of which any of their property is the subject of such proceedings. The Company has no knowledge or information as to any such legal proceedings contemplated by government authorities or any other entity.

Item 4. **Submission of Matters to a Vote of Security Holders**

Aside from those taken up during the Annual Meeting of Stockholders, no other matters were submitted for voting by the security holders in year 2020.

PART II – OPERATIONAL AND FINANCIAL INFORMATION

Item 5. **Market for Registrants Common Equity and Related Stockholders Matters**

(1) Market Information

The Company's stocks are being traded at the Philippine Stock Exchange. However, for the last five (5) years, trading of the Company's shares has been voluntarily suspended.

In view of the suspension of trading of the Company's shares, the high and low sales prices of such shares for each quarter of the calendar years 2019, 2020 and 2021 could not be determined.

	2021		2020		2019	
Quarter	**High**	**Low**	**High**	**Low**	**High**	**Low**
1st	0.00	0.00	0.00	0.00	0.00	0.00
2nd			0.00	0.00	0.00	0.00
3rd			0.00	0.00	0.00	0.00
4th			0.00	0.00	0.00	0.00

The shares of the Company were last traded on March 20, 2007 at a price of ₱0.26 per share.

(2) Holders

As at 31 December 2020 the number of shareholders of record is 1,906 while common shares outstanding were 2,000,000,000 shares. The Company's top 20 Stockholders as at 31 December 2020 are:

	Name of Stockholders	Number of Shares	% of Ownership
1	Fil-Estate Management, Inc.	1,757,690,197	87.885%
2	PCD Nominee Corporation (Filipino)	100,579,633	5.029%
3	Alakor Securities Corporation	66,778,253	3.339%
4	Bank of Commerce – Trust Services Group	43,211,800	2.161%
5	Bank of Commerce TG-91-07-001-C	6,383,000	0.319%
6	PCD Nominee Corp. (Non-Filipino)	3,663,129	0.183%
7	Fil-Estate Management Inc.	2,059,998	0.103%
8	Bancommerce Investment Corp	2,000,000	0.100%
9	Atty. Gilbert Reyes ITF Various Shareholders	1,903,514	0.095%
10	Noel Cariño	1,506,500	0.075%
11	Jaime Borromeo	1,000,000	0.050%
12	Leroy Tan	675,500	0.034%
13	Belson Securities, Inc. A/C#196-358	664,000	0.033%
14	Roberto N. Del Rosario	628,000	0.031%
15	CFC Corporation	576,000	0.029%

16	The Holders of the Unexchanged San Jose Oil Co., Inc.	556,839	0.028%
17	David Go Securities Corp.	414,200	0.021%
18	Trendline Securities Corp.	382,500	0.019%
19	Alberto Mendoza &/or Jeanie C. Mendoza.	300,000	0.015%
20	John Gokongwei Jr.	270,000	0.014%

(3) Dividends

No dividends were declared in the last two (2) calendar years.

Under the Company's by-laws, there are no restrictions in the declaration of dividends other than what is prescribed in the Revised Corporation Code, namely; that these shall be declared only from surplus profit and no stock dividend shall be issued without the approval of stockholders representing not less than two-thirds of all stock outstanding and entitled to vote at a general or special meeting called for the purpose.

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

On January 3, 2019, the Company filed with the Commission, a "Notice of Exempt Transaction" under SRC Rule 10.1, in relation to the subscription by FEMI to Seven Hundred Fifty Million (750,000,000) common shares of the Company at par value of P1.00 per share. Portion of the subscription price to the extent of Five Hundred Million Pesos (P500,000,000.00) will be offset against the Company's advances from FEMI. The balance of P250,000,000 is to be paid fully or partially via assignment to the Company of shares of FEMI in Metro Solar.

The 750,000,000 shares that the Company will issue to FEMI will come from the P3 billion (3,000,000,000) increase in authorized capital stock of the Company, which has already been pre-approved by the SEC on October 30, 2019.

Item 6. Management's Discussion and Analysis or Plan of Operation

Plan of Operation:

1. MRT Operations

Metro Global Holdings Corporation (MGHC) continues to be a stakeholder of the Metro Rail Transit Project through its holding company MRTHI and MRTHII and its associate, Monumento Rail.

MGHC plans to continue its strategy of maintaining itself as a holding corporation with key investment in the form of equity interest in MRTHI and MRTHII. The combined investment in these two holding companies represents approximately 29% interest in the MRT 3 System along EDSA. The Phase 1 of the MRT Project (LRTS Phase 1) began full operation on July 15, 2000, which involved 13 stations spanning the North

Triangle to Taft Avenue. The operation for the next twelve (12) months was strictly confined to that of an investee corporation.

The Company continues, through its holdings in Monumento Rail, to actively pursue its participation in the train system extensions (e.g., Makati Loop and Airport Link) and capacity expansion via procurement of additional trains/vehicles.

I. Operations for the next twelve months

The Company is expected to receive its 28.47% share in 5% of the lease rental income from Trinoma Mall termed Depot Royalties as a result of the redemption of its redeemable preferred shares in Monumento Rail. This revenue will be used to fund its operating expenses and to partially pay its debts to FEMI.

The Company foresees that material funding may be required within the next twelve (12) months, in anticipation of the finalization and completion of the transactions relating to the acquisition by the Company of the equity interest of FEMI in Metro Solar. Metro Solar's main project is the development of the 65-megawatt solar farm project in Pililia, Rizal, which construction is expected to commence within the year 2020. The Company plans to raise the needed funds to finance this project through private placement and the eventual resumption of trading of its shares at the PSE.

The Company does not have plans for any product research and development within the same period.

There are no expected purchases or sale of plant and significant equipment within the next 12 months as the Company is not engaged in any manufacturing business.

Management Discussions and Analysis of Financial Condition and Results of Operations

Review for the year ended December 31, 2020

Impact of COVID-19 pandemic

On March 15, 2020, the Philippine Government placed the entire Luzon under the Enhanced Community Quarantine (ECQ) due to the increasing corona virus disease (COVID-19) cases in the country. The ECQ mandated the closure of non-essential businesses and strict home quarantine which resulted in the slowdown of the economy. Measures are implemented to protect the health and safety of the employees, support business continuity, and manage financial impact to a minimum.

Financial position and results as at and for the year ended December 31, 2020

The pandemic and the consequent quarantine measures imposed by the government, have greatly affected the operations of the Trinoma Commercial Center, which saw the decrease in its lease rental income for the year 2020, which resulted in the69.2% or P21.0 million decrease (from P30.3 million as at December 31, 2019 to P9.3million as at December 31, 2020), in the Group's share in the depot royalty income for the year 2020

General and Administrative (G&A) expenses increased by P7.8 million or 158.3%, from P4.9 million in December 31, 2019 to P12.7 million in December 31, 2020, mainly due to the increase in salaries and wages in view of the secondment of various officers from FEMI. The Group's G&A expenses comprised mainly of the Group's regular operating expenses, such as salaries and wages, professional and retainer fees, taxes and licenses and transportation and travel expenses.

The Group's net income for the year ended December 31, 2020, decreased by 97% or P33.5 million, from P34.4 million as at December 31, 2019 to P0.9 million as at December 31, 2020, in view of the P21.0 million decrease in depot royalty income and the P7.8 million increase in G&A expenses as previously mentioned.

Financial Condition

The Group's Total Assets decreased by P12.4 million or 0.8%, from P1.53 billion as at December 31, 2019 to P1.52 billion as at December 31, 2020.

Cash increased by P0.9 million or 87.3% from P1.1 million as at December 31, 2019 to P2.0 million as at December 31, 2020, mainly due to increase in cash received during the year.

Receivables decreased by P19.9 million or 69.2%, from P28.8 million as at December 31, 2019 to P8.9 million as at December 31, 2020, in view of the decrease in the in the share in lease rental income received from the Trinoma Mall.

The increase in Investment in Associates account amounting to P6 million (from P-nil- as at December 31, 2019 to P6.0 million as at December 31, 2020), was in view of the recognition of the Group's share in the net earnings of MRT Development Corporation for year 2020.

Total Liabilities decreased by 0.9% or P13.9 million, from P1.49 billion as at December 31, 2019 to P1.51 billion as at December 31, 2020.

Increase in Accrued Expenses and Other Payables of 1% or P2.2 million, from P382.9 million as at December 31, 2019 to P385.2 million as at December 31, 2020, was mainly due to accrual of unpaid salaries and wages due in 2020.

Income Tax Payable decreased by P1.3 million or 16.9%, from P7.6 million as at December 31, 2019 to P6.3 million in December 31, 2020, due to decrease in taxable income as a result of the decrease in the share in lease rental income from Trinoma Mall.

Due to a Stockholder decreased by 3.7% or P28.5 million, from P773.4 million as at December 31, 2019 to P744.8 million as at December 31, 2020, due to cash payments made to FEMI during the year.

Due to Other Related Parties increased by 3.9% or P13.7 million, from P347.7 million as at December 31, 2019 to P361.4 million as at December 31, 2020, due to cash advances received from MRTDC during the year.

The Stockholders' Equity increased by P1.5 million or 9.2%, from P16.3 million as at December 31, 2019 to P17.8 million as at December 31, 2020, in view of the net operating income earned by the Group's in year 2020.

KEY PERFORMANCE INDICATORS ("KPI")

LIQUIDITY RATIOS

	December 31, 2020	December 31, 2019
Current Ratio	0.028	0.077
Quick Ratio	0.028	0.076

Current Ratio (Current Assets/ Current Liabilities)
Liquidity Ratio measures a company's ability to pay short-term obligations

Quick Ratio (Cash and Cash Equivalents+ Current Trade Receivables/ Current Liabilities)
It measures a company's ability to meet its short-term obligations with its most liquid assets

Current Ratio and Quick Ratio both decreased in December 2020 compared to December 2019 mainly due to decrease in current assets of the Group's in particular the receivables account.

LEVERAGE OR LONG-RANGE SOLVENCY RATIOS

	December 31, 2020	December 31, 2019
Debt to Total Assets	0.988	0.989
Equity to Total Assets	0.012	0.011
Debt to Equity	76.484	92.789
Asset to Equity	84.179	93.786

Debt to Total Assets (Total Liabilities/ Total Assets)
It shows the creditors' contribution to the total resources of the organization.

Equity to Total Assets (Total Owner's Equity/ Total Assets)
It shows the extent of owners' contribution to the total resources of the organization.

Debt to Equity (Total Liabilities/ Total Owner's Equity)
It relates the exposure of the creditors to that of the owners.

Asset to Equity (Total Assets/ Total Owner's Equity)
It measures the company's leverage.

Debt to Total Assets ratio decreased in December 2020 as compared to December 2019, in view of the decrease in the Total Assets of the Group.

Other leverage ratios decreased due to the decrease in Total Assets and Total Liabilities of the Group.

PROFITABILITY RATIOS

	December 31, 2020	December 31, 2019
Return on Equity	0.045	2.113
Return on Assets	0.001	0.022
Earnings per Share	0.0004	0.0172

Return on Equity (Net Income/ Equity Attributable to Parent Company's Shareholders
It tests the productivity of the owners' investments.

Return on Assets (Net Income/ Total Assets)
This ratio indicates how profitable a company is relative to its total assets.

Earnings per Share (EPS)
It indicates the earnings for each of the common shares held.

All profitability ratios in December 2020 decreased as a result of the decrease in the net income in view of the huge reduction in Depot royalty income for 2020.

Material Changes in the year ended December 31, 2020 Financial Statements

Financial Position

(Increase/decrease of 5% or more versus December 31, 2019 balances)

- 87% increase in Cash due to collection of receivables from NTDCC and cash advances received from FEMI and MRTDC during the year

- 69% decrease in Receivables was mainly due to the decrease in the Group's share in lease rental income from Trinoma Mall.

- 79% increase in Other Current Assets was mainly due to the increase in input VAT

- 17% decrease in Income Tax Payable was due to lower taxable income for 2020 as a result of the decrease in the Group's share in lease rental income

- 70% decrease in Other Current Liabilities was mainly due to the decrease in deferred output VAT payable as a result of the decrease in the Group's share in lease rental income

- 119% increase in Cumulative Market adjustment was due to the increase in the market value of the Group's quoted equity securities

Results of Operation

(Increase/decrease of 5% or more versus December 31, 2019 balances)

- 69% decrease in Depot Royalty Income was due to the decrease in the share in lease rental income.

- 158% increase in General and Administrative Expense was primarily due to the increase in salaries and wages in relation to the employment of additional employees in 2020

- 100% decrease in other income was in view of the decrease in other income account. In 2019, due to the assumption by MRTC of the Group consultancy agreement with Arch Advisory Limited and the reversal of the related accruals and expenses, the Group's recognized other income of P20 million that year.

Review for the year ended December 31, 2019

Results of Operations

For the year ended December 31, 2019, the group posted a net income of P34.4 million, an increase of 221% or P23.7 million from the net operating income of P10.7 million recorded in December 31, 2018.

The Group's main source of income continues to be its share in the lease rental income termed as "depot royalties" that it receives annually from North Triangle Depot Commercial Corporation (NTDCC), owner of Trinoma Mall. The Group's recognized depot royalty income of P30.3 million in 2019, which increased by P0.8 million or 2.9% from P29.5 million in 2018.

The Group's also recognized other income of P20million representing reversal of previous years' expense accruals due to the assumption by MRTC of the Group's consultancy agreement with Arch Advisory Limited, a financial consultancy firm based in Malaysia.

General and administrative (G&A) expenses amounting to P5.0 million as at December 31, 2019, consists mainly of payment of regular operating expenses, such as salaries and wages, taxes and licenses and transportation and travel expenses. The G&A expenses decrease by P9.6 million or 66% from P14.4 million in December 31, 2018 to P5.0 million in December 31, 2019 due to reduction in expenses brought about by the assumption by MRTC of consultancy agreement with Arch Advisory.

Financial Condition

The Group's Total Assets decreased by P4.3 million or 0.2%, from P1.54 billion as at December 31, 2018 to P1.53billion as at December 31, 2019 due to the decrease in the value of Investments in Associates brought about by the losses incurred by the Group's associates.

Cash increased by P0.4 million or 42% from P0.7 million as at December 31, 2018 to P1.1 million as at December 31, 2019 mainly due to the increase in cash receipts due to advances received from MRTDC.

Receivables increased by P0.7million or 0.3% from P28million as at December 31, 2018 to P29 million as at December 31, 2019, mainly due to additional provision for credit losses recognized this year.

Other current assets decreased by P1.6million or 96%, from P1.7 million as at December 31, 2018 to P0.07 million as at December 31, 2019, due to application of the creditable withholding tax recorded in 2018 against the 2019 Income Tax payable.

Investment in Associates decreased by P1.9 million or 2% fromP1.9 million as at December 31, 2018to P-nil-as at December 31, 2019 mainly because the Group's associates suffered net equity losses that wrote off the value of the investment.

The Group's Total Liabilities decreased by 2% or P37.8million, from P1.55 billion as at December 31, 2018 to P1.52 billion as at December 31, 2019, mainly due to payments made by the Group's to FEMI.

Due to a Stockholder decreased by 4% or P28.7million, from 802.1 million as at December 31, 2018 to P773.4 million as at December 31, 2019 due to various payments made by the Group's to FEMI in 2019.

Decrease in Accrued Expenses and Other Payables of 6% or P27.2 million, from P410.1 million as at December 31, 2018 to P382.9 million as at December 31, 2019 was mainly due to the assumption by the MRTC of the Group's consultancy agreement with Arch Advisory Limited.

Income Tax Payable increased by P3.8million or 98% from P3.8 million as at December 31, 2018 to P7.6million in December 31, 2019 due to higher Income tax liability for 2019 as a result of the increase in other income account due to the reversal of accruals and expenses resulting from the assumption by MRTC of the Group's consultancy agreement with Arch Advisory Limited.

Other Current Liabilities increased by P0.1 million or 4% from P3.6 million as at December 31, 2018 to P3.7 million as at December 31, 2019 due to payment of various accruals in 2019.

The Group's Stockholders' Equity improved to a positive balance of P16.3 million in 2019 from a negative balance of P17.2 million in 2018, due to the P34.4million net income posted in year 2019.

KEY PERFORMANCE INDICATORS ("KPI")

LIQUIDITY RATIOS

	December 31, 2019	December 31, 2018
Current Ratio	0.077	0.073
Quick Ratio	0.076	0.069

Current Ratio (Current Assets/ Current Liabilities)
Liquidity Ratio measures a company's ability to pay short-term obligations

Quick Ratio (Cash and Cash Equivalents+ Current Trade Receivables/ Current Liabilities)
It measures a company's ability to meet its short-term obligations with its most liquid assets

Current Ratio and Quick Ratio both increased in December 2019 from December 2018 mainly due to decrease in current liabilities of the Group's.

LEVERAGE OR LONG-RANGE SOLVENCY RATIOS

	December 31, 2019	December 31, 2018
Debt to Total Assets	0.989	1.011
Equity to Total Assets	0.011	(0.012)
Debt to Equity	92.789	(90.067)
Asset to Equity	93.786	(89.067)

Debt to Total Assets (Total Liabilities/ Total Assets)
It shows the creditors' contribution to the total resources of the organization.

Equity to Total Assets (Total Owner's Equity/ Total Assets)
It shows the extent of owners' contribution to the total resources of the organization.

Debt to Equity (Total Liabilities/ Total Owner's Equity)
It relates the exposure of the creditors to that of the owners.
Asset to Equity (Total Assets/ Total Owner's Equity)
It measures the company's leverage.

Debt to Total Assets ratio decreased due to the decrease in the Total Assets of the Group's in December 2019, as compared to December 2018.

Other leverage ratios increased due to the increase in net income earned by the Group's in 2019.

PROFITABILITY RATIOS

	December 31, 2019	December 31, 2018
Return on Equity	1.860	(0.620)
Return on Assets	0.022	0.007
Earnings per Share	0.017	0.0053

Return on Equity (Net Income/ Equity Attributable to Parent Company's Shareholders
It tests the productivity of the owners' investments.

Return on Assets (Net Income/ Total Assets)
This ratio indicates how profitable a company is relative to its total assets.

Earnings per Share (EPS)
It indicates the earnings for each of the common shares held.

All profitability ratios increased in view of the 223% increase in the net income of the Group's in December 2019.

Material Changes in the year ended December 31, 2019 Financial Statements

Financial Position
(Increase/decrease of 5% or more versus December 31, 2018 balances)

- 42% increase in Cash due to collections of receivables from NTDCC and advances received from MRTDC, net of payments of various payables and expenses
- 36.4% decrease in Due from Related Parties due to collection of receivables in connection with the assumption by MRTC of the consultancy agreement with Arch Advisory.
- 96% decrease in Other Current Assets was mainly due the application of creditable withholding tax against income tax payments made in April 2019
- 7% decrease in Accrued Expense and Other Payables was largely due to the assumption by MRTC of the Group consultancy agreement with Arch Advisory Limited
- 98% increase in Income Tax Payable was due to higher Income tax liability for 2019 as a result of the increase in the Group's net taxable income in 2019
- 64% decrease in Cumulative Market adjustment was the result of the decrease in the market value of the Group quoted equity securities

Results of Operation
(Increase/decrease of 5% or more versus December 31, 2018 balances)

- 9328% increase in net Other Income due to reversal of previous year's accrual in relation to the assumption by MRTC of the Company's consultancy agreement with Arch Advisory Limited and recognized as income in 2019.
- 66% decrease in General and Administrative Expense was due to the reduction in the Company's consultancy fees in view of the assumption by MRTC of the consultancy agreement with Arch Advisory Limited.
- 99% increase in Income Tax Expense due to increase in taxable income in 2019.

Review for the year ended December 31, 2018

Results of Operations

For the year ended December 31, 2018, the Group's posted a net income of P10.7 million, a significant improvement from its December 31, 2017 net operating loss of P5.5 million.

The Group's main source of income continues to be its share in the lease rental income termed as "depot royalties" that it receives annually from North Triangle Depot Commercial Corporation (NTDCC), owner of the Trinoma Mall. The group recognized depot royalty income of P29.5 million in 2018, which increased by P1.6 million or 5.8% from P27.8 million in 2017.

General and administrative (G&A) expenses amounting to P14.4 million in 2018 were mainly due to professional and retainer fees, salaries and wages, and taxes and licenses incurred by the Company. G&A expenses decreased by P2.1 million or 12.6% from P16.5 million in 2017, in view of the reduction in consultancy fees.

102% decrease in Other Expense due to the P11.6 million impairment loss on Financial assets at fair value through OCI recognized in year 2017.

Financial Condition

The Group's Total Assets of P1.53 billion as at December 31, 2018 decreased by P12.5 million or 0.8%, from P1.54 billion as at December 31, 2017.

Cash decreased by 14.3%, from P0.87 million as at December 31, 2017 to P0.75 as at December 31, 2018 mainly due to increase usage of funds to pay off various payables and expenses.

The P10.6 million or 27.6% decrease in Receivables, from P38.6 million as at December 31, 2017 to P28 million as at December 31, 2018, was primarily due to the increase in the Group's share in NTDCC lease rental income.

Other current assets increased by P0.21 million or 14.3%, from P1.48 million as at December 31, 2017 to P1.69 million as at December 31, 2018, due to the increase in creditable withholding tax as a result of the increase in the Group's share in NTDCC lease rental income.

Investment in Associate decreased by P4.1 million or 68.6%, from P6.04 million as at December 31, 2017 to P1.9 million as at December 31, 2018 due to the acquisition of the 15.8% equity interest in MRTDC and the recognition by the Group's of its share in the net equity earnings of MRTDC.

Deferred tax assets as at December 31, 2018 increased to P1.6 million or 100%. The Group did not recognize any deferred tax asset as at December 31, 2017. The Group started recognizing deferred tax asset only in 2018 after re-assessment that there exist a probability that future taxable income will and can be offset against it.

The Group's Total Liabilities decreased by 2.6% or P41.17 million, from P1.59 billion as at December 31, 2017 to P1.54 billion as at December 31, 2018.

Accrued Expenses and Other current liabilities decreased by 8.1% or P36 million, from P446.5 million as at December 31, 2017 to P410.1 million as at December 31, 2018 due to increase in payments of various accruals.

Due to a Stockholder decreased by 0.7% or P5.3 million, from P807.3 million as at December 31, 2017 to P802.0 million as at December 31, 2018 as a result of increase in payment of liabilities to FEMI.

Income Tax Payable increased by P0.40 million or 12%, from P3.4 million as at December 31, 2017 to P3.8 million as at December 31, 2018 due to increase in taxable income in 2018.

The Group's negative Stockholders' Equity significantly improved by P28.7 million or 63%, from a negative equity balance of P45.9 million in 2017 to a negative equity balance of P17.2 million in 2018, in view of the P10.7 million net income recognized by the Group in year 2018, from a net loss of P5.5 million in 2017.

KEY PERFORMANCE INDICATORS ("KPI")

The comparative financial KPI for the years ended December 31, 2018 and 2017 are as follows:

LIQUIDITY RATIOS

	December 31, 2018	December 31, 2017
Current Ratio	0.073	0.091
Quick Ratio	0.069	0.088

Current Ratio (Current Assets/ Current Liabilities)
Liquidity Ratio measures a company's ability to pay short-term obligations

Quick Ratio (Cash and Cash Equivalents+ Current Trade Receivables/ Current Liabilities)
It measures a company's ability to meet its short-term obligations with its most liquid assets

Both Current Ratio and Quick Ratio decreased in 2018 due to decrease in current assets of the Group, particularly the receivables and other current assets accounts.

LEVERAGE OR LONG-RANGE SOLVENCY RATIOS

	December 31, 2018	December 31, 2017
Debt to Total Assets	1.011	1.030
Equity to Total Assets	(0.011)	(0.030)
Debt to Equity	(90.067)	(34.655)
Asset to Equity	(89.067)	(33.655)

Debt to Total Assets (Total Liabilities/ Total Assets)
It shows the creditors' contribution to the total resources of the organization.

Equity to Total Assets (Total Owner's Equity/ Total Assets)
It shows the extent of owners' contribution to the total resources of the organization.

Debt to Equity (Total Liabilities/ Total Owner's Equity)
It relates the exposure of the creditors to that of the owners.

Asset to Equity (Total Assets/ Total Owner's Equity)
It measures the company's leverage.

Debt to Total Assets ratio decreased due to lower Total Assets in 2018.

Other leverage ratios remained at negative due to the negative equity position of the Group.

PROFITABILITY RATIOS

	December 31, 2018	December 31, 2017
Return on Equity	(0.620)	0.120
Return on Assets	0.007	(0.004)
Earnings per Share	0.0053	(0.003)

Return on Equity (Net Income/ Equity Attributable to Parent Company's Shareholders
It tests the productivity of the owners' investments.

Return on Assets (Net Income/ Total Assets)
This ratio indicates how profitable a company is relative to its total assets.

Earnings per Share (EPS)
It indicates the earnings for each of the common shares held.

Return on Equity in 2018 is negative due to negative stockholders' equity position of the Group.

Return on Assets increase in 2018 from 2017 due to Net Income recognized by the Group's in December 2018.

Earnings per Share also improved in 2018 due to Net Income recognized by the Group's in December 2018.

Material Changes in the year ended December 31, 2018 Financial Statements
(Increase/decrease of 5% or more versus December 31, 2017)

Financial Position

- 14% decrease in Cash due to increased usage of funds to pay off various payables and expenses

- 28% decrease in Receivables primarily due to the increase in the Group's share in NTDCC lease rental income.

- 14% increase in Other Current Assets due to the increase in creditable withholding tax and input vat recognized during the year.

- 68% decrease in Investment in Associate due to the acquisition of the 15.8% equity interest in MRTDC and the recognition by the Group's of its share in the net equity earnings of MRTDC

- 100% increase in Deferred Tax Asset – the Group started recognizing deferred tax asset only in 2018 after re-assessment that there exist a probability that future taxable income will and can be offset against it.

- 12% increase in Income Tax Payable due to the increase in taxable income in 2018

- 8% decrease in Accrued Expenses and Other Current Liabilities due to increase in payment of various accruals.

Results of Operation

- 5.8% increase in depot reoyalty income due to increase in share in lease rental income from NTDCC.

- 102% decrease in Other Expense due to no impairment loss was recognized on the Group's available for sale financial assets in 2018.

- 13% decrease in General and Administrative Expense due to lower professional and retainer fees incurred in 2018

- 12% decrease in Income Tax Expense due to recognition of Deferred Tax Asset in 2018

- 34% decrease in Gain on Valuation of Available for Sale financial assets as a result of the decrease in the market value of the Group's quoted equity securities

Item 7. **Financial Statements**

The Audited Financial Statements for the year ended December 31, 2020 and December 31, 2019 of the Group are incorporated herein duly signed by the external auditors.

Item 8. **Changes in and Disagreements with Accountants on Accounting and Financial Disclosures**

The external auditors of the Company for the year ended December 31, 2019, was the accounting firm of KL Siy and Associates.

For the year ended December 31, 2020, as recommended by the Audit Committee to the Board of Directors and subsequently approved by the stockholders during the Annual Stockholders Meeting held on December 11, 2020, the accounting firm, Isla Lipana& Co., was engaged as the Company's external auditors.

There are no disagreements with the auditors on any matter of accounting principles or practices, financial statement disclosures, or auditing scope or procedure, which, is not resolved to their satisfaction, would have caused the auditors to make reference thereto in their reports on the financial statements of the Company.

PART III – CONTROL AND COMPENSATION INFORMATION

Item 9. **Directors and Executive Officers of the Registrant**

(A) Executive Officers of the Registrant

(1) The names, ages, citizenships, terms of office, tenures as directors and experiences for the past five years of all the directors and executive officers are as follows:

Name	Age	Citizenship	Executive Position	Term	Years Served
Robert John L. Sobrepeña	66	Filipino	Chairman of the Board	1	1996 - 2021
Ferdinand T. Santos	70	Filipino	President	1	1996 – 2021
Noel M. Cariño	66	Filipino	Director	1	1996 – 2021
Rafael Perez de Tagle, Jr	66	Filipino	Director	1	2000 - 2021
Roberto S. Roco	68	Filipino	Director	1	2004 - 2021
Alice Odchigue-Bondoc	54	Filipino	Director	1	2004 - 2021
Francisco C. Gonzalez	77	Filipino	Director, Independent	1	2010 - 2021
Jaime M. Cacho*	64	Filipino	Director, Independent	1	2018 - 2021
Rafael M. Alunan	72	Filipino	Director, Independent	1	2019 - 2021
Gilbert Raymund T. Reyes	63	Filipino	Corporate Secretary	1	2003 - 2021

*elected on April 12, 2018

ROBERT JOHN L. SOBREPEÑA, Filipino, age 66, is the Chairman of the Board of the Company. He is the Chairman of the Board of Fil-Estate Management, Inc., Metro Rail Transit Corporation, MRT Development Corporation, Monumento Rail Transit Corporation, CJH Development Corporation, CJH Hotel Corporation, CJH Suites Corporation, CJH Leisure, Inc., Club Leisure Management Corporation, Metro Countrywide Corporation, Metro Solar Power Solutions, Inc., Metro Global Renewable Energy Corporation, MGHC Royalty Holdings Corporation and Philippine Highlands Coffee Farms, Inc.. He is also Vice-Chairman of Southwoods Ecocentrum Corporation. He is likewise the Chairman of Manila Southwoods Golf & Country Club, Inc. and Camp John Hay Golf Club, Inc. He is also President of The Forest Hills Golf & Country Club, Inc. He graduated with a Bachelor's Degree in Science major in Psychology and Marketing from the De La Salle University in 1978.

ATTY. FERDINAND T. SANTOS, Filipino, age 70, is the President and Chief Risk Officer of the Company. He is also the President of Fil-Estate Management, Inc., Fil-Estate Development, Inc., MRT Development Corporation, Monumento Rail Transit Corporation, MGHC Royalty Holdings, Inc., CJH Development Corporation, CJH

Hotel Corporation and CJH Suites Corporation. He is a Director of Global-Estate Resorts, Inc. He is also the Chairman of the Forest Hills Golf & Country Club, Inc. He is likewise the President of Fairways & Bluewater Resort, Golf & Country Club, Inc. and Camp John Hay Golf Club, Inc. He took his Bachelor of Arts at Arellano University in 1970. He has a Bachelor of Law degree from San Beda College where he graduated Valedictorian and Magna Cum Laude in 1974. He was a topnotcher in the 1974 Philippine Bar Exam (2nd Placer).

NOEL M. CARIÑO, Filipino, age 66, is a Director of the Company. He is also a Director in Fil-Estate Management, Inc., Fil-Estate Development, Inc., CJH Development Corporation, CJH Hotel Corporation and CJH Suites Corporation. He was past Chairman and currently serves as President of the Chamber of Real Estate and Builders Association (CREBA), an umbrella organization of various stakeholders in the construction, real estate and development industry, inclusive of architects, engineers, planners and other real estate brokers practitioners. He is Chairman of SunAsia, Inc., a renewable energy holding company. He is also Chairman of MegaWatt Solutions, Inc., a technology company pioneering in utilizing energy storage solutions. As CREBA President, he is Conferrer of the Dela Salle University Executive Development Program in Real Estate Management.

RAFAEL PEREZ DE TAGLE JR., Filipino, age 66, is also a Director of the Company. He is also Chairman of Metro Countrywide Corporation and Vice-Chairman of Metro Solar Power Solutions, Inc.. He is the President of CJH Leisure, Inc. and Club Leisure Management, Inc.. He also serves as Director in Metro Rail Transit Corporation, Monumento Rail Transit Corporation, MRT Development Corporation, Fil-Estate Management, Inc., CJH Development Corporation, CJH Hotel Corporation and CJH Suites Corporation. He is also a Director of the Manila Southwoods Golf & Country Club, Inc., Camp John Hay Golf Club, Inc. and Forest Hills Golf & Country Club, Inc. He obtained his Bachelor of Arts major in Economics degree from De La Salle University in 1976.

ROBERTO S. ROCO, Filipino, age 68, is a Director of the Company. He was the Chief Financial Officer of Global-Estate Resorts, Inc. and its affiliate companies for 18 years until his retirement in late 2013. He graduated from Ateneo de Manila University with a degree in Bachelor of Science in Management.

ALICE O. BONDOC, Filipino, age 54, is also Senior Vice President for Good Governance, Compliance Officer, Corporate Information Officer and Assistant Corporate Secretary of the Company. She is also the Senior Vice President for Corporate & Legal Affairs of the Company's parent company, Fil-Estate Estate Management, Inc. and affiliate company, Fil-Estate Development, Inc. She is the Director for Corporate & Legal Affairs and Assistant Corporate Secretary of Camp John Hay Development Corporation, CJH Hotel Corporation and CJH Suites Corporation. She is also the Chief Legal Officer and Corporate Secretary of Metro Solar Power Solutions, Inc., Metro Global Renewable Energy Corporation, MGHC Royalty Holdings Corporation and Metro Countrywide Corporation. She is also the Corporate Secretary of Club Leisure Management Corporation and CJH Leisure, Inc.. She took her Bachelor of Science in Business Management major in Legal Management at Ateneo de Manila University and graduated Honorable Mention and Departmental Awardee of the Department of Legal Management in 1987. She holds a Doctor of Jurisprudence degree from Ateneo de Manila University School of Law and graduated as Second Honor-Silver Medal Awardee in 1992.

FRANCISCO C. GONZALEZ, Filipino, age 77, is the Chairman of the Board and CEO of Romago Corporation and Fabriduct & Metal Systems, Inc. He is the Chairman of the Board of Romago, Inc. Guam and Electro Mechanical Products International, Inc. He also serves as President of Asia Pacific Golf Cars Corporation. He is also a director and serves as Chairman of the Membership Committees of The Manila Southwoods Golf & Country Club, Inc. and Camp John Hay Golf Club, Inc.

JAIME M. CACHO, Filipino, age 64, is a Filipino citizen. Holds a Bachelor of Arts Degree Major in Communication Arts from De La Salle University, Manila in 1978. Mr. Cacho also has a Master in Business Administration (Candidate) from the Ateneo Graduate School of Business, Manila in 1983. At present, Mr. Cacho is President and Chief Operating Officer of Metro Countrywide Corporation and Metro Solar Power Solutions, Inc. He is also a Director of CJH Development Corporation and MRT Development Corporation. He is also concurrently, Head of Project Development and Management Services for Fil-Estate Management, Inc.. Mr. Cacho has over 39 years of top-level management and construction experience earned throughout his career.

RAFAEL M. ALUNAN III, Filipino, age 72, sits on the Boards of Pepsi Cola Products (Philippines), Inc., (PCPPI); Metro Global Holdings Inc. (MGHC); and APC Group Inc. He chairs the Philippine Council for Foreign Relations and Harvard Kennedy School Alumni Association of the Philippines Inc. He serves as President and Trustee of the Philippine Taekwondo Foundation; and is a Senior Adviser to United Harvest Corporation, Kaltimex Energy Philippines, and United Defense Manufacturing Corp. He is a member of the International Institute for Strategic Studies (IISS), the Maritime League, and the Fraternal Order of Eagles of the Philippines. He is an Eminent Fellow of the Development Academy of the Philippines (DAP); and a Fellow of the Institute of Corporate Directors (ICD) and Institute for Solidarity in Asia (ISA). Mr. Alunan obtained his double degree in Business Administration and History-Political Science from De La Salle University; attended Ateneo de Manila University's MBA-SEP; earned a Master's degree in Public Administration and a certificate in Executive Education from Harvard Kennedy School of Government. He holds the rank of Colonel in the Armed Forces of the Philippines and served as Commanding Officer of various Philippine Army Reserve Divisions; and is a graduate of the Army's Command and General Staff College Operations Course. Mr. Alunan served in the Cabinets of Presidents Corazon C. Aquino and Fidel V. Ramos as Secretary of Tourism and Secretary of the Interior and Local Government, respectively.

GILBERT RAYMUND T. REYES, Filipino, age 63, has been the Corporate Secretary of the Company since 2003. He is a founding partner of the Poblador Bautista and Reyes Law Offices. He is also the Corporate Secretary of CJH Development Corporation, CJH Hotel Corporation, and CJH Suites Corporation. He graduated with a degree in Bachelor of Science in Biology from the University of the Philippines in 1979. He also holds a Bachelor of Laws degree from the University of the Philippines College of Law, graduating with Magna Cum Laude in 1983.

2) Significant Employees

Management of the Company is currently being undertaken by the executive officers of the parent company. For this reason, the company has no existing employment contract with any executive officer nor is there any existing compensatory plan or arrangement, including payments to be received from the Company, with respect to an executive officer's employment with the Company and its subsidiaries or from a change-in-control of the Company or a change in the named executive officer's responsibilities following a change-in-control where the amount involved, if any, including all periodic payments or installments, which exceeds ₱2,500,000.00

The Company has no employee who is not an executive officer or who is expected to make a significant contribution to the business. The Company's business is not highly dependent on the services of any key personnel.

(3) Family Relationships

None.

(4) Involvement in Certain Legal Proceedings

The Company's directors and executive officers have not been the subject of the following legal proceedings in the last five (5) years:

1. Any bankruptcy petition filed by or against any business to which such person was a general partner or executive officer either at the time of bankruptcy or within two years prior to that time;

2. Any pending or conviction by final judgment in a criminal proceeding, domestic or foreign;

3. Any order, judgment or decree, not subsequently reversed, suspended or vacated of any court of competent jurisdiction, domestic or foreign, permanently or temporarily enjoining, barring, suspending or otherwise limiting their involvement in any type of business, securities or commodities or banking activities;

4. Found by a domestic or foreign court of competent jurisdiction, the Commission or comparable foreign body, or a domestic or foreign exchange or other organized trading market or self-regulatory organization, to have violated securities or commodities law or regulation, the judgment of which has not been reversed, suspended or vacated.

Item 10. **Executive Compensation**

(B) Executive Compensation

Compensation paid in 2020 and 2019 for the benefit of Officers and Directors of the Company, follows:

(1) General

Section 8 of the Company's By-Laws on Compensation, provides that "Each director shall receive a reasonable per diem allowance for his attendance at each meeting of the board. As a compensation, the Board shall receive and allocate an amount of not more than five (5%) percent 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."

The directors receive a per diem of ₱10,000 per attendance at Board Meetings, and there is no provision in this section that may be construed as precluding any director from serving in any other capacity and receiving any compensation thereof.

The Company plans to compensate its Chief Executive, Officers and Directors for any and all services rendered in 2019 and prior years. The amount of compensation is to be determined and will be subject to the approval by the BOD.

Summary Compensation Table:

	Name & Position	Year	Salary	Bonus	Other Annual Compensation	Total
A.	The CEO and four (4) most highly compensated executive officers Robert John L. Sobrepeña, Chief Executive Officer Atty. Ferdinand T. Santos, President Rafael R. Perez de Tagle, Jr., Executive Vice President Atty. Alice O. Bondoc, SVP for Good Governance, Compliance Officer Ramon G. Jimenez, Chief Financial Officer	2020	4.70 Million	-	-	4.70 Million
B.	All other officers and directors as group unnamed	2020	1.11 Million	-	-	1.11 Million

	Name & Position	Year	Salary	Bonus	Other Annual Compensation	Total
A.	2 Compensated Officers Atty. Alice O. Bondoc, SVP for Good Governance, Compliance Officer Ramon G. Jimenez, Chief Financial Officer	2019	1.09 Million	-	-	1.09 Million

B.	All other officers and directors as group unnamed	2019	0.44 Million	-	-	0.44 Million

	Name & Position	Year	Salary	Bonus	Other Annual Compensation	Total
A.	2 Compensated Officers Atty. Alice O. Bondoc, SVP for Good Governance, Compliance Officer Ramon G. Jimenez, Chief Financial Officer	2018	1.05 Million	-	-	1.05 Million
B.	All other officers and directors as group unnamed	2018	0.30 Million	-	-	0.30 Million

Starting September 1, 2020, Mr. Robert John L. Sobrepeña and Atty. Ferdinand T. Santos, receive salaries and allowances from the Company by virtue of their positions as Chief Executive Officer (CEO) and President of the Company, respectively.

The total annual compensation of the top highly compensated executives amounted to P1.18 million in 2019 and P1.18 million in 2018. The projected total annual compensation and allowances for the current year is P8.78 million.

The total annual compensation paid to all personnel is all payable in cash. The total amount of compensation includes the basic salary and 13th month pay.

Name	Position	Salary	Bonus	Other Annual Compensation (Per Diem)
Robert John L. Sobrepeña	Chairman of the Board			Php50,000.00
Atty. Ferdinand T. Santos	President			Php50,000.00
Noel M. Cariño	Director			Php50,000.00
Rafael Perez de Tagle	Director			Php50,000.00
Roberto S. Roco	Director			Php63,000.00
Jaime M. Cacho	Director			Php50,000.00
Francisco C. Gonzalez	Director, Independent			Php77,000.00
Rafael Alunan, III	Director, Independent			Php66,000.00
Atty. Alice O. Bondoc	Director, SVP for Good Governance, Compliance Officer, Assistant Corporate Secretary			Php55,000.00
Atty. Gilbert Raymund T. Reyes	Corporate Secretary			Php16,000.00
Group Compensation 2020		Php5.4M		0
Group Compensation 2019		Php1.09M		0
Group Compensation 2018		Php1.05M		0

Standard Arrangements

There are no existing standard arrangements pursuant to which directors of the Company are compensated, directly or indirectly, for any services provided as director, nor are there any additional amounts payable to any of the Directors for committee participation or special assignments for the last completed fiscal year and the ensuing year.

Other Arrangements

There are no other existing arrangements or consulting contracts, pursuant to which any of the directors of the Company was compensated or is to be compensated, directly or indirectly, during the last completed fiscal year and the ensuing fiscal year, or for any services provided as director.

Employment Contract and Termination of Employment and Change-in-control Arrangements

Management of the Company is currently being undertaken by the executive officers of the parent company. For this reason, the Company has no existing employment contract with any executive officer nor is there any existing compensatory plan or arrangement, including payments to be received from the Company with respect to an executive officer's employment with the Company and its subsidiaries or from a change-in-control of the Company or a change in the named executive officer's responsibilities following a change-in-control and the amount involved, including all periodic payments or installments, which exceeds ₱2,500,000.

Warrants and Options Outstanding: Re-pricing

The Company has not issued any warrants and there are no outstanding warrants or options held by the Company's CEO, the named executive officers, or any of the officers and directors, individually or as a group.

Item 11. **Security Ownership of Certain Beneficial Owners and Management**

(1) Security Ownership of Certain Record and Beneficial Owners

As at December 31, 2020, Metro Global Holdings Corporation knows of no one who beneficially owns more than 5% of the Company's issued common stock except as set forth in the table below.

Titles of Class	Name, address of record owner and relationship to issuer	Name of Beneficial Owner and Relationship with Record Owner	Citizenship	No. of Shares Held	Percent

Common	**Fil-Estate Management, Inc.** Mezzanine Floor Renaissance Tower, Meralco Ave. Ortigas, Pasig City	**Robert John L. Sobrepeña - Chairman**	Filipino	1,757,690,197	87.885%
	PCD Nominee Corp. (Filipino) 37th Floor Tower I The Enterprise Center, 6766 Ayala Avenue corner Paseo De Roxas Makati City	**Cesar B. Crisol-President**	Filipino	100,579,633	5.029%

Mr. Robert John L. Sobrepeña is the Chairman of Fil-Estate Management, Inc., a company he owns to the extent of about one-third (1/3) of the outstanding shareholdings. He is also the Chairman of the Board of the Company.

PCD Nominee Corporation has various beneficial owners. PCD Nominee Corporation operates as a subsidiary of Philippine Central Depository and provides highly efficient system for securities settlement for Metro Global Holdings Corporation, majority holder of which is Abacus Securities Corporation, with 2.38% of the total shares. Tower Securities, Inc. followed at 1.47% of the total 100,579,633 shares and the rest of the owners have below 1% ownership. As to date of this report the authorized persons to vote is not yet known.

Mr. Cesar B. Crisol is the President of PCD Nominee Corporation. He holds the voting power over the shares of stocks of PCD Nominee.

The Corporate Secretary or in his absence, the Assistant Corporate Secretary, has been appointed by Fil-Estate Management, Inc. to direct the voting or disposition of the shares held by the said stockholders. FEMI's office is at Mezzanine Floor Renaissance Tower, Meralco Ave., Pasig City.

There are no securities placed under Trust or Agreement.

(2) Security Ownership of Management

Title of Class	Name of Beneficial Owner	Amount and Nature of Beneficial Ownership	Citizenship	Percent of Class
Common	Robert John L. Sobrepeña	241,000	Filipino	.013%
	Ferdinand T. Santos	1,000	Filipino	.00005%
	Noel M. Cariño	1,506,500	Filipino	.075%
	Jaime M. Cacho	1	Filipino	
	Alice Odchigue-Bondoc	1	Filipino	
	Roberto S. Roco	1	Filipino	
	Rafael Perez de Tagle Jr.	1,000	Filipino	.00005%
	Rafael M. Alunan, III	16	Filipino	

Francisco C. Gonzales	1,000	Filipino	.00005%
TOTAL	**1,750,504**		**.08753%**

The beneficial ownership of the foregoing directors arises from the direct ownership of the shares above-indicated registered in the name of the said directors.

(3) Voting Trust Holders of 5% or more

No director, executive officer or nominee of the Company holds more than 5% of the Company's common shares under a voting trust or similar agreement.

(4) Changes in control since the Last Calendar Year

There has been no change in the controlling majority stockholder of the Corporation. Neither has there been any arrangement with any party, which may have resulted in a change in the control of the Company.

Item 12. Certain Relationship and Related Transactions

D (1) The Company, in the normal course of business, grants and obtains interest bearing cash advances to an affiliated Company.

There were no transactions during the last two years, or proposed transactions, to which the Company was or is to be a party, in which any of the following persons had, has or is to have a direct or indirect material interest:

(a) Any director or executive officer of the Company;
(b) Any nominee for election as a director;
(c) Any security holder named in response to Part IV, paragraph ©, IRR, SRC
(d) Any member of the immediate family (including spouse, parents, children, siblings, and in-laws of any of the persons in subparagraph (1)(a), (b) or (c) of this paragraph (d).

D (3) The parent company of the Company is Fil-Estate Management, Inc. which owns 87.885% of the total issued, outstanding and subscribed capital stock of the Company.

PART IV - CORPORATE GOVERNANCE

Item 13. Corporate Governance

This portion has been deleted pursuant to SEC Memorandum Circular No. 5, Series of 2013.

PART V – EXHIBITS AND SCHEDULES

1) Reports on SEC Form 17-C

A) During meeting of the Board of Directors held on June 11, 2020, the Board approved the following resolutions to:

1.) Re-organize the composition of membership of the following Committees as follows:
   a) Corporate Governance Committee
   b) Board Risk Oversight Committee
   c) Related Party Transactions Committee

2.) To approve the following Committee Charters:
   a) Corporate Governance Committee Charter (Annex "A")
   b) Board Risk Oversight Committee Charter (Annex "B")
   c) Related Party Transaction Committee Charter (Annex "C")

B) In the meeting of the Board of Directors on August 25, 2020, the Board approved the organization/incorporation of a new special purpose vehicle company to be called METRO RENEWABLE TRANSPORT SOLUTIONS, INC., whose primary objective is to engage in infrastructure development or providing services in relation with and in connection thereto, including but not limited to the construction of whatever kind and nature and for whatever purpose, buildings, roads, bridges, railways, ports, highways and other passages and facilities for transportation and communication.

The organization of the new company shall be submitted for approval to the Securities and Exchange Commission.

C) In the meeting of the Board of Directors on 3 September 2020, the Board approved the signing of a Memorandum of Understanding (MOU) with the City of Baguio concerning the Development of an Intelligent Transport System as a Sustainable Long-Term Strategy to Urban Mass Transport Management for Baguio City by Easing Traffic Congestion, Improving Traffic Management for Baguio City, Minimizing Environmental Impact and Increasing Benefits of Transportation to the Public in General. The MOU was signed today with City Mayor Benjamin B. Magalong representing Baguio City and Chairman Robert John L. Sobrepeña representing the Company. Under the said MOU, the Company will conduct feasibility study for the development of an intelligent public transport system that offer access the multiple transport opinions using one interface that includes monorail, trolleybus, electric bus, and similar electricity-fed transport with 90days for purposes of crafting a proposal on the Project.

D) At the regular meeting of the Board of Directors (the "Board) on 2 October 2020, the Board:

1) Approved to hold the 2020 Annual Stockholders Meeting on December 11, 2020 at 10am via VIDEO CONFERENCE;
2) Approved the set of the record date of stockholders entitled to notice and to vote to 3 November 2020;

3) Approved to close the books of the Company from 3 November to 10 December2020;
4) Approved the Online Registration from 6 November 2020 at 9:00 A.M. to 4 December 2020 at 5:00 P.M. for shareholders who wish to participate in the Annual Meeting via remote communication and to exercise their vote in absentia;
5) Approved the following AGENDA for the Annual Meeting:
   a. Call to order
   b. Determination and Certification of Quorum
   c. Approval of the Previous Meeting Held on 6 December 2019
   d. Report of the Chairman
   e. Approval of the Financial Statements for the calendar year ended 31 December 2019
   f. Certification and Ratification of Corporate Acts for the years 2019 to 2020
   g. Election of Directors (including Independent Directors)
   h. Election of External auditor
   i. Other matters
   j. Adjournment

E) The Board of Directors approved the change in the record date for shareholders entitled to vote and participate at the Company's 11 December 2020 annual meeting to November 4, 2020 (instead of 3 November 2020 as previously announced). The Board also approved to correct the inclusive dates of closing the Stock and Transfer to 4 November 2020 to 10 December 2020. The reason for these changes is based on the advice of the Company's Stock and Transfer Agent – Banco de Oro, Stock & Transfer Unit, that on 3 November 2020, The Stock and Transfer Agent will still receive the reclass transaction of foreign shares from the Philippine Depository & Trust Corporation and, hence, there will still be movement of transactions for that date of 3 November 2020.

F) The Board approved to correct the start of closing the Stock and Transfer Book to 5 November (instead of 4 November 2020 as previously announced). The end date of the closing of the Stock & Transfer Book of December 10, 2020 remains the same. The reason for this change is based on the advice of the Company's Stock and Transfer Agent – Banco de Oro, Stock & Transfer Services Unit, that on 4 November 2020, the Stock and Transfer Agent will still receive the transaction of foreign shares from the Philippine Depository & Trust Corporation and, hence, there will still be movement of transactions for that date of 4 November 2020.

G) At the regular meeting the Board of Directors (the "Board") 16 November 2020, the Board approved the secondment of the following officers from the parent company, Fil-Estate Management, Inc.:

   Mr. Rafael Perez de Tagle, Jr. as EVP for Operation
   Mr. Jaime M. Cacho as SVP for Project Development
   Ms. Socorro G. Roco as VP for Records Management
   Ms. Khateryn M. Benitez as VP for Human Resources

H) The Board of Directors approved the change in the record date for shareholders entitled to vote and participate at the Company's 11 December 2020 annual Stockholders meeting to November 4, 2020 (instead of 3 November 2020as previously announced). The Board also approved to correct the inclusive dates of closing the Stock and Transfer Book to 4 November 2020 to 10 December 2020.

The reason for these changes is based on the advice of the Company's Stock and Transfer Agent-Banco de Oro, Stock & Transfer Services, Unit, that on 3 November 2020, the Stock and Transfer Agent will still receive the reclassified transaction of foreign shares from the Philippine Depository & Trust Corporation and, hence, there still be movement of transaction s for that date of 3 November 2020.

2) 2020 Sustainability Report

COVER SHEET

9	1	4	2

SEC Registration No.

METRO GLOBAL HOLDINGS CORPORATION

(Company's Full Name)

MEZZANINE FLOOR, RENAISSANCE TOWERS, MERALCO AVE., PASIG

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

ALICE ODCHIGUE-BONDOC	86336205 loc. 113
Contact Person	Company Telephone Number

SEC FORM 17-C
CURRENT REPORT UNDER SECTION 17
OF THE SRC

1 2	3 1		**1st Thursday of March**
Month	Day	FORM TYPE	Month Day
fiscal year			annual meeting

Listed

Secondary License Type, If Appplicable

Dept. Requiring this Doc.

Amended Articles Number/ Section

Total Amount of Borrowings

Domestic Foreign

****

To be accomplished by SEC Personnel concerned

File Number

LCU

Dociment I.D.

Cashier

STAMPS

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-C

CURRENT REPORT UNDER SECTION 17
OF THE SECURITIES REGULATION CODE
AND SRC RULE 17.2(c) THEREUNDER

1. **11 June 2020**
   Date of Report (Date of earliest event reported)

2. SEC Identification Number: **9142** 3. BIR Tax Identification No. 000-194-408-000

4. **Metro Global Holdings Corporation** *(formerly Fil-Estate Corporation)*
   Exact name of issuer as specified in its charter

5. **Metro Manila, Philippines** 6. [ ] (SEC Use Only)

   Province, country or other jurisdiction of incorporation — Industry Classification Code:

7. **Mezzanine Floor Renaissance Tower, Meralco Ave., Pasig City** **1605**
   Address of principal office — Postal Code

8. **(632) 6336205**
   Issuer's telephone number, including area code

9. **N/A**
   Former name or former address, if changed since last report

10. Securities registered pursuant to Sections 8 and 12 of the SRC or Sections 4 and 8 of the RSA

Title of Each Class	Number of Shares of Common Stock Outstanding or Amount of Debt Outstanding
Common shares	**2,000,000,000 shares**

11. Indicate the item numbers reported herein: Item 9

Please be informed that at the meeting of the Board of Directors of Metro Global Holdings Corporation held on 11 June 2020, the Board approved the following resolutions to:

1. Re-organize the composition of membership of the following Committees as follows:

a) CORPORATE GOVERNANCE COMMITTEE

Chairman:	Rafael M. Alunan, III (Independent Director)
Members:	Francisco C. Gonzalez (Independent Director)
	Robert John L. Sobrepeña
	Atty. Ferdinand T. Santos
	Rafael Perez de Tagle, Jr.
	Atty. Alice Odchigue-Bondoc

b) BOARD RISK OVERSIGHT COMMITTEE

Chairman:	Rafael M. Alunan, III (Independent Director)
Members:	Francisco C. Gonzalez (Independent Director)
	Atty. Ferdinand T. Santos
	Atty. Alice Odchigue-Bondoc

c) RELATED PARTY TRANSACTIONS COMMITTEE

Chairman:	Francisco C. Gonzalez (Independent Director)
Members:	Rafael M. Alunan, III (Independent Director)
	Roberto S. Roco
	Ramon G. Jimenez

2. To approve the following Committee Charters:

a) Corporate Governance Committee Charter **(Annex "A")**
b) Board Risk Oversight Committee Charter **(Annex "B")**
c) Related Party Transaction Committee Charter **(Annex "C")**

SIGNATURE

Pursuant to the requirements of the Securities Regulation Code, the Issuer has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

METRO GLOBAL HOLDINGS CORPORATION
Issuer

Date: 11 June 2020

By:

ATTY. ALICE ODCHIGUE-BONDOC
SVP-Compliance Officer

ANNEX "A"

METRO GLOBAL HOLDINGS CORPORATION

Charter of the Corporate Governance Committee

1. INTRODUCTION

1.1 Preliminary Matters

Corporate Governance Committee	As authorized by the By-Laws and Corporate Governance Manual of Metro Global Holdings Corporation (the 'Company"), the Board of Directors of the Company (the "Board") constituted the Corporate Governance Committee (the "Committee") to assist the Board in the Performance of the following: (i) corporate governance responsibilities, (ii) nomination process for the election or appointment of directors and officers, and (iii) executive compensation/remuneration.
Committee Charter	Pursuant to, and in compliance with the Securities and Exchange Commission Memorandum Circular No. 19 Series of 2016 (the "Code of Corporate Governance for Publicly-Companies"), the Company's Corporate Governance Manual, the Board promulgates this Corporate Governance Committee Charter (the "Charter") stating its purpose, membership, structure, operation, reporting process, resources and other relevant information, as well as the standards for its performance evaluation.[1]

1.2 Defined Terms

The following capitalized terms shall have the meaning ascribed to them below:

Articles	the Articles of Incorporation of the Company, as may be amended from time to

[1] CG Code, Recommendation 3.6. NB: all footnotes refer to CG Code.

time;

Annual Meeting	the annual stockholders' meeting of the Company held in accordance with By-Laws;
Board	the Board of Directors of the Company;
By-laws	the By-laws of the Company, as may be amended from time to time;
CG Code	the Securities and Exchange Commission Memorandum Circular No. 19, Series of 2016 otherwise known as the "Code of Corporate Governance for Publicly-Listed Companies";
CG Manual	the Company's Corporate Governance Manual, as may be amended from time to time; this Charter of the Corporate Governance Committee, as may be amended from time;
Committee	the Corporate Governance Committee;
Committee Chairman	the Chairman of the Corporate Governance Committee;
Company	Metro Global Holding Corporation
Independent Director	a person who is independent of Management and the controlling shareholder, is free from any business or other relationship which could reasonably be perceived to, materially interfere with his exercise of independent judgement in carrying out his responsibilities as a director[2]; and maintains all of the qualification of Independent Directors set out in the CG Manual; and
Management	a group of executives given the authority by the Board to implement the policies it has laid down in the conduct of business of the corporation.[3]

2. PURPOSE

In general

The Committee shall primarily assist the Board in the Performance of responsibilities in the following: (i) corporate governance (ii) nomination of directors and officers, and (iii) compensation/remuneration.

[2] Definition of Terms
[3] Definition of Terms

3. AUTHORITY

In general

The Committee shall have the resources and authorities appropriate to discharge its responsibilities including the authority to engage and obtain external advice, counsel or consultancy services as it deems appropriate without need for Board approval.

4. COMMITTEE STRUCTURE AND MEMBERSHIP

4.1 Composition

In general

The Committee shall be composed of at least five (5) members, at least three (3) of whom shall be an Independent Director. The Committee Chairman shall be a non-executive Independent Director.

4.2 Term

In general

The Board shall appoint the members of the Committee at its Organizational Meeting and each member shall serve upon his election until the next Organizational Meeting of the Board, unless removed or replaced by the Board. The Organizational Meeting of the Board is held without notice after the Annual Meeting for the purpose of appointment of members of the Board Committees and Management.

Vacancies

Any vacancy in the Committee caused by death, resignation, or disqualification of any member, or by any other cause, may be filled by the Board. The member elected to fill the vacancy shall hold office for the remainder of the term, or until his successor shall have been duly elected and qualified.

4.3 Qualifications and Disqualifications

In general	The Committee Chairman and the members of the Committee shall possess all of the qualifications and have none of the disqualifications for membership in the Board as provided for in the By-Laws and the CG Manual, the Revised Corporation Code, the Securities Regulation Code, and other relevant laws. Moreover, the Committee member or members who is/are Independent Directors, must meet the qualifications of Independent Directors set out in the CG Manual.
Independent Directors	An Independent Director shall be free from any relationships that, in the opinion of the Board, would interfere with the exercise of his or her independent judgment as a member of the Committee.
Knowledge of Corporate Governance	All members of the Committee shall have an adequate working knowledge with the Company's Articles, By-laws, CG Manual, the CG Code, and the Company's business and industry in which it operates.
Training and Education	The members of the Committee shall attend seminars on corporate governance and such other trainings as are appropriate conducted by duly recognized private or government entities to keep their skills and expertise current and relevant.

5. DUTIES AND FUNCTIONS

5.1 Corporate Governance

Duties and Functions	In the exercise of its responsibility of ensuring compliance with and proper observance of corporate governance principles and practices, and in close consultation with the Chairman of the Board, the Committee has the following duties and functions:

Corporate Governance Framework	(a)	Oversee the implementation of the corporate governance framework and periodically review the said framework to ensure that it remains appropriate in light of material changes to the Company's size, complexity and business strategy, as well as its business and regulatory environments;[4]
Performance Evaluation	(b)	Oversee the periodic performance evaluation of the Board and its committees as well as executive management, and conducts an annual self-evaluation of its performance;[5]
Areas for Improvement	(c)	Ensure that the results of the Board evaluation are shared, discussed, and that concrete action plans are developed and implemented to address the identified areas for improvement;[6]
Continuing Education	(d)	Recommend continuing education/training programs for directors, assignment of tasks/projects to board committees, succession plan for the board members and senior officers, and remuneration packages for corporate and individual performance;[7]
Corporate Governance Policy	(e)	Recommend corporate governance policies and ensures that these are reviewed and updated regularly, and consistently implemented in form and substance;[8]
Board Trainings	(f)	Propose and plan relevant trainings for the members of the Board[9]

5.2 Nomination and Election

Duties and Functions In the exercise of its responsibility of overseeing the nomination and election process of directors and officers, and in

[4] Explanation (a) to Recommendation 3.3
[5] Explanation (b) to Recommendation 3.3
[6] Explanation (c) to Recommendation 3.3
[7] Explanation (d) to Recommendation 3.3
[8] Explanation (e) to Recommendation 3.3
[9] Explanation (f) to Recommendation 3.3

close consultation with the Chairman of the Board, the Committee has the following duties and functions:

Nomination and Election Process

(a) Determine the nomination and election process for the Company's directors and define the general profile of board members that the Company may need and ensuring appropriate knowledge, competencies and expertise that complement the existing skills of the Board;

Review and Evaluate Qualifications

(b) Review and evaluate the qualifications of all persons nominated to the Board and other appointments that require Board approval;

Pre-Screen Nominees

(c) Pre-screen and shortlist all candidates nominated to become members of the Board, subject to the pertinent provisions of the By-laws on the disqualification of persons engaged in business antagonistic to that of the Company;

Recommendations

(d) Submit its findings and recommendations to the Board for approval;

Observe Nomination Guidelines

(e) Consider the following guidelines in the determination of the availability of a director to serve as such:

- the nature of the business of the corporations of which he is a director;
- age of the director;
- number of directorships/active memberships and officerships in other corporations and organizations;
- possible conflict of interest;
- experience from other boards;
- experience as chief executive officer or chief operating officer;
- knowledge of finance;
- knowledge of accounting;
- knowledge of the industry of the Company;
- knowledge of the local and international market and strategic vision; and
- contacts of value to the Company;

Review Election and Replacement Process	(f)	Assess the effectiveness of the Board's processes and procedures in the election or replacement of directors; and
Delegate Functions	(g)	Request the assistance of the Company's Human Resources Director/Manager in carrying out its duties.

5.3 Compensation/Remuneration

Duties and Functions In the exercise of its responsibility of reviewing and evaluating compensation/remuneration of the Company, and with due regard to the overall remuneration policies and procedures of the Company, the Committee has the following duties and functions:

Remuneration Policy	(a)	Establish a formal and transparent procedure for developing a policy on remuneration and for fixing the remuneration packages of directors and corporate officers and provide oversight over remuneration of senior Management and other key personnel ensuring that compensation is consistent with the Company's culture, strategy and business environment;
Amount of Remuneration	(b)	Designate the amount of remuneration, which shall be in a sufficient level to attract and retain directors and officers who are needed to run the Company successfully, subject to approval of the Board;
Full Business Disclosure	(c)	Develop a form on Full Business Interest Disclosure as part of the pre-employment requirements for all incoming officers, which, among others, compel all officers to declare under the penalty of perjury all their existing business interests or shareholdings that may directly or indirectly conflict with their performance of duties once hired;
Disallow Fixing of Remuneration	(d)	Disallow any director to decide his or her own remuneration;
Compensation	(e)	Consistent with the regulations of the SEC,

Disclosure		provide in the Company's annual reports and information statements a clear, concise, and understandable disclosure of compensation of its executive officers for the previous fiscal year and the ensuing year
Personnel Handbook	(f)	Review the existing Human Resources Development or Personnel Handbook to strengthen provisions on conflict of interest, salaries and benefit policies, promotion and career advancement directives and compliance of personnel concerned with all statutory requirements that must be met periodically in their respective posts; and in the absence of such the Personnel Handbook, cause the development of such covering the same parameters of governance stated above.

6. MEETINGS

In General	To provide a systematic guide for the discharge of its responsibilities, the Committee will agree on an annual calendar/schedule of activities that shall determine the agenda for each meeting subject to adjustments and/or revisions as needed. The Company's Corporate Secretary/ Assistant Corporate Secretary will ensure that the schedule is carried out as planned.
Frequency of Meetings	The Committee shall hold meetings at such times and places as it considers appropriate, provided that one (1) meeting shall be held after the close of the nomination period for the election of directors and prior to the finalization of the Company's information statement; and one (1) meeting shall be held for a review of the Company's compensation plan for the year.
Authorized Conveners	Meetings of the Committee shall be convened by the Committee Chairman as and when he considers appropriate, or upon the request of a majority of the

members of the Committee.

Presiding Officer

The Committee Chairman shall preside over all meetings. In the absence of the Committee Chairman, the remaining Committee members present constituting a quorum shall designate a presiding officer.

Agenda

The agenda for the meetings shall be developed by the Corporate Secretary/ Assistant Corporate Secretary and Compliance Officer in coordination with the Board of Directors and such other officers relevant to the performance of the Committee's functions based on the agreed calendar of activities and inputs from the Committee members, subject to the approval of the Committee Chairman.

The meeting agenda shall be prepared for every meeting and provided to the Committee members, along with the briefing materials, at least five (5) business days before the scheduled Committee meeting.

Notice

A Committee meeting shall be convened upon notice thereof made in the most convenient manner not less than five (5) business days before such meeting specifying the date, time, place, and agenda of the meeting.

Notices of meetings, and any other forms of notification to be sent to the Committee shall be initiated by the Corporate Secretary or the designated representative and approved by the Committee Chairman. Replies to notices shall also be sent to the Corporate Secretary and/or the designated representative.

Each member shall give to the Corporate Secretary an office address and email address for the service of notices of meetings of the Committee.

Notice of a meeting of the Committee shall be deemed to be duly served upon a member if it is given to him personally, or delivered to him by mail or email as appropriate, in accordance with the immediately preceding paragraph.

Waiver of Notice Notwithstanding that a meeting is called by shorter notice, it shall be deemed to have been duly convened if it is so agreed by the members present in the meeting at which there is a quorum. A member may consent to short notice and may waive notice of any meeting of the Committee and any such waiver may apply retrospectively.

Manner of Attendance The members of the Committee shall be authorized to attend the Committee meetings by any of the following means of communication: teleconferencing, videoconferencing, web conferencing and other remote or electronic means. The requirement of presence is met if members of the Committee are able to communicate simultaneously.

Quorum and Voting At any meeting of the Committee, quorum shall consist of at least a majority of the members of the Committee present throughout the meeting. A meeting shall not proceed in the absence of a quorum. All resolutions of the Committee shall require the affirmative vote of a majority of the members present in such meeting at which there is a quorum.

Adoption of Resolutions To the extent possible, the Committee shall make decisions and resolutions by consensus. Where such is not possible, the Committee Chairman may call for a division of the house in which case a resolution shall be passed by a simple majority of votes of the members present at such meeting.

Each member, including the Committee Chairman, shall have one (1) vote.

A resolution in writing signed by at least a majority of the members of the Committee present shall be as valid and effective for all purposes as a resolution of the Committee passed at a meeting of the Committee duly convened, held and constituted.

Escalation

If the Committee decides to take any action to which any member objects, such member shall have the right, by notice in writing to the Committee Chairman within ten (10) days after such meeting, to require the Committee to reconsider its decision in a separate meeting. If, after such reconsideration, any member objects to the action which the Committee has decided to take at the second Committee meeting, then said member shall be entitled, by notice in writing to the Board (together with any relevant supporting materials) within ten (10) days from the date of the second Committee meeting, to require the particular matter to be considered and finally decided by the Board at its next scheduled meeting, the decision of which is final and binding. Any action proposed to be taken by the Committee which is the subject of the foregoing procedures shall be held in abeyance, and shall be deemed for all purposes not to have been taken, during the pendency of such procedures.

Minutes

Minutes of Committee meetings shall be prepared by the Corporate Secretary/ Assistant Corporate Secretary, and signed by the Committee Chairman and the members of the Committee present.

Contents of Minutes

The Committee Minutes shall contain a record of the following:

Date/Place/Time (a) Date, place and time of the meeting;

Members Present/Absent	(b)	Presence and absence of the members of the Committee and other participants;
Chairman/ Corporate Secretary	(c)	Name and signature of the Committee Chairman, Corporate Secretary and the members of the Committee present;
Resolutions	(d)	Wording of resolutions passed, indicating the outcome of the votes and objections put to record of any member of the Committee;
Discussions	(e)	Summary of the main points of the discussions;
Statement for the Record	(f)	Statements for the record made by a member of the Committee;
Requests for information	(g)	Requests for information and summary of the respective replies

Records

The Committee shall cause records to be kept for following:

(a) appointments and resignations of members/advisors;

(b) all agenda and other documents sent to members/advisors; and

(c) minutes of proceedings and meetings of Committee.

Any such records shall be opened for inspection any member/advisor upon reasonable prior no during usual office hours of the Company.

Circulation/ Approval

The minutes shall be circulated to the members of the Committee within fifteen (15) business days after the meeting and submitted for approval at the next Committee meeting.

Participation of Management and Other Parties

The Committee Chairman and/or any of its members may meet separately with Management to discuss any matter that the Committee or any of the foregoing persons believe should be discussed privately. The Committee may also request any officer, executive, or employee of the Company or the Company's outside counsel or third party consultants to attend a meeting of the Committee or to meet with any Members or consultants of the Committee.

7. REPORTING PROCEDURES

In General

To keep the Board apprised on the results of the Committee's activities, the Committee Chairman shall report to the Board following each meeting significant matters discussed and acted upon.

Annual Report

The Committee Chairman shall submit and present the Annual Committee Report to the full Board during its first meeting following the immediate calendar year

8. PERFORMANCE EVALUATION AND CONTINUOUS IMPROVEMENT

In General

To ensure that the Committee continues to fulfill its responsibilities in accordance with global standards and practices, the CG Code, and other relevant regulatory requirements, the Committee shall, in close consultation with the Chairman of the Board, conduct an assessment of its performance at least annually. The entire assessment process should be documented and should form part of the records of the Company

Powers and Duties

In the performance of the foregoing duties, the Committee shall:

Self-Evaluation

(a) As a body, evaluate its performance by filling up a self-assessment worksheet that shall benchmark its practices against the expectations set out in this Charter.

Independent Assessment

(b) The Committee shall obtain and subject itself to an independent assessment by the Board relative to its performance in accordance with expectations set out in this Charter and the discharge of its responsibilities.

Plans for

(c) Based on the results of the self-assessment,

Improvement formulate and implement plans to improve its performance. These shall include the identification of relevant training needs intended to keep the Committee members up-to-date with corporate governance best practices.

9. FINAL PROVISIONS

Effectivity This Charter was approved by the Board on June 11, 2020 and shall become effective on June 11, 2020

Periodic Review This Charter shall be reviewed by the Board and as and when deemed appropriate. Such review to take place at least every two (2) years.

RAFAEL M ALUNAN, III Chairman	**FRANCISCO C. GONZALEZ** Member
ROBERT JOHN L. SOBREPENA Member	**FERDINAND T. SANTOS** Member
RAFAEL PEREZ DE TAGLE JR. Member	**ALICE ODCHIGUE-BONDOC** Member

ANNEX "B"

METRO GLOBAL HOLDINGS CORPORATION

Charter of the Board Risk Oversight Committee

In line with best corporate governance practices and to ensure effective management of strategic, operational, financial and compliance-related risks, the Board of Directors of Metro Global Holdings Corporation (the "Corporation") created the Board Risk Oversight Committee (the "Committee") to support it in the performance of its oversight functions of the Corporation's risk management activities through continuous input, evaluation and feedback on the effectiveness of the Corporation's risk management process.

1. Membership

The Committee shall be composed of at least three (3) members, majority of whom shall be an independent director, including its Chairman. Each member must possess an adequate understanding of the management, assessment and mitigation of risks faced by the Corporation and at least one member must have the relevant experience and knowledge in risk and risk management.

2. Authority, Roles and Responsibilities of the Committee

The Committee shall have the following authority, roles and responsibilities:

a. Develop a formal enterprise risk management plan which contains the following information: (1) registry of risks, (2) well-defined risk management goals, objectives and oversight, (3) uniform processes of assessing risks and developing strategies to manage prioritized risks, (4) designing and implementing risk management strategies, and (5) continuing assessments to improve risk strategies, processes and measures.

b. Review the adequacy of the Corporation's risk management framework, ensure that an overall set of risk management policies and procedures exist for the Corporation, and oversee its implementation through the Risk Management Unit;

c. Evaluate the risk management plan and strategies to ensure its continued relevance, comprehensiveness and effectiveness, look for emerging or changing material exposures, and stay abreast of significant developments that seriously impact the likelihood of harm or loss;

d. Advise the Board on its risk appetite and risk tolerance limits and review these limits at least annually, based on changes and developments in the business, the regulatory framework, the external economic and business environment, and when major events occur that are considered to have major impacts on the Corporation;

e. Advise the Board on the Company's prioritized and residual risk exposures based on regular risk management reports, review the results of the annual risk assessment done by the Chief Risk Officer (CRO), including the risks identified, their impact or potential impact on the Corporation and its subsidiaries and how they are addressing and managing these risks;

f. Assess the probability of the occurrence of each identified risk and estimate the possible significant impact to the Corporation and its subsidiaries;

g. Provide oversight over Management's activities, managing credit, market, liquidity, operational, legal and other risk exposures of the Corporation and evaluate the effectiveness of the risk mitigation strategies and action plans, with the assistance of the internal auditors. This includes ensuring that the Corporation maintains a framework for fraud prevention and detection (i.e. Whistleblower Program) and plans for business continuity (i.e. Business Continuity Plan);

h. Meet periodically with Management to discuss the Committee's observations and evaluation on its risk management activities; and

i. Report to the Board, as deemed necessary, the Corporation's material risk exposures, the actions taken to reduce the risks, and recommend further action or plans, as necessary.

This policy notwithstanding, Management shall remain primarily responsible for the development, implementation and reporting of the risk management framework, process and strategies intended to address the identified risks.

3. Meetings and Schedule of Activities

The Committee shall meet at least twice a year, or more frequently as needed. All meetings shall be presided by the Committee Chairman and attended by all committee members, whether in person or via teleconference or videoconference. The presence of the majority of the members shall be necessary to constitute a quorum for the transaction of business.

Separate executive sessions may be conducted by the Committee with the CRO, Chief Finance Officer (CFO), Chief Audit Executive (CAE), other members of the Management team and/or external auditors to foster open communication and discuss any matter that the Committee believes as needed to be discussed in private.

Aside from regular meetings, the Committee shall also agree on an annual calendar, which will lay down the schedule of activities for the year. This shall provide a systematic guide for the discharge of the Committee's responsibilities. Accordingly, the CRO shall ensure that the schedule is followed as planned.

4. Reporting Procedure

The Committee Chairman shall submit and present a report to the Board, containing updates on all actions taken by the Committee at the Board meeting following the Committee meeting.

The Committee Chairman will also submit and present an annual Risk Oversight Committee report to the Board during its first meeting following the immediate calendar year. The annual report shall include a summary of the Committee's activities during the year, an over-all assessment of its performance and recommendations for improvement.

5. Functional and Secretariat Support

The Risk Management Unit shall support the Committee in the performance of its functions, specifically:

a. Risk Management Unit shall provide all the secretariat support to the Committee.

b. The CRO and CAE shall attend all the Committee meetings.

c. The Risk Management Unit shall keep all minutes of the meetings, recorded and prepared by the designated Secretary to the meeting and make these available for inspection by any member of the Committee or the Board, as and when requested.

6. Performance Evaluation

The Committee shall review its performance annually with respect to the fulfillment of its functions and responsibilities as mandated in this Charter. The Board of Directors shall conduct an independent annual assessment of the Committee's performance.

7. Annual Charter Review

This Charter shall be reviewed annually by the Committee to ensure its continuing adequacy and consistency with the Board's objectives and responsibilities. Any proposed changes shall be approved by the Board.

RAFAEL M ALUNAN, III Chairman	**FRANCISCO C. GONZALEZ** Member
FERDINAND T. SANTOS Member	**ALICE ODCHIGUE-BONDOC** Member

ANNEX "C"

METRO GLOBAL HOLDINGS CORPORATION

Charter of the Related Party Transactions Review Committee

This Charter sets out the policies, responsibilities, and authority of the Related Party Transaction (RPT) Review Committee (the "Committee") of Metro Global Holdings Corporation (the "Corporation"), including the procedures that shall guide the Committee in the performance of its functions.

It shall be reviewed by the Committee annually and any changes and/or revisions thereof shall take effect only upon approval of the Board.

1. Statement of Policy

It is the policy of the Corporation to constitute and maintain a Committee which shall provide assistance to the Board in fulfilling its oversight responsibility relating to:

a. review of all Related Party Transactions (RPTs), except Pre-approved RPTs as enumerated under the Corporation's RPT Policy;

b. formulation, revision and approval of policies on RPTs; and

c. conduct of any investigation required to fulfill its responsibilities on RPTs;

To fulfill this responsibility the Committee shall maintain a free and open communication with the Corporation's Compliance Office and the Management.

In discharging its oversight role, the Committee is empowered to investigate any matter brought to its attention, with full access to all records, books of accounts, facilities and personnel of the Corporation and the power to retain outside counsel or other experts for this purpose.

2. Roles and Responsibilities

The Committee shall be responsible for the following:

a. Evaluate, on an ongoing basis, existing relations between and among businesses and counterparties to ensure that all related parties are continuously identified. RPTs are monitored, and subsequent changes in relationships with counterparties (from non-related to related, and vice-versa) are captured.

b. Evaluate material/significant agreements of any kind with a related party and determine any potential reputational risk issues that may arise as a result of, or in connection with the transactions.

c. Assist the Board in determining whether to approve, ratify, disapprove or reject an RPT.

d. The Committee shall take into account whether the RPT is entered into on terms no less favorable to the Corporation than terms generally available to an unaffiliated third party under the same or similar circumstances and review all information provided by Management, including all relevant facts and circumstances.

e. For transaction involving sale of Corporation assets, review results of the appraisal, valuation methodology used as well as alternative approaches to valuation.

f. Endorse material/significant RPTs to the Board for approval.

g. Oversee the implementation of the system for identifying, monitoring, measuring, controlling and reporting RPTs by Management, including periodic review of the Corporation's RPT Policy and procedures.

3. Membership

The Committee shall consist of composed of at least three non-executive directors, two of whom should be independent, including the Chairman. The Committee Chair shall be responsible for ensuring the effective interaction among Committee members and with Compliance Office and the Management.

4. Meeting and Schedule of Activities

a. To provide a systematic guide for the discharge of its responsibilities, the Committee will agree on an annual calendar/schedule of activities that shall determine the agenda for each meeting subject to adjustments and/or revisions as needed. The Chief Compliance Officer will ensure that the schedule is carried as planned.

b. The Committee shall meet often enough or as deemed necessary to undertake its role effectively.

c. The agenda for the meetings will be developed by the Compliance Officer based on the agreed calendar of activities and inputs from the Committee members, subject to the approval of the Chairman.

d. The President or the Chief Executive Officer, Chief Financial Officer and Chief Audit Executive may be requested to attend Committee meetings. As and when appropriate, the Committee may require other members of Management to be members of the Committee or be present at the meetings. External subject experts, such as the appointed independent auditors and other consultants, may also be invited to the meetings.

e. A quorum will be two (2) members, regardless of position.

f. Committee members may attend meetings in person or by electronic or tele/video communication means.

g. Endorsements and approvals via email or fax may be resorted to for urgent matters which shall be confirmed/ratified in the Committee's meeting. The respective emails are to be collected by the Secretariat

5. Reporting Procedures

To keep the Board apprised on the Corporation's RPTs, the Chairman of the Committee shall submit an RPT Review Committee report to the Chairman of the Board subsequent to Committee meetings; and shall be ready to present the report to the Board during its meeting for the quarter.

The Committee Chairman will also submit and present an annual RPT Review Committee report to the Board during its first meeting in the immediately succeeding calendar year.

6. Functional and Secretarial Support

The Compliance Office shall support the Committee in the rendition of its functions, specifically:

a. Compliance Office shall provide all the secretariat support to the Committee.

b. The Chief Compliance Officer shall attend all the Committee meetings.

c. Compliance Office shall keep all minutes of the meetings, recorded and prepared by the designated Secretary to the meeting and make these available for inspection by any member of the Committee or the Board, as and when requested.

d. Compliance Officer shall review all papers for submission to the Committee, including any proposals from Management before these are submitted to the Committee for approval.

FRANCISCO GONZALEZ Chairman	Roberto J Roco **ROBERTO ROCO** Member
RAFAEL M ALUNAN, III Member	**RAMON G. JIMENEZ** Member

COVER SHEET

9142

SEC Registration No.

METRO
GLOBAL
HOLDINGS
CORPORATION

(Company's Full Name)

MEZZANINE FLOOR, RENAISSANCE
TOWERS, MERALCO AVE., PASIG

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

ALICE ODCHIGUE-BONDOC

Contact Person

86336205 loc. 113

Company Telephone Number

SEC FORM 17-C
CURRENT REPORT UNDER SECTION
17 OF THE SRC

12	31
Month	Day

fiscal year

FORM TYPE

1st Thursday of March

Month Day

Annual Meeting

Listed

Secondary License Type, If Appplicable

MSRD

Dept. Requiring this Doc.

Amended Articles Number/ Section

Total Amount of Borrowings

Domestic Foreign

****

To be accomplished by SEC Personnel concerned

File Number

LCU

Dociment I.D.

Cashier

STAMPS

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-C

CURRENT REPORT UNDER SECTION 17
OF THE SECURITIES REGULATION CODE
AND SRC RULE 17.2(c) THEREUNDER

1. **25 August 2020**
   Date of Report (Date of earliest event reported)

2. SEC Identification Number: **9142** 3. BIR Tax Identification No. 000-194-408-000

4. **Metro Global Holdings Corporation**
   Exact name of issuer as specified in its charter

5. **Metro Manila, Philippines**
   Province, country or other jurisdiction of incorporation

6. ☐ (SEC Use Only)
   Industry Classification Code:

7. **Mezzanine Floor Renaissance Tower, Meralco Ave., Pasig City** **1604**
   Address of principal office — Postal Code

8. **(632) 86336205**
   Issuer's telephone number, including area code

9. **N/A**
   Former name or former address, if changed since last report

10. Securities registered pursuant to Sections 8 and 12 of the SRC or Sections 4 and 8 of the RSA

Title of Each Class	Number of Shares of Common Stock Outstanding or Amount of Debt Outstanding
Common shares	**2,000,000,000 shares**

11. Indicate the item numbers reported herein: Item 9

In the meeting of the Board of Directors of Metro Global Holdings Corporation held today, 25 August 2020, the Board approved the organisation/incorporation of a new special purpose vehicle company to be called METRO RENEWABLE TRANSPORT SOLUTIONS, INC., whose primary objective is to engage in infrastructure development or providing services in relation with and in connection thereto, including but not limited to the construction of whatever kind and nature and for whatever purpose, buildings, roads, bridges, railways, ports, highways and other passages and facilities for transportation and communication.

The organisation of the new company shall be submitted for approval of the Securities and Exchange Commission.

SIGNATURE

Pursuant to the requirements of the Securities Regulation Code, the Issuer has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

METRO GLOBAL HOLDINGS CORPORATION
Issuer

Date: 25 August 2020

By:

RAMON G. JIMENEZ
Vice-President & CFO

COVER SHEET

9142

SEC Registration No.

METRO GLOBAL HOLDINGS CORPORATION

(Company's Full Name)

MEZZANINE FLOOR, RENAISSANCE TOWERS, MERALCO AVE., PASIG

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

ALICE ODCHIGUE-BONDOC

Contact Person

86336205 loc. 113

Company Telephone Number

SEC FORM 17-C
CURRENT REPORT UNDER SECTION 17 OF THE SRC

FORM TYPE

1 2	3 1
Month	Day

fiscal year

1st Thursday of March

Month Day

Annual Meeting

Listed

Secondary License Type, If Appplicable

MSRD

Dept. Requiring this Doc.

Amended Articles Number/ Section

Total Amount of Borrowings

Domestic Foreign

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To be accomplished by SEC Personnel concerned

File Number

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STAMPS

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-C

CURRENT REPORT UNDER SECTION 17
OF THE SECURITIES REGULATION CODE
AND SRC RULE 17.2(c) THEREUNDER

1. **3 September 2020**
   Date of Report (Date of earliest event reported)

2. SEC Identification Number: **9142** 3. BIR Tax Identification No. 000-194-408-000

4. **Metro Global Holdings Corporation**
   Exact name of issuer as specified in its charter

5. **Metro Manila, Philippines**
   Province, country or other jurisdiction of incorporation

6. [ ] (SEC Use Only)
   Industry Classification Code:

7. **Mezzanine Floor Renaissance Tower, Meralco Ave., Pasig City** **1604**
   Address of principal office — Postal Code

8. **(632) 86336205**
   Issuer's telephone number, including area code

9. **N/A**
   Former name or former address, if changed since last report

10. Securities registered pursuant to Sections 8 and 12 of the SRC or Sections 4 and 8 of the RSA

Title of Each Class	Number of Shares of Common Stock Outstanding or Amount of Debt Outstanding
Common shares	**2,000,000,000 shares**

11. Indicate the item numbers reported herein: Item 9

In the meeting of the Board of Directors of Metro Global Holdings Corporation held today, 3 September 2020, the Board approved the signing of a Memorandum of Understanding (MOU) with the City of Baguio concerning the Development of an Intelligent Transport System as a Sustainable Long-Term Strategy to Urban Mass Transport Management for Baguio City by Easing Traffic Congestion, Improving Traffic Management for Baguio City, Minimizing Environmental Impact and Increasing Benefits of Transportation to the Public in General. The MOU was signed today with City Mayor Benjamin B. Magalong representing Baguio City and Chairman Robert John L. Sobrepeña representing the Company. Under the said MOU, the Company will conduct a feasibility study for the development of an intelligent public transport system that offers access to multiple transport options using one interface that includes monorail, trolleybus, electric bus and similar electricity-fed transport within 90 days for purposes of crafting a proposal on the Project.

SIGNATURE

Pursuant to the requirements of the Securities Regulation Code, the Issuer has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

METRO GLOBAL HOLDINGS CORPORATION
Issuer

Date: 3 September 2020

By:

RAMON G. JIMENEZ
Vice-President & CFO

COVER SHEET

9142

SEC Registration No.

METRO
GLOBAL
HOLDINGS
CORPORATION

(Company's Full Name)

MEZZANINE FLOOR, RENAISSANCE
TOWERS, MERALCO AVE., PASIG

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

ALICE ODCHIGUE-BONDOC	86336205 loc. 113
Contact Person	Company Telephone Number

SEC FORM 17-C
CURRENT REPORT UNDER SECTION
17 OF THE SRC

12 31		1st Thursday of March
Month Day	FORM TYPE	Month Day
fiscal year		Annual Meeting

Listed

Secondary License Type, If Appplicable

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

Total Amount of Borrowings

Domestic	Foreign

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To be accomplished by SEC Personnel concerned

File Number

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Dociment I.D.

Cashier

STAMPS

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-C

**CURRENT REPORT UNDER SECTION 17
OF THE SECURITIES REGULATION CODE
AND SRC RULE 17.2(c) THEREUNDER**

1. **2 October 2020**
   Date of Report (Date of earliest event reported)

2. SEC Identification Number: **9142** 3. BIR Tax Identification No. 000-194-408-000

4. **Metro Global Holdings Corporation**
   Exact name of issuer as specified in its charter

5. **Metro Manila, Philippines**
   Province, country or other jurisdiction of incorporation

6. ☐ (SEC Use Only)
   Industry Classification Code:

7. **Mezzanine Floor Renaissance Tower, Meralco Ave., Pasig City** **1604**
   Address of principal office Postal Code

8. **(632) 86336205**
   Issuer's telephone number, including area code

9. **N/A**
   Former name or former address, if changed since last report

10. Securities registered pursuant to Sections 8 and 12 of the SRC or Sections 4 and 8 of the RSA

Title of Each Class	Number of Shares of Common Stock Outstanding or Amount of Debt Outstanding
Common shares	**2,000,000,000 shares**

11. Indicate the item numbers reported herein: Item 9

At the regular meeting of the Board of Directors (the "Board") today, 2 October 2020, the Board:

1. Approved to hold the 2020 Annual Stockholders Meeting on December 11, 2020 at 10am via VIDEO CONFERENCE;
2. Approved to set the record date of stockholders entitled to notice and to vote to 3 November 2020;
3. Approved to close the books of the Company from 3 November to 10 December 2020;
4. Approved the Online Registration from 6 November 2020 at 9:00 A.M. to 4 December 2020 at 5:00 P.M. for shareholders who wish to participate in the Annual Meeting via remote communication and to exercise their vote in absentia;
5. Approved the following AGENDA for the Annual Meeting:
   a. Call to Order
   b. Determination and Certification of Quorum
   c. Approval of the Previous Meeting Held on 6 December 2019
   d. Report of the Chairman
   e. Approval of the Audited Financial Statements for the calendar year ended 31 December 2019
   f. Certification and Ratification of Corporate Acts for the years 2019 to 2020
   g. Election of Directors (including Independent Directors)
   h. Election of External Auditor
   i. Other matters
   j. Adjournment

SIGNATURE

Pursuant to the requirements of the Securities Regulation Code, the Issuer has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

METRO GLOBAL HOLDINGS CORPORATION
Issuer

Date: 2 October 2020

By:

RAMON G. JIMENEZ
Vice-President & CFO

COVER SHEET

9142

SEC Registration No.

METRO GLOBAL HOLDINGS CORPORATION

(Company's Full Name)

MEZZANINE FLOOR, RENAISSANCE TOWERS, MERALCO AVE., PASIG

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

ALICE ODCHIGUE-BONDOC	86336205 loc. 113
Contact Person	Company Telephone Number

SEC FORM 17-C
CURRENT REPORT UNDER SECTION
17 OF THE SRC

12	31		1st Thursday of March
Month	Day	FORM TYPE	Month Day
fiscal year			Annual Meeting

Listed

Secondary License Type, If Appplicable

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

Total Amount of Borrowings

Domestic	Foreign

****

To be accomplished by SEC Personnel concerned

File Number

LCU

Dociment I.D.

Cashier

STAMPS

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-C

CURRENT REPORT UNDER SECTION 17
OF THE SECURITIES REGULATION CODE
AND SRC RULE 17.2(c) THEREUNDER

1. **12 October 2020**
   Date of Report (Date of earliest event reported)

2. SEC Identification Number: **9142** 3. BIR Tax Identification No. 000-194-408-000

4. **Metro Global Holdings Corporation**
   Exact name of issuer as specified in its charter

5. **Metro Manila, Philippines** 6. [ ] (SEC Use Only)
   Province, country or other jurisdiction of incorporation — Industry Classification Code:

7. **Mezzanine Floor Renaissance Tower, Meralco Ave., Pasig City** **1604**
   Address of principal office — Postal Code

8. **(632) 86336205**
   Issuer's telephone number, including area code

9. **N/A**
   Former name or former address, if changed since last report

10. Securities registered pursuant to Sections 8 and 12 of the SRC or Sections 4 and 8 of the RSA

Title of Each Class	Number of Shares of Common Stock Outstanding or Amount of Debt Outstanding
Common shares	**2,000,000,000 shares**

11. Indicate the item numbers reported herein: Item 9

The Board of Directors approved the change in the record date for shareholders entitled to vote and participate at the Company's 11 December 2020 Annual Stockholders meeting to November 4, 2020 (instead of 3 November 2020 as previously announced). The Board also approved to correct the inclusive dates of closing the Stock and Transfer Book to 4 November 2020 to 10 December 2020. The reason for these changes is based on the advice of the Company's Stock and Transfer Agent - Banco de Oro, Stock & Transfer Services Unit, that on 3 November 2020, the Stock and Transfer Agent will still receive the reclass transaction of foreign shares from the Philippine Depository & Trust Corporation and, hence, there will still be movement of transactions for that date of 3 November 2020.

SIGNATURE

Pursuant to the requirements of the Securities Regulation Code, the Issuer has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

METRO GLOBAL HOLDINGS CORPORATION
Issuer

Date: 12 October 2020

By:

RAMON G. JIMENEZ
Vice-President & CFO

COVER SHEET

9142

SEC Registration No.

METRO
GLOBAL
HOLDINGS
CORPORATION

(Company's Full Name)

MEZZANINE FLOOR, RENAISSANCE
TOWERS, MERALCO AVE., PASIG

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

ALICE ODCHIGUE-BONDOC

Contact Person

86336205 loc. 113

Company Telephone Number

SEC FORM 17-C
CURRENT REPORT UNDER SECTION 17 OF THE SRC

FORM TYPE

12	31
Month	Day

fiscal year

1st Thursday of March

Month Day

Annual Meeting

Listed

Secondary License Type, If Appplicable

MSRD

Dept. Requiring this Doc.

Amended Articles Number/ Section

Total Amount of Borrowings

Domestic

Foreign

****

To be accomplished by SEC Personnel concerned

File Number

LCU

Document I.D.

Cashier

STAMPS

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-C

**CURRENT REPORT UNDER SECTION 17
OF THE SECURITIES REGULATION CODE
AND SRC RULE 17.2(c) THEREUNDER**

1. **26 October 2020**
Date of Report (Date of earliest event reported)

2. SEC Identification Number: **9142** 3. BIR Tax Identification No. 000-194-408-000

4. **Metro Global Holdings Corporation**
Exact name of issuer as specified in its charter

5. **Metro Manila, Philippines**
Province, country or other jurisdiction of incorporation

6. ☐ (SEC Use Only)
Industry Classification Code:

7. **Mezzanine Floor Renaissance Tower, Meralco Ave., Pasig City** **1604**
Address of principal office — Postal Code

8. **(632) 86336205**
Issuer's telephone number, including area code

9. **N/A**
Former name or former address, if changed since last report

10. Securities registered pursuant to Sections 8 and 12 of the SRC or Sections 4 and 8 of the RSA

Title of Each Class	Number of Shares of Common Stock Outstanding or Amount of Debt Outstanding
Common shares	**2,000,000,000 shares**

11. Indicate the item numbers reported herein: Item 9

The Board approved to correct the start of closing the Stock and Transfer Book to 5 November 2020 (instead of 4 November 2020 as previously announced). The end date of the closing of the Stock & Transfer Book of December 10, 2020 remains the same. The reason for this change is based on the advice of the Company's Stock and Transfer Agent - Banco de Oro, Stock & Transfer Services Unit, that on 4 November 2020, the Stock and Transfer Agent will still receive the reclass transaction of foreign shares from the Philippine Depository & Trust Corporation and, hence, there will still be movement of transactions for that date of 4 November 2020.

SIGNATURE

Pursuant to the requirements of the Securities Regulation Code, the Issuer has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

METRO GLOBAL HOLDINGS CORPORATION
Issuer

Date: 26 October 2020

By:

RAMON G. JIMENEZ
Vice-President & CFO

COVER SHEET

9142

SEC Registration No.

METRO
GLOBAL
HOLDINGS
CORPORATION

(Company's Full Name)

MEZZANINE FLOOR, RENAISSANCE
TOWERS, MERALCO AVE., PASIG

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

ALICE ODCHIGUE-BONDOC

Contact Person

86336205 loc. 113

Company Telephone Number

SEC FORM 17-C
CURRENT REPORT UNDER SECTION
17 OF THE SRC

12 31

Month Day

fiscal year

FORM TYPE

1st Thursday of March

Month Day

Annual Meeting

Listed

Secondary License Type, If Appplicable

MSRD

Dept. Requiring this Doc.

Amended Articles Number/ Section

Total Amount of Borrowings

Domestic Foreign

****

To be accomplished by SEC Personnel concerned

File Number

LCU

Dociment I.D.

Cashier

STAMPS

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-C

**CURRENT REPORT UNDER SECTION 17
OF THE SECURITIES REGULATION CODE
AND SRC RULE 17.2(c) THEREUNDER**

1. **16 November 2020**
   Date of Report (Date of earliest event reported)

2. SEC Identification Number: **9142** 3. BIR Tax Identification No. 000-194-408-000

4. **Metro Global Holdings Corporation**
   Exact name of issuer as specified in its charter

5. **Metro Manila, Philippines**
   Province, country or other jurisdiction of incorporation

6. [ ] (SEC Use Only)
   Industry Classification Code:

7. **Mezzanine Floor Renaissance Tower, Meralco Ave., Pasig City 1604**
   Address of principal office — Postal Code

8. **(632) 86336205**
   Issuer's telephone number, including area code

9. **N/A**
   Former name or former address, if changed since last report

10. Securities registered pursuant to Sections 8 and 12 of the SRC or Sections 4 and 8 of the RSA

Title of Each Class	Number of Shares of Common Stock Outstanding or Amount of Debt Outstanding
Common shares	**2,000,000,000 shares**

11. Indicate the item numbers reported herein: Item 9

At the regular meeting of the Board of Directors (the "Board") yesterday, 16 November 2020, the Board approved the secondment of the following officers from the parent company, Fil-Estate Management, Inc.:

Mr. Rafael Perez de Tagle, Jr. as EVP for Operations
Mr. Jaime M. Cacho as SVP for Project Development
Ms. Socorro G. Roco as VP for Records Management
Ms. Khateryn M. Benitez as VP for Human Resources

SIGNATURE

Pursuant to the requirements of the Securities Regulation Code, the Issuer has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Date: 17 November 2020

METRO GLOBAL HOLDINGS CORPORATION
Issuer

By:

ALICE ODCHIGUE-BONDOC
SVP-Compliance Officer

METRO GLOBAL HOLDINGS CORP.

2020 SUSTAINABILITY REPORT

Contextual Information

COMPANY DETAILS	
Name of Organization:	METRO GLOBAL HOLDINGS CORPORATION ("MGHC")
Location of Headquarters :	Mezzanine Floor, Renaissance Towers, Meralco Avenue, Pasig City, Metro Manila
Location of Operations :	Mezzanine Floor, Renaissance Towers, Meralco Avenue, Pasig City, Metro Manila
Report Boundary: Legal entities (e.g. subsidiaries) included in this report*	Metro Global Holdings Corporation is a holding company. The Company has investments in Metro Rail Transit Holdings I and Metro Rail Transit Holdings II – parent company of Metro Rail Transit Corporation (MRTC), thus, resulting in an indirect 29% equity interest in MRTC. The Company has 28.47% direct equity interest in Monumento Rail Transit Corporation and 15.79% direct equity in MRT Development Corporation. On May 19, 2017, the company acquired 99% ownership of MGHC Royal Holdings Corporation (MGHC Royal). On August 25, 2020, the Company approved the organization/incorporation of a new special purpose vehicle company called Metro Renewable Transport Solutions, Inc.,(Metro Transport).
Business Model, including Primary Activities, Brands, Products, and Services	Metro Global Holdings Corporation is an investment holding company. The Company has investments in companies engaged in (1) infrastructure development of light rail systems through Metro Rail Transit Corporation (29% indirect) and Monumento Rail Transit Corporation Inc. (29.47% direct (2) property development through MRT Development Corporation (15.79% direct); and (3) renewable energy generation and operation through Metro Solar Power Solutions, Inc. (acquisition of 100% direct equity presently pending with the Securities & Exchange Commission). Metro Global Holdings Corporation has subsidiaries: 1. MGHC Royal Holdings Corporation (99%), engage in the business to invest or purchase, otherwise acquire, and own, hold, use, sell, assign, transfer, pledge, exchange, or otherwise dispose of real and personal property of every kind and description. 2. Metro Renewable Transport Solutions, Inc. (100%), engage in infrastructure development or providing services in relation with and in connection thereto, including but not limited to the construction of whatever kind and nature and for whatever purpose, buildings, needs, bridges, railways, ports, highways and other passages and facilities for transportation and communication.
Reporting Period	For the Year Ending December 31, 2020
Highest Ranking Person responsible for this report	Mr. Robert John L. Sobrepeña, Chief Executive Officer Ramon G. Jimenez, Chief Finance Officer

Materiality Process

Explain how you applied the materiality principle (or the materiality process) in identifying your material topics.

The Company used Selected GRI Sustainability Reporting Standards (Core Option) in accordance with the GRI 102: General Disclosures, to report on contextual information about itself and its impacts on the economy, the environment and society.

The Company's economic and environmental sustainability principles are exercised through its affiliate, Metro Rail Transit Corporation (MRTC). MRTC is the owner of the Metro Rail Transit (MRT) 3 System along the 16.9 kilometer stretch of Epifanio de los Santos Avenue (EDSA). The MRT 3 System is leased to the Department of Transportation and Communication, which operates and maintains the system for 25 years commencing 2000. In 2019, the wholly electrically-powered MRT-3 ferried an average of 300,000 daily passengers along its 13-station route from North Triangle to Taft Avenue along EDSA. However, due to social distancing restrictions imposed in the MRT trains, because of the Covid-19 pandemic, train capacity was reduced to 30% and at 16 hours operation. Thus, the average no. of daily passengers was reduced, from 300,000 in 2019 to 113,280 in 2020.

The Company has a 28.47% equity interest in Monumento Rail Transit Corporation which, allows participation in the MRT 3 (Phase 2) system extension, the airport link from the Taft Avenue Station up to the airport and the envisioned rail extension from Ayala Station to Buendia Station via a loop through Ayala Avenue and Gil-Puyat Avenue (the Makati loop)

The Company acquired 15.79% equity interest in MRT Development Corporation (MRTDC) on December 2018. MRTDC has exclusive rights to all commercial developments along the MRT-3 System, including in the 13 Stations and air space above the 13 Stations, which include all commercial leasing rights in the 13 Stations, advertising rights, development of the air space above all the 13 stations, and all other commercial activities within the entire MRT-3 System.

MATERIALITY

The key findings of the materiality analysis are as follows:

The Company does not plan any product research and development within the next 12 months. There are no expected purchases or sale of plant and significant equipment within the same period as the Company is not engaged in any manufacturing business.

The Company does not engage in business operations that are subject to regulations, which require compliance with environmental laws.

The Company has ten (10) employees in year 2020 while in 2019, the Company only had two (2) employees. Management of the Company is currently being undertaken by the executive officers of the parent company. Starting September 1, 2020, the CEO and President of the Company by virtue of their position, receive compensation from the company.

The trading of the Company's shares of stock at the PSE has been voluntarily suspended since March 20, 2007 to allow the Company to re-align its business and explore new strategic directions.

The Company plans to expand its primary purpose to include investments in businesses engaged in solar, wind and other renewable energy generation facilities.

The revised strategy will deliver the reference values for sustainability related action beyond 2020.

MATERIALITY COMPLETENESS

The report takes into account all significant impacts of MGHC along its value chain. The reporting processes ensure that the data collected includes the results from all entities with significant impacts regarding material topics.

STAKEHOLDERS INCLUSIVENESS is ensured by considering feedback from stakeholder engagement.

ECONOMIC

Economic Performance

Direct Economic Value Generated and Distributed

In 2020, no part of the Company's Revenue or Income over the last three years has been derived from foreign sales. MGHC generated a total value of P9,237,097 which is a 70% decrease from the previous year due to the pandemic. The General and Administrative Expenses amounted to P12,659,211 of which, P9.648.650 was distributed among the following: Employee wages and benefits, payment to suppliers, other operating costs, taxes given to government. For year 2020, the Company's net operating income decreased by 97% or P33.5 million (from P34.4 million as at December 31, 2019 to P0.9 million as at December 31, 2020). Other factors that brought about the decrease in net income, aside from the decrease in depot royalty income previously mentioned, is the increase in operating expenses of P7.8 million, brought about by the increase in salaries and wages in view of the secondment of several FEMI executives.

The pandemic and the consequent quarantine measures imposed by the government have resulted to lower depot royalty income for the group in 2020.

Disclosure	Units	Amount (2020)
Direct economic value generated (revenue)	PhP	9,429,483
Direct economic value distributed:		
a. General and Administrative Expenses	PhP	5,010,561
b. Employee wages and benefits	PhP	5,853,323
c. Payments to suppliers, other operating costs	PhP	514,060
d. Dividends given to stockholders and interest payments to loan providers	PhP	
e. Taxes given to government	PhP	3,616,611
f. Investments to community (e.g. donations, CSR)	PhP	

What is the impact and where does it occur? What is the **organization's involvement in the** impact? *Identify the impact and where it occurs (i.e., primary business operations and/or supply chain. Indicate involvement in the impact (i.e., caused by the organization or linked to impacts though its business relationship)*	Which stakeholders are affected? *(e.g. employees, community, suppliers, government, vulnerable group)*	Management Approach *What policies, commitments, goals and targets, responsibilities, resources, grievance mechanisms, and/or projects, programs, and initiatives do you have to manage the material topic?*
The company's internal source of liquidity comes primarily from its share in the rental income termed as "depot royalty income" it receives from the operations of Trinoma Mall, a commercial mall owned and managed by North	*Stockholder- Fil-Estate Management, Inc. (FEM), the parent company of MGHC*	The company's external source of financing comes from advances made by FEMI, the parent company of MGHC.

Triangle Depot Commercial Corporation (NTDCC), a company substantially owned by Ayala Land, Inc.		
What are the Risk/s Identified? *Identify risk/s related to material topic of the organization*	Which stakeholders are affected?	Management Approach
The Company's principal financial exposures consist of its payables to associates and stockholders. Such financial instruments were used in prior years to raise funds for working capital and to retire interest-bearing US Dollar denominated bank loans. 1. Cash Flow Risk/ Liquidity Risk arises from the possibility that the Company may encounter difficulties in raising funds to meet or settle its obligations and to support the Company's operations and activities.	Parent Company	The Company, as a matter of policy, discourages the use of any foreign currency denominated obligations to avoid foreign currency risks and exchange losses. On the other hand, the Company encourages the creation of US dollar denominated assets to take advantage of potential gains arising from foreign exchange movements. On balance, the Company maintains a margin currency position in its asset and liability management function. The Company coordinates and negotiates closely with each principal stockholder to manage cash flow risks by jointly identifying new sources of cash flow infusions into the Company over the next five years. The Group manages the liquidity risk by maintaining a balance between continuity of funding and flexibility in operations. Treasury controls and procedures are in place to ensure that sufficient cash is maintained to cover daily operational and working capital requirements. Management closely monitors the Group's future and contingent obligations and sets up required cash reserves and reserve borrowing facilities as necessary in accordance with internal policies. Short-term advances from related parties are availed to cover for immediate expenses and maturing obligations. The Group is also able to defer payments of some of its due to related party balances.
2. Credit Risk. The Company's exposure to credit risk arises primarily from its deposits with banks of good credit rating. The maximum exposure to credit risk is equivalent to the carrying amount of these cash in	Banks	These cash in banks are deposited with a reputable bank that belonged to the top three banks in the Philippines and approved by management Depot royalties are collected in

banks. The Company's significant concentration of credit risk is on its transactions with NTDCC, its sole customer. 3. Equity Price Risk. The Company is exposed to fair value changes on its AFS financial assets in listed equity services.	Shareholders	accordance with the agreement and the Group's credit policy with no reported defaults and write-offs in previous years. In addition, credit risk is minimized by monitoring receivables regularly. The Company's policy is to maintain risk at an acceptable level. The Company's shares are not traded at the PSE at the moment. Once the voluntary suspension of the trading of the Company's shares is lifted, movement in share price will be monitored regularly to determine the impact on its financial position. The Company continuously conducts an internal review of its capital and financial risk management objective and policies.
What are the Opportunity/ies Identified? *Identify the opportunity/ies related to material topic of the organization*	Which stakeholders are affected?	Management Approach
New sources of cash flows through potential future investment and or cash infusions into the Company over the next five years. Entry into renewable energy generation and operation shall provide a constant source of cash flows once the Power Purchase Agreement with the offtaker is signed.	Investors and Shareholders	The Company coordinates and negotiates closely with its Parent Company to manage cash flow risks.

Climate-related risks and opportunities

Governance	Strategy	Risk Management	Metrics and Targets
Disclose the organization's governance around climate-related risks and opportunities	Disclose the actual and potential impacts of climate-related risks and opportunities	Disclose how the organization identifies, assesses, and manages	Disclose the metrics and targets used to assess and manage relevant climate-

	on the organization's business, strategy, and financial planning where such information is material	climate related risks	related risks and opportunities where such information is material
Recommended Disclosures			
a) Describe the **board's** oversight of climate-related risks and opportunities	a) Describe the climate-related risks and opportunities the organization has identified over the short, medium and long term.	a) Describe the **organization's pr**ocesses for identifying and assessing climate- related risks	Disclose the metrics used by the organization to assess climate- related risks and opportunities in line with its strategy and risk management process.
Board established a separate Board Risk Oversight Committee (BROC) that should be responsible for the oversight of a company's Enterprise Risk Management system to ensure its functionality and effectiveness.	Company plans to expand its primary purpose to include investments in business engaged in solar, wind and other renewable energy generation facilities. MGHC plans to increase its authorized capital stock from 2million shares at P100 per share to 5 million shares at P100 per share. As of report date, the Company is in the process of finalizing the documentary requirements necessary for the planned increase in authorized capital stock. The Company intends to offer to the public at the right time the unsubscribed portion of its increase in authorized capital stocks.	The management has assessed that the Company will be able to continue as a going concern.	The Company is continuously assessing the impact of the COVID-19 on the performance of the Company based on latest developments.
b***) Describe management's*** *role in assessing and managing climate- related risks and opportunities*	b) Describe the impact of climate- related risks and opportunities on the **organization's businesses,** strategy and financial planning	b) Describe the **organization's processes** for managing climate-related risks	b) Describe the targets used by the organization to manage climate- related risks and opportunities and performance against targets
Board has a strategy execution process (i.e. Annual Planning) that	With the intended increase in the Company's Authorized Capital Stock from P2 Billion to	The Vision and Mission are reviewed by the Board regularly to ensure that	The comparative financial Key Performance Indicators (KPIs) and non-financial KPIs are

facilitates effective management performance and is attuned to the company's business environment, and culture.	P5Billion and with additional subscription by FEMI to P750 million, the Company's Stockholder's Equity Balance is expected to result in a positive net equity balance.	corporate business directors, strategies, and objectives are consistent and coherent with the Mission and Vision of the Company.	reviewed regularly.
	c) Describe the resilience of the **organization's strategy, taking** into consideration different climate-related scenarios including a 2*C or lower scenario	b) Describe how processes for identifying, assessing, and managing climate-related risks are integrated **into the organization's** overall risk management	
	The Board of Directors oversee the development of, formulate and approve the corporation's vision, mission, strategic objectives, policies and procedures that shall guide its activities, including the means to effectively monitor Management's performance in order to sustain the company's long-term viability and strength.	The Board of Directors review and guide corporate strategy, major plans of action, risk management policies and procedures, annual budgets and business plans; set performance objectives; monitor implementation and corporate performance; and oversee major capital expenditures, acquisitions and divestitures.	

15 Adapted from the Recommendations of the Task Force on Climate-Related Financial Disclosures. The TCFD Recommendations apply to non- financial companies and financial-sector organizations, including banks, insurance companies, asset managers and asset owners.

16 For this disclosure, impact refers to the impact of the climate-related issues on the company

Procurement Practices

Proportion of spending on local suppliers

Disclosure	Quantity	Units
Percentage of procurement budget used for significant locations of operations that is spent on local suppliers	N/A	%

What is the impact and where does it **occur? What is the organization's** involvement in the impact? *Identify the impact and where it occurs (i.e., primary business operations and/or supply chain)* *Indicate involvement in the impact (i.e., caused by the organization or linked to impacts thought its business relationship)*	Which stakeholders are affected? *(e.g. employees, community, suppliers, government, vulnerable groups)*	Management Approach *What policies, commitments, goals and targets, responsibilities, resources, grievance mechanisms, and/or projects, programs, and initiatives do you have to manage the material topic?*
There are no expected purchases or sale of plant and significant equipment within the next 12 months as the Company is not engaged in any manufacturing business. Not being engaged in the manufacturing of any product, the Company does not require any raw materials, energy or other items from suppliers for conducting its business.	*Not Applicable*	MRT projects comple~~i~~ment~~s~~ other train systems and various public transportation modes available in Metro Manila such as buses, taxis and UV Express.
What are the Risk/s Identified? *Identify risk/s related to material topic of the organization*	Which stakeholders are affected?	Management Approach
Not Applicable	Not Applicable	Not Applicable
What are the Opportunity/ies Identified? *Identify the opportunity/ies related to material topic of the organization*	Which stakeholders are affected?	Management Approach
The Company's interest in Monumento Rail expectedly allows the Company's participation in the train systems expansion and additional train/vehicle procurement	Government	Monumento Rail is in the process of negotiation with the government.

Anti-corruption

Training on Anti-corruption Policies and Procedures

Disclosure	Quantity	Units
Percentage of employees to whom the organization's anti- corruption policies and procedures have been communicated to	100	%
Percentage of business partners to whom the organization's anti-corruption policies and procedures have been	100	%

communicated to		
Percentage of directors and management that have received anti-corruption training	100	%
Percentage of employees that have received anti-corruption training	100	%

What is the impact and where does it **occur? What is the organization's** involvement in the impact? *Identify the impact and where it occurs (i.e., primary business operations and/or supply chain)* *Indicate involvement in the impact (i.e., caused by the organization or linked to impacts through its business relationship)*	Which stakeholders are affected? *(e.g. employees, community, suppliers, government, vulnerable groups)*	Management Approach *What policies, commitments, goals and targets, responsibilities, resources, grievance mechanisms, and/or projects, programs, and initiatives do you have to manage the material topic?*
No incidents of violations of the company policy found and reported.	Employees, Directors	Board sets the tone and makes a stand against corrupt practices by adopting an anti-corruption policy and program in its Code of Business Ethics &Conduct. The Company requires continuous management attention at all corporate levels to assure compliance with the spirit and letter of this policy.
What are the Risk/s Identified? *Identify risk/s related to material topic of the organization*	Which stakeholders are affected?	Management Approach
Not applicable	Not applicable	Not applicable
What are the Opportunity/ies Identified? *Identify the opportunity/ies related to material topic of the organization*	Which stakeholders are affected?	Management Approach
Not applicable	Not applicable	Not applicable

<u>Incidents of Corruption</u>

Disclosure	Quantity	Units
Number of incidents in which directors were removed or disciplined for corruption	nil	#
Number of incidents in which employees were dismissed or disciplined for corruption	nil	#
Number of incidents when contracts with business partners were terminated due to incidents of corruption	nil	#

What is the impact and where does it **occur? What is the organization's** involvement in the impact? *Identify the impact and where it occurs (i.e., primary business operations and/or supply chain)* *Indicate involvement in the impact (i.e., caused by the organization or linked to impacts through its business relationship)*	Which stakeholders are affected? *(e.g. employees, community, suppliers, government, vulnerable groups)*	Management Approach *What policies, commitments, goals and targets, responsibilities, resources, grievance mechanisms, and/or projects, programs, and initiatives do you have to manage the material topic?*
Not Applicable	*Not Applicable*	*Not Applicable*
What are the Risk/s Identified? *Identify risk/s related to material topic of the organization*	Which stakeholders are affected	Management Approach
Not Applicable	Not Applicable	Not Applicable
What are the Opportunity/ies Identified? *Identify the opportunity/ies related to material topic of the organization*	Which stakeholders are affected?	Management Approach
Not Applicable	Not Applicable	Not Applicable

ENVIRONMENT

Resource Management

Energy consumption within the organization:

Reduction of energy consumption

Disclosure	Quantity	Units
Energy consumption (renewable sources)	N/A	GJ

Energy consumption (gasoline)	N/A	GJ
Energy consumption (LPG)	N/A	GJ
Energy consumption (diesel)	N/A	GJ
Energy consumption (electricity)	N/A	kWh

Disclosure	Quantity	Units
Energy reduction (gasoline)	N/A	GJ
Energy reduction (LPG)	N/A	GJ
Energy reduction (diesel)	N/A	GJ
Energy reduction (electricity)	N/A	kWh
Energy reduction (gasoline)	N/A	GJ

What is the impact and where does it **occur? What is the organization's** involvement in the impact? *Identify the impact and where it occurs (i.e.., primary business operations and/or supply chain)* *Indicate involvement in the impact (i.e., caused by the organization or linked to impacts through its business relationship)*	Which stakeholders are affected? *(e.g. employees, community, suppliers, government, vulnerable groups)*	Management Approach *What policies, commitments, goals and targets, responsibilities, resources, grievance mechanisms, and/or projects, programs, and initiatives do you have to manage the material topic?*
The Company does not engage in business operations that are subject to regulations, which require compliance with environmental laws.	Community, Government	The Company recognizes and places importance on the interdependence between business and society, and promotes a mutually beneficial relationship that allows the company to grow its business, while contributing to the advancement of the society where it operates.
What are the Risk/s Identified? *Identify risk/s related to material topic of the organization*	Which stakeholders are affected?	Management Approach
None of the projects will spew any harmful by-products - gas emissions or solid and liquid secretions - into the earth's soil or atmosphere.	Not Applicable	Not Applicable
What are the Opportunity/ies Identified? *Identify the opportunity/ies related to material topic of the organization.*	Which stakeholders are affected?	Management Approach
MRT-3 trains are operating purely on	Public commuters,	Averting diesel consumption. Approximately 1,450 buses a

electrical power, which is NOT directly derived from fossil fuels (e.g. gasoline or diesel engines as busses have) that otherwise carry or have direct and intense emissions.	community	day do not have to ply EDSA because of the MRT-3 operating under the average normal condition of 300,000 passengers ferried daily . However, due to social distancing restrictions imposed in the MRT trains, because of the Covid-19 pandemic, train capacity was reduced to 30% and at 16 hours operation. Thus, the average no. of daily passengers was reduced, from 300,000 in 2019 to 113,280, in 2020.

Water consumption within the organization

Disclosure	Quantity	Units
Water withdrawal	N/A	Cubic meters
Water consumption	2,000	Cubic meters
Water recycled and reused	N/A	Cubic meters

What is the impact and where does it **occur? What is the organization's** involvement in the impact? *Identify the impact and where it occurs (i.e., primary business operations and/or supply chain)* *Indicate involvement in the impact (i.e., caused by the organization or linked to impacts through its business relationship*	Which stakeholders are affected? *(e.g. employees, community, suppliers, government, vulnerable groups)*	Management Approach *What policies, commitments, goals and targets, responsibilities, resources, grievance mechanisms, and/or projects, programs, and initiatives do you have to manage the material topic?*
Average day-to-day consumption of employees and executive officers of the Company.	*Employees/Officers*	*To conserve energy. Meeting the needs of the present without compromising the ability of future generations to meet their own needs.*
What are the Risk/s Identified? *Identify risk/s related to material topic of the organization.*	Which stakeholders are affected?	Management Approach
Not Applicable	Not Applicable	Not Applicable
What are the Opportunity/ies Identified? *Identify the opportunity/ies related to material topic of the organization*	Which stakeholders are affected?	Management Approach
Not Applicable	Not Applicable	Not Applicable

Materials used by the organization

Disclosure	Quantity	Units
Materials used by weight or volume		
•renewable	N/A	kg/liters
•non-renewable	N/A	kg/liters
Percentage of recycled input materials used to manufacture the organization's primary products and services	N/A	%

What is the impact and where does it occur? **What is the organization's** involvement in the impact? *Identify the impact and where it occurs (i.e., primary business operations and/or supply chain)* *Indicate involvement in the impact (i.e., caused by the organization or linked to impacts through its business relationship)*	Which stakeholders are affected? *(e.g. employees, community, suppliers, government, vulnerable groups)*	Management Approach *What policies, commitments, goals and targets, responsibilities, resources, grievance mechanisms, and/or projects, programs, and initiatives do you have to manage the material topic?*
Not Applicable	*Not Applicable*	Not Applicable
What are the Risk/s Identified? *Identify risk/s related to material topic of the organization*	Which stakeholders are affected?	Management Approach
Not Applicable	Not Applicable	Not Applicable
What are the Opportunity/ies Identified? *Identify the opportunity/ies related to material topic of the organization*	Which stakeholders are affected?	Management Approach
Not Applicable	Not Applicable	Not Applicable

Ecosystems and biodiversity (whether in upland/watershed or coastal/marine)

Disclosure	Quantity	Units
Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	N/A	
Habitats protected or restored	N/A	ha
ICUN Red List species and national conservation lit species with habitats in areas affected by operations	N/A	

What is the impact and where does it occur? What is the **Organization's** involvement in the impact?	Which stakeholders are affected? *(e.g. employees, community, suppliers,*	Management Approach *What policies, commitments, goals and targets, responsibilities, resources,*

Identify the impact and where it occurs (i.e., primary business operations and/or supply chain) *Indicate involvement in the impact (i.e., caused by the organization or linked to impacts through its business relationship)*	*government, vulnerable groups)*	*grievance mechanisms, and/or projects, programs, and initiatives do you have to manage the material topic?*
Not Applicable	*Not Applicable*	*Not Applicable*
What are the Risk/s Identified? *Identify risk/s related to material topic of the organization*	Which stakeholders are affected?	Management Approach
Not Applicable	Not Applicable	Not Applicable
What are the Opportunity/ies Identified? *Identify the opportunity/ies related to material topic of the organization*	Which stakeholders are affected?	Management Approach
Not Applicable	Not Applicable	Not Applicable

Environmental impact management

Air Emissions

GHG

Disclosure	Quantity	Units
Direct (Scope 1) GHG Emissions	N/A	Tonnes CO_2e
Energy indirect (Scope 2) GHG Emissions	N/A	Tonnes CO_2e
Emissions of ozone-depleting substances (ODS)	N/A	Tonnes

What is the impact and where does it **occur? What is the organization's** involvement in the impact? *Identify the impact and where it occurs (i.e., primary business operations and/or supply chain)* *Indicate involvement in the impact (i.e., caused by the organization or linked to impacts through its business relationship)*	Which stakeholders are affected? *(e.g. employees, community, suppliers, government, vulnerable groups)*	Management Approach *What policies, commitments, goals and targets, responsibilities, resources, grievance mechanisms, and/or projects, programs, and initiatives do you have to manage the material topic?*
Not Applicable	Not Applicable	Not Applicable

What are the Risk/s Identified? *Identify risk/s related to material topic of the organization*	Which stakeholders are affected?	Management Approach
Not Applicable	Not Applicable	Not Applicable
What are the Opportunity/ies Identified? *Identify the opportunity/ies related to material topic of the organization*	Which stakeholders are affected?	Management Approach
Not Applicable	Not Applicable	Not Applicable

Air pollutants

Disclosure	Quantity	Units
Persistent organic pollutants (POPs)	N/A	kg
Volatile organic compounds (VOCs)	N/A	kg
Hazardous air pollutants (HAPs)	N/A	kg
Particulate matter (PM)	N/A	kg

What is the impact and where does it **occur? What is the organization's** involvement in the impact? *Identify the impact and where it occurs (i.e., primary business operations and/or supply chain)* *Indicate involvement in the impact (i.e., caused by the organization or linked to impacts through its business relationship)*	Which stakeholders are affected? *(e.g. employees, community, suppliers, government, vulnerable groups)*	Management Approach *What policies, commitments, goals and targets, responsibilities, resources, grievance mechanisms, and/or projects, programs, and initiatives do you have to manage the material topic?*
Not Applicable	Not Applicable	Not Applicable
What are the Risk/s Identified? *Identify risk/s related to material topic of the organization*	Which stakeholders are affected?	Management Approach
Not Applicable	Not Applicable	Not Applicable

What are the Opportunity/ies Identified? *Identify the opportunity/ies related to material topic of the organization*	Which stakeholders are affected?	Management Approach
Easing Traffic Congestion, Improving Traffic Management for Baguio City, Minimizing Environmental Impact and Increasing Benefits of Transportation to the Public in General	*Community, Government*	Approval of the signing of a Memorandum of Understanding (MOU) with the City of Baguio concerning the Development of an Intelligent Transport System as a Sustainable Long-Term Strategy to Urban Mass Transport Management for Baguio City.

Solid and Hazardous Wastes

Solid Waste

Disclosure	Units	MGH	MRTC (annual)	MRTDEVCO (annual)	MONUMENTO (annual)
		Quantity			
Total solid waste generated	kg	1	2	61	Nil
Reusable	kg	1	1	1	Nil
Recyclable	kg		1	60	Nil
Composted	kg	N/A	N/A	N/A	N/A
Incinerated	kg	N/A	N/A	N/A	N/A
Residuals/Land filled	kg	N/A	N/A	N/A	N/A

What is the impact and where does it occur? What is the organization's involvement in the impact? *Identify the impact and where it occurs (i.e., primary business operations and/or supply chain)* *Indicate involvement in the impact (i.e., caused by the organization or linked to impacts through its business relationship)*	Which stakeholders are affected? *(e.g. employees, community, suppliers, government, vulnerable groups)*	Management Approach *What policies, commitments, goals and targets, responsibilities, resources, grievance mechanisms, and/or projects, programs, and initiatives do you have to manage the material topic?*
The company produces solid waste like used bond paper, used printer cartridges, used computer hardware, used telephones, etc. in its operations.	*Employees, Suppliers*	Recycle of used bond paper and refill of printer cartridges.

What are the Risk/s Identified? *Identify risk/s related to material topic of the organization*	Which stakeholders are affected?	Management Approach
Pest infection of office premises.	Employees	Quarterly Pest Control program of the work place.
What are the Opportunity/ies Identified? *Identify the opportunity/ies related to material topic of the organization*	Which stakeholders are affected?	Management Approach
Not Applicable	Not Applicable	Not Applicable

Hazardous Waste

Disclosure	Quantity	Units
Total weight of hazardous waste generated	N/A	kg
Total weight of hazardous waste transported	N/A	kg

What is the impact and where does it **occur? What is the organization's** involvement in the impact? *Identify the impact and where it occurs (i.e., primary business operations and/or supply chain)* *Indicate involvement in the impact (i.e., caused by the organization or linked to impacts through its business relationship)*	Which stakeholders are affected? *(e.g. employees, community, suppliers, government, vulnerable groups)*	Management Approach *What policies, commitments, goals and targets, responsibilities, resources, grievance mechanisms, and/or projects, programs, and initiatives do you have to manage the material topic?*
Not Applicable	*Not Applicable*	Maintains well ventilated and nonhazardous workplace through daily inspection and maintenance of facilities and supplies.
What are the Risk/s Identified? *Identify risk/s related to material topic of the organization*	Which stakeholders are affected?	Management Approach
Not Applicable	Not Applicable	Not Applicable
What are the Opportunity/ies Identified? *Identify the opportunity/ies related to*	Which stakeholders are affected?	Management Approach

material topic of the organization		
Potential into Renewable energy generation.	Community, government	The company will be adding to its original portfolio, projects or objectives in three phases over the next 10 years that involve solar (panels), wind (turbines), hydro and waste-to-energy power generation – all quintessentially "Green" initiatives.

Effluents

Disclosure	Quantity	Units
Total volume of water discharges	N/A	Cubic meters
Percent of wastewater recycled	N/A	%

What is the impact and where does it occur? What is the organization's involvement in the impact? *Identify the impact and where it occurs (i.e., primary business operations and/or supply chain)* *Indicate involvement in the impact (i.e., caused by the organization or linked to impacts through its business relationship)*	Which stakeholders are affected? *(e.g. employees, community, suppliers, government, vulnerable groups)*	Management Approach *What policies, commitments, goals and targets, responsibilities, resources, grievance mechanisms, and/or projects, programs, and initiatives do you have to manage the material topic?*
Not Applicable	*Not Applicable*	*Not Applicable*
What are the Risk/s Identified? *Identify risk/s related to material topic of the organization*	Which stakeholders are affected?	Management Approach
Not applicable	Not Applicable	Not Applicable
What are the Opportunity/ies Identified? *Identify the opportunity/ies related to material topic of the organization*	Which stakeholders are affected?	Management Approach
Not Applicable	Not Applicable	Not Applicable

Environmental compliance

Non-compliance with Environmental Laws and Regulations

Disclosure	Quantity	Units
Total amount of monetary fines for non-compliance with environmental laws and/or regulations	N/A	nil
No. of non-monetary sanctions for non-compliance with environmental laws and/or regulations	N/A	nil
No. of cases resolved through dispute resolution mechanism	N/A	nil

What is the impact and where does it occur? **What is the organization's** involvement in the impact? *Identify the impact and where it occurs (i.e., primary business operations and/or supply chain)* *Indicate involvement in the impact (i.e., caused by the organization or linked to impacts through its business relationship)*	Which stakeholders are affected? *(e.g. employees, community, suppliers, government, vulnerable groups)*	Management Approach *What policies, commitments, goals and targets, responsibilities, resources, grievance mechanisms, and/or projects, programs, and initiatives do you have to manage the material topic?*
The Company does not engage in business operations that are subject to regulations, which require compliance with environmental laws.	*community, government*	*Not Applicable*
What are the Risk/s Identified? *Identify risk/s related to material topic of the organization*	Which stakeholders are affected?	Management Approach
Not Applicable	Not Applicable	Not Applicable
What are the Opportunity/ies Identified? *Identify the opportunity/ies related to material topic of the organization*	Which stakeholders are affected?	Management Approach
Not Applicable	Not Applicable	Not Applicable

SOCIAL

Employee Management

Employee Hiring and Benefits

Employee data

Employee benefits

SOCIAL

Disclosure	Units	MGH	MRTC	MRTDEVCO	MONUMENTO

		Quantity			
a. Number of female employees	#	5	1	4	0
b. Number of male employees	#	5	0	9	0
Ratio of lowest paid employee against minimum wage	ratio	n/a	1:1.7	1:17	n/a

MGHC

List of Benefits	Y/N	% of female employees who availed for the year	% of male employees who availed for the year
SSS	Y	none	none
PhilHealth	Y	none	none
Pag-ibig	Y	none	none
Parental leaves	Y	none	none
Vacation leaves	N	none	none
Sick leaves	Y	none	none
Medical benefits (aside from PhilHealth))	Y	none	none
Housing assistance (aside from Pag-ibig)	Y	none	none
Retirement fund (aside from SSS)	Y	none	none
Further education support	Y	none	none
Company stock options	N	none	none
Telecommuting	Y	none	none
Flexible-working Hours	Y	100% (during ECQ/MGCQ only)	100% (during ECQ/MGCQ only)

MRTC

List of Benefits	Y/N	% of female employees who availed for the year	% of male employees who availed for the year
SSS	Y	none	none
PhilHealth	Y	none	18%
Pag-ibig	Y	none	none
Parental leaves	Y	25%	none
Vacation leaves	N	100%	100%
Sick leaves	Y	100%	100%
Medical benefits (aside from PhilHealth))	Y	50%	25%
Housing assistance (aside from Pag-ibig)	Y	none	none
Retirement fund (aside from SSS)	Y	none	none
Further education support	Y	none	none
Company stock options	N	none	none

Telecommuting	Y	50% (during ECQ/MGCQ only)	50% (during ECQ/MGCQ only)
Flexible-working Hours	Y	50% (during ECQ/MGCQ only)	50% (during ECQ/MGCQ only)
(Others)		none	none

MRTDEVCO

List of Benefits	Y/N	% of female employees who availed for the year	% of male employees who availed for the year
SSS	Y	none	None
PhilHealth	Y	25%	22%
Pag-ibig	Y	none	None
Parental leaves	Y	None	None
Vacation leaves	Y	100%	100%
Sick leaves	Y	100%	100%
Medical benefits (aside from PhilHealth))	Y	50%	25%
Housing assistance (aside from Pag-ibig)	Y	none	None
Retirement fund (aside from SSS)	Y	none	None
Further education support	Y	none	None
Company stock options	N	none	None
Telecommuting	Y	none	None
Flexible-working Hours	Y	none	None
(Others)		none	None

MONUMENTO

List of Benefits	Y/N	% of female employees who availed for the year	% of male employees who availed for the year
SSS	Y	n/a	n/a
PhilHealth	Y	n/a	n/a
Pag-ibig	Y	n/a	n/a
Parental leaves	Y	n/a	n/a
Vacation leaves	N	n/a	n/a
Sick leaves	Y	n/a	n/a
Medical benefits (aside from PhilHealth))	Y	n/a	n/a
Housing assistance (aside from Pag-ibig)	Y	n/a	n/a

Retirement fund (aside from SSS)	Y	n/a	n/a
Further education support	Y	n/a	n/a
Company stock options	N	n/a	n/a
Telecommuting	Y	n/a	n/a
Flexible-working Hours	Y	n/a	n/a
(Others)		n/a	n/a

What is the impact and where does it occur? What is the **organization's involvement in the im**pact? *Identify the impact and where it occurs (i.e., primary business operations and/or supply chain)* *Indicate involvement in the impact (i.e., caused by the organization or linked to impacts through its business relationship)*	Management Approach *What policies, commitments, goals and targets, responsibilities, resources, grievance mechanisms, and/or projects, programs, and initiatives do you have to manage the material topic?*
The Company has no employee who is not an executive officer who is expected by the Company to make a significant contribution to the Business.	The Company has ten (10) employees in year 2020 while in 2019, the Company only had two (2) employees. Management of the Company is currently being undertaken by the executive officers of the parent company. Starting September 1, 2020, the CEO and President of the Company by virtue of their position, receive compensation from the company.
What are the Risk/s Identified? *Identify risk/s related to material topic of the organization*	Management Approach
Not applicable	Not Applicable
What are the Opportunity/ies Identified? *Identify the opportunity/ies related to material topic of the organization*	Management Approach
The Company's business is not highly dependent on the services or any key personnel.	The Company's By-Laws on compensation provides that "Each director shall receive a reasonable per diem allowance for his attendance at each meeting of the board. As a compensation, the Board shall receive and allocate an amount of not more than five (5%) percent 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.

Employee Training and Development

The Company is committed to having a workplace prepared to meet current and future business objectives by providing its employees, at all levels, with appropriate education and training.

Disclosure	Units	MGH	MRTC	MRTDEVCO	MONUMENTO
		Quantity			
Total training hours provided to employees			2	26	Nil
a. Female employees	hours		2	8	Nil
b. Male employees	hours		2	22	Nil
Average training hours provided to employees					
a. Female employees	hours/employee		2	2	Nil
b. Male employees	hours/employee		2	2	Nil

What is the impact and where does it occur? What is the **organization's involvement in the impact?** *Identify the impact and where it occurs (i.e., primary business operations and/or supply chain)* *Indicate involvement in the impact (i.e., caused by the organization or linked to impacts through its business relationship)*	Management Approach *What policies, commitments, goals and targets, responsibilities, resources, grievance mechanisms, and/or projects, programs, and initiatives do you have to manage the material topic?*
The management of MGHC is currently being undertaken by the executive officers and employees of the parent company, FEMI, which officers and employees are seconded by MGHC.	We provide intensive training and management support for our people and offer personal and financial growth though progressive hiring and promotion practices All employees are oriented in the philosophy, ethics, values, principles and business priorities of the company, such as induction into their group/department, thru its Management Development Program
What are the Risk/s Identified? *Identify risk/s related to material topic of the organization*	Management Approach
Gap in Knowledge, Skills and Attitude of employees	Attendance to public seminars and workshops are required to Address gap per KSA.
What are the Opportunity/ies Identified? *Identify the opportunity/ies related to material topic of the organization*	Management Approach
Officers (Managers up) are also encouraged to attend seminars to update their KSAs.	In-house training is provided and is customized to the job as well as personal needs.

	All first time managers shall successfully complete specified supervisory training within a specified period of appointment. - Promotional Program, Management Development Program

Labor

-Management Relations

Metro Global Holdings, Inc.'s sees to it that our relationship with our employees is always healthy and fruitful.

Our Company has code of Business Conduct and Ethics which all employees must understand and follow. Applicable labor laws and regulations where we do business are also being complied with. Moreover, we are responsible for preventing violations of laws and for speaking up if we see possible violations.

Disclosure	Units	MGH	MRTC	MRTDEVCO	MONUMENTO
		Quantity			
% of employees covered with Collective Bargaining Agreements	%	nil	nil	nil	n/a
Number of consultations conducted with employees concerning employee-related policies	#		1	15	n/a

What is the impact and where does it occur? What is the **organization's involvement in the impact?** *Identify the impact and where it occurs (i.e., primary business operations and/or supply chain)* *Indicate involvement in the impact (i.e., caused by the organization or linked to impacts through its business relationship)*	Management Approach *What policies, commitments, goals and targets, responsibilities, resources, grievance mechanisms, and/or projects, programs, and initiatives do you have to manage the material topic?*
Management of MGHC is currently being undertaken by the executive officers of the parent company.	The company has no existing employment contract with any executive officer nor is there any existing compensatory plan or arrangement, even on payments to be received from the Company, with respect to an executive officers employment with the Company and its subsidiaries or from a change-in-control of the Company or a change in the name executive officers' responsibilities following a change-in-control where the amount involved, if any including all periodic payments or installments, which exceeds P2.5M
What are the Risk/s Identified? *Identify risk/s related to material topic of the organization*	Management Approach
In case unsure if action is not permitted by law or MGH policy.	We seek the advice of resource experts/consultants.

What are the Opportunity/ies Identified? *Identify the opportunity/ies related to material topic of the organization*	Management Approach
Not Applicable	Not Applicable

Diversity and Equal Opportunity

**Vulnerable sector includes, elderly, persons with disabilities, vulnerable women, refugees, migrants, internally displaced persons, people living with HIV and other diseases, solo parents, and the poor or the base of the pyramid (BOP; Class D and E).*

Disclosure	Units	MGH	MRTC	MRTDEVCO	MONUMENTO
		Quantity			
% of female workers in the workforce	%	nil	Nil	Nil	n/a
% of male workers in the workforce	%	nil	Nil	Nil	n/a
Number of employees from indigenous communities and/or vulnerable sector*	#	nil	nil	nil	n/a

What is the impact and where does it occur? What is the **organization's involvement in the impact?** *Identify the impact and where it occurs (i.e., primary business operations and/or supply chain)* *Indicate involvement in the impact (i.e., caused by the organization or linked to impacts through its business relationship)*	Management Approach *What policies, commitments, goals and targets, responsibilities, resources, grievance mechanisms, and/or projects, programs, and initiatives do you have to manage the material topic?*
Not Applicable	Not applicable
What are the Risk/s Identified? *Identify risk/s related to material topic of the organization*	Management Approach
Not applicable	Not applicable
What are the Opportunity/ies Identified? *Identify the opportunity/ies related to material topic of the organization*	Management Approach
Not applicable	Not Applicable

Workplace Conditions, Labor Standards, and Human Rights Occupational Health and Safety

Disclosure	Units	MGH	MRTC	MRTDEVCO	MONUMENTO
		Quantity			
Safe Man-Hours	Man-hours				

No. of work-related injuries	#	nil	nil	nil	n/a
No. of work-related fatalities	#	nil	nil	nil	n/a
No. of work related ill-health	#	nil	nil	nil	n/a
No. of safety drills	#	1	1	1	n/a

What is the impact and where does it occur? What is the **organization's involvement in the impact?** *Identify the impact and where it occurs (i.e., primary business operations and/or supply chain)* *Indicate involvement in the impact (i.e., caused by the organization or linked to impacts through its business relationship)*	Management Approach *What policies, commitments, goals and targets, responsibilities, resources, grievance mechanisms, and/or projects, programs, and initiatives do you have to manage the material topic?*
The management of MGHC is currently being undertaken by the executive officers and employees of the parent company, FEMI, which officers and employees are seconded by MGHC.	The health of every employee shall be maintained at the highest levels: 1. With existing health plan coverage, 2. With emergency medicine kit complete with emergency medicines, 3. With company nurse to address employees' health needs; assessment and, or referral of employee/s health condition in the workplace. 4. Employees required to consult a Physician if sick leave is more than two days and a medical certificate/ clearance is required before resumption of work. 5. Pre-employment physical examination of newly hired employees. 6. Annual Physical examinations for all regular employees.
What are the Risk/s Identified? *Identify risk/s related to material topic of the organization*	Management Approach
Presence of any symptoms of a suspected viral illness.	Employee advised to go home and immediately consult a Physician
What are the Opportunity/ies Identified? *Identify the opportunity/ies related to material topic of the organization*	Management Approach
Data relating to health, safety and welfare of its employees.	1. Annual vaccination program with Influenza virus is maintained 2. Monthly purchase of first aid supplies. 3. Maintainenance of well-ventilated and nonhazardous workplace through daily inspection and maintenance of facilities/supplies. 4. Quarterly Pest Control program of the work place.

Labor Laws and Human Rights

Do you have policies that explicitly disallows violations of labor laws and human rights (e.g. harassment, bullying) in the workplace?

Disclosure	Units	MGH	MRTC	MRTDEVCO	MONUMENTO
		Quantity			
No. of legal actions or employee grievances involving forced or child labor	n.a	none	none	None	none

Topic	Y/N	If Yes, cite reference in the company policy
Forced labor	N	
Child labor	N	
Human Rights	N	

What is the impact and where does it occur? What is the **organization's involvement in the impact?** *Identify the impact and where it occurs (i.e., primary business operations and/or supply chain)* *Indicate involvement in the impact (i.e., caused by the organization or linked to impacts through its business relationship)*	Management Approach *What policies, commitments, goals and targets, responsibilities, resources, grievance mechanisms, and/or projects, programs, and initiatives do you have to manage the material topic?*
Not Applicable	Not Applicable
What are the Risk/s Identified? *Identify risk/s related to material topic of the organization*	Management Approach
Not Applicable	Not Applicable
What are the Opportunity/ies Identified? *Identify the opportunity/ies related to material topic of the organization*	Management Approach
Not Applicable	Not Applicable

Supply Chain Management

Do you have a supplier accreditation policy? If yes, please attach the policy or link to the policy:

Not being engaged in the manufacturing of any product, the Company does not require any raw materials, energy or other items from suppliers in conducting its business.

MRTC, MRTDC and Monumento have no accreditation policy for its suppliers. The three (3) bid rule is being implemented for company purchases.

Do you consider the following sustainability topics when accrediting suppliers?

On acquisition of supplies for operations like office supplies, computers airconditioners, etc., herewith is the Group's code of ethics and anti-bribery and anti-corruption policy). Link: *Company Policies*

Topic	Y/N	If Yes, cite reference in the company policy

Environmental performance	N	
Forced labor	N	
Child labor	N	
Human rights	N	
Bribery and corruption	Y	-MGHC strictly prohibits any form of bribery and corruption within the company, as well as in dealing with suppliers, contractors, and potential suppliers and contractors.

What is the impact and where does it occur? What is the **organization's involvement in the impact?** *Identify the impact and where it occurs (i.e., primary business operations and/or supply chain)* *Indicate involvement in the impact (i.e., caused by the organization or linked to impacts through its business relationship)*	Management Approach *What policies, commitments, goals and targets, responsibilities, resources, grievance mechanisms, and/or projects, programs, and initiatives do you have to manage the material topic?*
There are no expected purchases or sale of plant and significant equipment within the next 12 months as the Company is not engaged in any manufacturing business.	The Company discloses its policies and practices—specifically those that address the selection procedures with regards to suppliers and contractors thru its Code of Business Conduct and Ethics.
What are the Risk/s Identified? *Identify risk/s related to material topic of the organization*	Management Approach
Not Applicable	Not Applicable
What are the Opportunity/ies Identified? *Identify the opportunity/ies related to material topic of the organization*	Management Approach
The Company has a 28.47% equity interest in Monumento Rail Transit Corporation which as a result, allows participation in the MRT-3 System train system extension from North Triangle to Monumento (MRT 3 Phase 2); from Taft Avenue Station to the Airport (airport link); and Ayala Avenue Station to Buendia Station(the Makati Loop) in the event these projects are approved by the Philippine Government	The Company continues, through its holdings in Monumento Rail, to actively pursue its participation in the train system extensions.

Relationship with Community

Company recognizes and places importance on the interdependence between business and society, and promotes a mutually beneficial relationship that allows the company to grow its business, while contributing to the advancement of the society where it operates.

Significant Impacts on Local Communities

MGHC's CSR programs are comprised of Green Outreach Programs focused on three major areas, namely: Environmental, Health and Educational prerogatives.

The three are central to 21st century living and are thus in line with MGHC's historical corporate philosophy of staying abreast with the times – inclusive of when it comes to fulfilling its CSR mandate.

Geographically, MGHC has applied these initiatives not just within its immediate communities but beyond and even on a nationwide basis.

Operations with significant (positive or negative) impacts on local communities (exclude CSR projects; this has to be business operations)	Location	Vulnerable groups (if applicable)*	Does the particular operation have impacts on indigenous people (Y/N)?	Collective or individual rights that have been identified that or particular concern for the community	Mitigating measures (if negative) or enhancement measures (if positive)
The MRT system provides a low fare and convenient mode of transport to 350,000 commuters a day. *There are elevators provided for the elderly and persons with disabilities*	13 stations from North Triangle to Taft Avenue	Public	Yes	Government	The Government, through Department of Transportation is responsible for the collection of fares and for the day-to-day operations of the system.

**Vulnerable sector includes children and youth, elderly, persons with disabilities, vulnerable women, refugees, migrants, internally displaced persons, people living with HIV and other diseases, solo parents, and the poor or the base of the pyramid (BOP; Class D and E)*

For operations that are affecting Indigenous Peoples (IPs), indicate the total number of Free and Prior Informed Consent (FPIC) undergoing consultations and Certification Preconditions (CPs) secured and still operational and provide a copy or link to the certificates if available:

Certificates	Quantity	Units
FPIC process is still undergoing	N/A	#
CP secured	N/A	#

What are the Risk/s Identified *Identify risk/s related to material topic of the organization*	Management Approach
The depletion or destruction of natural resources is altogether a non-issue. None of the projects will require compensatory or remedial measures to restore natural resources and will spew any harmful by-products – gas emissions or solid and liquid secretions – into the earth's soil or atmosphere (such as would be the case in energy being generated from coal, for example).	MGCH will function sustainably to provide power to our country.

What are the Opportunity/ies Identified? *Identify the opportunity/ies related to material topic of the organization*	Management Approach
Future objectives in various parts of the country such as Baguio in Benguet province, the NCR, Pililla in Rizal province and Iloilo in the Visayas will not be depleting the planet's natural resources during the company's operations, thus capturing the very definition of Sustainable Development, or "meeting the needs of the present without compromising the ability of future generations to meet their own needs" In the case of waste-to-energy initiatives in Baguio and in Manila, there will be the additional benefit of a significant reduction in extremely detrimental manmade waste, as large quantities of rubbish is converted to genuinely usable power	MGHC shall purchase 100% shares of common stock of Metro Solar Power Solutions, Inc. (Metro Solar) held by FEMI; Metro Solar is a stock corporation registered with the Securities and Exchange Commission (the "SEC") on September 28, 2016 with principal activity to construct, erect, assemble, commission and maintain power-generating plants and related facilities for the conversion of renewable energy into usable form fit for electricity generation and distribution. As of report date, the Parent Company and FEMI are in the process of finalizing details of the proposed sale and purchase of shares transaction contemplated by the parties. The company acquired two new subsidiaries: Metro Power Solutions, Inc. and Metro Renewable Transport Solutions, Inc.. The company will be adding to its original portfolio (real estate development and management, IT and infrastructure, among others), projects or objectives in three phases over the next 10 years that involve solar (panels), wind (turbines), hydro and waste-to-energy power generation – all quintessentially "Green" initiatives.

Customer Management

The Company is a holding company and has no direct business operations that entail direct interaction with customers.

Business Operations of Affiliates

Monumento Rail

Monumento Rail currently has no project and is not in operation hence it has no direct interaction with customers.

MRTC

The operations and maintenance of MRT3 System is being handled by DOTR hence MRTC has no business operation that entails direct interaction with customers;

MRTDC

MRT Development Corporation's (MRTDC) main line of business is the leasing out of about 160 commercial retail spaces and about 1,200outdoor and 1,000 indoor advertising assets located in all 13 MRT-3 stations and guide way structures along the stretch of EDSA from North Avenue in Quezon City to Taft Avenue in Pasay City, constantly uphold the highest standards in servicing its tenants and advertisers with quality care and assistance under terms and conditions that are fair and satisfactory. Through the hard work and dedication of its management and employees, MRTDC will continue to sustain its quality service delivery to its tenants and advertisers, whose growth and success are also the company's.

Customer Satisfaction

Disclosure	Score	Did a third party conduct the customer satisfaction study (Y/N)?
Customer satisfaction	N/A	No.

What is the impact and where does it occur? What is the **organization's involvement in the impact?** *Identify the impact and where it occurs (i.e., primary business operations and/or supply chain)* *Indicate involvement in the impact (i.e., caused by the organization or linked to impacts through its business relationship)*	Management Approach *What policies, commitments, goals and targets, responsibilities, resources, grievance mechanisms, and/or projects, programs, and initiatives do you have to manage the material topic?*
The Company is a holding company and has no direct business operations that entail direct interaction with customers.	Not Applicable
What are the Risk/s Identified? *Identify risk/s related to material topic of the organization*	Management Approach
Not Applicable	Not Applicable
What are the Opportunity/ies Identified? *Identify the opportunity/ies related to material topic of the organization*	Management Approach
Not Applicable	Not Applicable

Health and Safety

**Substantiated complaints include complaints from customers that went through the organization's formal communication channels and grievance mechanisms as well as complaints that were lodged to and acted upon by government agencies.*

For MRTC and MRTDC, there were no reported or filed cases of any violation relating to Health and Safety Standards. For the operation and maintenance of the MRT-3 train system, DOTR is responsible for any operational related cases.

Disclosure	Quantity	Units
No. of substantiated complaints on product or service health and safety*	N/A	#
No. of complaints addressed	N/A	#

What is the impact and where does it occur? What is the **organization's involvement in the impact?** *Identify the impact and where it occurs (i.e., primary business operations and/or supply chain)*	Management Approach *What policies, commitments, goals and targets, responsibilities, resources, grievance mechanisms, and/or projects, programs,*

Indicate involvement in the impact (i.e., caused by the organization or linked to impacts through its business relationship)	*and initiatives do you have to manage the material topic?*
Not Applicable	*Not Applicable*
What are the Risk/s Identified? *Identify risk/s related to material topic of the organization*	Management Approach
Not Applicable	Not Applicable
What are the Opportunity/ies Identified? *Identify the opportunity/ies related to material topic of the organization*	Management Approach
Not Applicable	Not Applicable

Marketing and labeling

**Substantiated complaints include complaints from customers that went through the organization's formal communication channels and grievance mechanisms as well as complaints that were lodged to and acted upon by government agencies.*

Disclosure	Quantity	Units
No. of substantiated complaints on marketing and labeling*	N/A	#
No. of complaints addressed	N/A	#

What is the impact and where does it occur? What is the organi**zation's involvement in the impact?** *Identify the impact and where it occurs (i.e., primary business operations and/or supply chain)* *Indicate involvement in the impact (i.e., caused by the organization or linked to impacts through its business relationship)*	Management Approach *What policies, commitments, goals and targets, responsibilities, resources, grievance mechanisms, and/or projects, programs, and initiatives do you have to manage the material topic?*
Not Applicable	*Not Applicable*
What are the Risk/s Identified? *Identify risk/s related to material topic of the organization*	Management Approach
Not Applicable	Not Applicable
What are the Opportunity/ies Identified? *Identify the opportunity/ies related to material topic of the organization*	Management Approach
Not Applicable	Not Applicable

Customer privacy

**Substantiated complaints include complaints from customers that went through the organization's formal communication channels and grievance mechanisms as well as complaints that were lodged to and acted upon by government agencies.*

MRT Development Corporation (MRTDC) strictly adheres to its responsibility towards confidential information provided by its tenants and advertisers. Unless in cases authorized by law, the company is accountable and compelled to protect all information provided by its tenants and advertisers. The company's leasing and advertising operations group, through the guidance of its corporate lawyers, is in-charge of handling tenants and advertisers' data privacy, reviewing guidelines and policies, executing strategies, establishing internal controls to protect these data and ensuring that these data are not compromised. MRTDC's policy on data privacy is in accordance with the Data Privacy Act. The company continues to educate its employees on the significance and confidentiality of tenants and advertisers' information.

Disclosure	Quantity	Units
No. of substantiated complaints on customer privacy*	N/A	#
No. of complaints addressed	N/A	#
No. of customers, users and account holders whose information is used for secondary purposes	N/A	#

What is the impact and where does it occur? What is the **organization's involvement in the impact?** *Identify the impact and where it occurs (i.e., primary business operations and/or supply chain)* *Indicate involvement in the impact (i.e., caused by the organization or linked to impacts through its business relationship)*	Management Approach *What policies, commitments, goals and targets, responsibilities, resources, grievance mechanisms, and/or projects, programs, and initiatives do you have to manage the material topic?*
Not Applicable	*Not Applicable*
What are the Risk/s Identified? *Identify risk/s related to material topic of the organization*	Management Approach
Not Applicable	Not Applicable
What are the Opportunity/ies Identified? *Identify the opportunity/ies related to material topic of the organization*	Management Approach
Not Applicable	Not Applicable

Data Security

Disclosure	Quantity	Units
No. of data breaches, including leaks, thefts and losses of data	N/A	#

What is the impact and where does it occur? What is the **organization's involvement in the impact?** *Identify the impact and where it occurs (i.e., primary business operations and/or supply chain)*	Management Approach *What policies, commitments, goals and targets, responsibilities, resources, grievance mechanisms, and/or projects, programs, and initiatives do you have to manage the material topic?*

Indicate involvement in the impact (i.e., caused by the organization or linked to impacts through its business relationship)	
Since 2007, the Company's securities are not traded due to voluntary suspension to allow the Company to re-align its business and explore new strategic directions.	Shareholders records are maintained by BDO Stock Transfer Agent.
What are the Risk/s Identified? *Identify risk/s related to material topic of the organization*	Management Approach
Not Applicable	Not Applicable
What are the Opportunity/ies Identified? *Identify the opportunity/ies related to material topic of the organization*	Management Approach
Not Applicable	Not Applicable

UN SUSTAINABLE DEVELOPMENT GOALS

Product or Service Contribution to United Nations SDGs

Key products and services and its contribution to sustainable development.

Key Products and Services	Societal Value / Contribution to UN SDGs	Potential Negative Impact of Contribution	Management Approach to Negative Impact

The wholly electrically-powered MRT-3 ferried in 2019 an average of 300,000 daily passengers along its 13-station route from North Triangle to Taft Avenue along EDSA. However, due to social distancing restrictions imposed in the MRT trains, because of the Covid-19 pandemic, train capacity was reduced to 30% and at 16 hours operation the average daily passengers was reduced to 113,280 in 2020.	MGHC's environmental sustainability practices are exercised at the level of MRTC by the operations of MRT-3 System along EDSA on a daily basis all year long since 2000 (and through the year 2019). Approximately 1,450 buses a day do not have to ply EDSA, as a result. The scenario where vehicular diesel engines emit nitrogen compounds and particulate matter (hydrocarbons and carbon dioxide) as they burn diesel fuel is significantly diminished because 350,000 passengers ride the MRT-3 daily instead of the aforementioned buses. All stations of MRT have elevators for the use of the public.	Owing to the scaled-back, present day average of 40% less the number of trains running daily from its originally prescribed optimum of 20, the per-day average number of commuters riding the MRT-3 has correspondingly diminished from what the peak had been. As a result, with fewer trains servicing the commuting public, the public take buses and other forms of public transport like taxis or motorcycles instead. These other forms of public transport use fuel which pollutes the environment. This negative impact, unfortunately, is not within the control of the Company as it is the Philippine Government, through its agency, DOTR, which is responsible for ensuring the number of trains and the maintenance works on the MRT 3 System are enough to service the commuting public. While the MRT 3 is electrically powered and is a welcome substitute to the buses operating along EDSA that are run on diesel, there may still be a negative impact, albeit indirectly, on the environment by the mass rail system. This is because electricity in the Philippines is produced largely in coal fired plants which are less costly to operate.	Lobbied for and eventually succeeded in influencing the re-entry (which occurred in the 2nd quarter of 2019) of original maintenance service provider Sumitomo Corporation to restore riding capacity and bring it closer to its original ridership of 500,000+ passengers daily that occurred during its peak years of from 2000-2010. This will further add to the total number of buses that otherwise need to ply EDSA, and will remain sidelined, as a result. The Company's response to this negative impact is for MRT 3 to try to generate its own power through renewable energy, if feasible, if this is not feasible, the Company can more than offset the negative impact by developing renewable energy sources such as solar and wind farms, hydro electric and waste to energy plants. The management is continuously assessing the impact of the COVID-19 on the performance of the Group based on the latest development.

** None/Not Applicable is not an acceptable answer. For holding companies, the services and products of its subsidiaries may be disclosed.*

Signatures

Pursuant to the requirements of Section 17 of the Code and Section 141 of the Company Code, this report is signed on behalf of the issuer by the undersigned, thereunto duly authorized, in the City of Pasig on ________________.

By:

Robert John L. Sobrepeña
Chairman of the Board/
Chief Executive Officer

Atty. Ferdinand T. Santos
President/Chief Risk Officer

Ramon G. Jimenez
Treasurer/VP-CFO

Alice O. Bondoc
Assistant Corporate Secretary/
SVP-Good Governance & Compliance Officer

SUBSCRIBED AND SWORN to before me this MAY 1 4 2021 day of ________ affiant(s) exhibiting to me his/their Social Security System Number, as follows:

NAMES	**SSS NO.**
Robert John L. Sobrepeña	03-6449007-1
Atty. Ferdinand T. Santos	03-2643588-3
Alice O. Bondoc	33-1923852-8
Ramon G. Jimenez	03-6347637-1

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Page No.: 62;
Book No.: XIV;
Series of 2021

KAMILLE JOYCE E. CARRANZA-DITANGAN
Notary Public for Pasig, San Juan & Pateros
M/F Renaissance Office Towers
Meralco Avenue, Ortigas Center, Pasig City
Roll of Attorneys No. 58810
Appointment No. 22 (2021-2022)
Commission Expires on December 31, 2022
PTR No. 7201698 / 01.11.2021 / Pasig
IBP LRN No. 988060/01.08.2015/Cavite
MCLE Compliance No. VI-0017577 / 2.11.2019

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Cc: mcsn_carrie@yahoo.com

Date: Friday, 14 May 2021, 03:24 pm GMT+8

Hi METRO GLOBAL HOLDINGS CORPORATION,

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- EAFS000194408OTHTY122020.pdf

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Transaction Code: **AFS-0-KEE98EJ08JJB9DFHMYP1T4RP0PZQT22VM**
Submission Date/Time: **May 14, 2021 03:10 PM**
Company TIN: **000-194-408**

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

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COVER SHEET
for
AUDITED FINANCIAL STATEMENTS

SEC Registration Number

							9	1	4	2

COMPANY NAME

METRO GLOBAL HOLDINGS
CORPORATION (FORMERLY
FIL-ESTATE CORPORATION)

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

MEZZANINE FLOOR,
RENAISSANCE TOWER,
MERALCO AVENUE, PASIG CITY

Form Type	Department requiring the report	Secondary License Type, if applicable
AAFS	MRD	Not applicable

COMPANY INFORMATION

Company's Email Address	Company's Telephone Number(s)	Mobile Number
info@metroglobalholdings.com	8633-6205	Not applicable

No. of Stockholders	Annual Meeting (Month/Day)	Fiscal Year (Month/Day)
1906	1st Thursday of March	December 31

CONTACT PERSON INFORMATION

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

Name of Contact Person	Email Address	Telephone Number(s)	Mobile Number
Ramon Jimenez	monjay@ymail.com	8633-6205	Not applicable

Contact Person's Address

Mezzanine Floor, Renaissance Tower, Meralco Avenue, Pasig City

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

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

Metro Global Holdings Corporation and Subsidiaries

(formerly Fil-Estate Corporation)

Consolidated Financial Statements
As at and for the year ended December 31, 2020
(With comparative figures as at December 31, 2019 and for the years ended December 31, 2019 and 2018)

Independent Auditor's Report

To the Board of Directors and Shareholders of
Metro Global Holdings Corporation and Subsidiaries
(Formerly Fil-Estate Corporation)
Mezzanine Floor, Renaissance Tower,
Meralco Avenue, Pasig

Report on the Audit of the Consolidated Financial Statements

Our Opinion

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of Metro Global Holdings Corporation (the "Parent Company") and its subsidiaries (collectively referred to as the "Group") as at December 31, 2020, and its consolidated financial performance and consolidated cash flows for the year then ended in accordance with Philippine Financial Reporting Standards (PFRS).

What we have audited

The consolidated financial statements of the Group comprise:

- the consolidated statement of financial position as at December 31, 2020;
- the consolidated statement of total comprehensive income for the year ended December 31, 2020;
- the consolidated statement of changes in equity for the year ended December 31, 2020;
- the consolidated statement of cash flows for the year ended December 31, 2020; and
- the notes to the consolidated financial statements, which include a summary of significant accounting policies.

Basis for Opinion

We conducted our audit in accordance with Philippine Standards on Auditing (PSA). 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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

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.

Isla Lipana & Co., 29th Floor, Philamlife Tower, 8767 Paseo de Roxas, 1226 Makati City, Philippines
T: +63 (2) 8845 2728, F: +63 (2) 8845 2806, www.pwc.com/ph

Our Audit Approach

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the consolidated financial statements. In particular, we considered where management made subjective judgements; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including among other matters, consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

We tailored the scope of our audit in order to perform sufficient work to enable us to provide an opinion on the consolidated financial statements as a whole, taking into account the structure of the Group, the accounting processes and controls, and the industry in which the Group operates.

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.

Key audit matter identified in our audit relates to measurement of unquoted equity securities of certain companies, particularly whether the cost of investments can be used as an estimate of fair value:

Key Audit Matter	How our audit addressed the Key Audit Matter
Measurement of unquoted equity instruments - cost as an estimate of fair value Refer to Note 5 to the consolidated financial statements. The Parent Company has investments in Metro Rail Transit Holdings I Inc. (MRTHI) and Metro Rail Transit Holdings II Inc. (MRTHII) which are accounted for as financial assets at fair value through other comprehensive income. MRTHI and MRTHII are holding companies owning equity interest in Metro Rail Transit Corporation (MRTC), a company granted by the Philippine Government the right to build, lease, and transfer the rail transit system in Metro Manila. The equity securities of MRTHI and MRTHII are unquoted.	We addressed the matter by performing the following substantive audit procedures to assess whether the cost of the investments in unquoted equity securities of MRTHI and MRTHII can be used as an estimate of fair value: ● Obtained and reviewed the results of operations of the investees including MRTC and evaluated if there are indicators where cost might not be representative of fair value, including significant change in the investees' performance and operations, change in expectation that the investee's capacity expansion plans will be achieved, and significant change in the economic environment in which the investees operate.

Key Audit Matter	How our audit addressed the Key Audit Matter
The Group has adopted PFRS 9 Financial Instruments which requires all equity investments to be measured at fair value in the consolidated financial statements. PFRS 9 further provides that, in limited circumstances, cost might be used as a measure of fair value where cost represents the best estimate of fair value. The Group assesses whether the cost is the best estimate of fair value of investments in MRTHI and MRTHII. In making the assessment, the Group checks whether there are events or circumstances that might indicate that cost might not be representative of fair value of the investees, including significant change in the investees' performance and operations, change in expectation that the investee's capacity expansion plans will be achieved, and significant change in the economic environment in which the investees operate. The Group also considers cost as the best measure of fair value where more recent available information is insufficient to determine fair value or where there is a wide range of possible fair value measurements, and cost represents the best estimate of fair value within that range. The assessment involved in the determination of fair value of unquoted equity securities requires management to make highly subjective judgments. As a result, the valuation of these instruments was significant to our audit.	• Reviewed the contracts, cooperation agreements and minutes of BOD meetings during the year and assessed if more recent available information is sufficient to determine fair value. We also obtained confirmation from the management and Group's legal team on the status of existing agreements to the extent relevant in the assessment. • Reviewed and evaluated the forecast and MRTC's capacity expansion plans to assess whether those forecasts or plans could indicate a wide range of possible fair value measurements. This is the case where the outcome of capacity expansion proposals to the Philippine government highly varies, leading to a possible wide range of fair value measurements.

Other Information

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

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

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

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

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with PFRS, 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 ability of each entity in the Group 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 or to cease operations of an entity within the Group, 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 PSA will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, 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 PSA, 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.

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.

Other Matter

The consolidated financial statements of the Group as at and for the years ended December 31, 2019 and 2018, before the restatements described in Note 20, were audited by another auditor whose report dated June 15, 2020, expressed an unmodified opinion on those statements.

As part of our audit of the 2020 consolidated financial statements, we also audited the restatements described in Note 20 that were applied on the prior period balances. In our opinion, such adjustments are appropriate and have been properly applied. We were not engaged to audit, review or apply any procedures to the 2019 and 2018 consolidated financial statements of the Group other than with respect to the restatements in prior period balances and, accordingly, we do not express an opinion or any other form of assurance on the 2019 and 2018 consolidated financial statements taken as a whole.

The engagement partner on the audit resulting in this independent auditor's report is Jan Michael L. Reyes.

Isla Lipana & Co.

Jan Michael L. Reyes
Partner
CPA Cert. No. 104972
PTR No. 0011393, issued on January 5, 2021, Makati City
SEC A.N. (individual) as general auditors 104972-SEC, Category A;
valid to audit 2020 to 2024 financial statements
SEC A.N. (firm) as general auditors 0142-SEC, Category A;
valid to audit 2020 to 2024 financial statements
TIN 215-692-059
BIR A.N. 08-000745-122-2019, issued on September 18, 2019; effective until September 17, 2022
BOA/PRC Reg. No. 0142, effective until January 21, 2023

Makati City
May 7, 2021

Isla Lipana & Co.

Statement Required by Rule 68,
Securities Regulation Code (SRC)

Independent Auditor's Report
To the Board of Directors and Shareholders of
Metro Global Holdings Corporation and Subsidiaries
(Formerly Fil-Estate Corporation)

We have audited the consolidated financial statements of Metro Global Holdings Corporation (the "Parent Company") and its subsidiaries (collectively referred to as the "Group") as at and for the year ended December 31, 2020, on which we have rendered the attached report dated May 7, 2021. The supplementary information shown in the Reconciliation of Retained Earnings Available for Dividend Declaration, a Map Showing the Relationships among the Group and its Ultimate Parent Company and Schedules A, B, C, D, E, F and G, as additional components required by Rule 68 of the SRC, are presented for purposes of filing with the Securities and Exchange Commission and are not required parts of the consolidated financial statements. Such supplementary information are the responsibility of management and have been subjected to the auditing procedures applied in the audit of the consolidated financial statements. In our opinion, the supplementary information have been prepared in accordance with Rule 68 of the SRC.

Isla Lipana & Co.

Jan Michael L. Reyes
Partner
CPA Cert. No. 104972
PTR No. 0011393, issued on January 5, 2021, Makati City
SEC A.N. (individual) as general auditors 104972-SEC, Category A;
valid to audit 2020 to 2024 financial statements
SEC A.N. (firm) as general auditors 0142-SEC, Category A;
valid to audit 2020 to 2024 financial statements
TIN 215-692-059
BIR A.N. 08-000745-122-2019, issued on September 18, 2019; effective until September 17, 2022
BOA/PRC Reg. No. 0142, effective until January 21, 2023

Makati City
May 7, 2021

pwc

Isla Lipana & Co.

Statement Required by Rule 68,
Securities Regulation Code (SRC)

Independent Auditor's Report
To the Board of Directors and Shareholders of
Metro Global Holdings Corporation and Subsidiaries
(Formerly Fil-Estate Corporation)

We have audited in accordance with Philippine Standards on Auditing, the consolidated financial statements of Metro Global Holdings Corporation and Subsidiaries (the "Group") as at and for the year ended December 31, 2020 and have issued our report thereon dated May 7, 2021. Our audit was made for the purpose of forming an opinion on the basic financial statements taken as a whole. The Supplementary Schedule on Financial Soundness Indicators, including their definitions, formulas, calculation, and their appropriateness or usefulness to the intended users, are the responsibility of the Group's management. These financial soundness indicators are not measures of operating performance defined by Philippine Financial Reporting Standards (PFRS) and may not be comparable to similarly titled measures presented by other companies. This schedule is presented for the purpose of complying with the Revised SRC Rule 68 issued by the Securities and Exchange Commission and is not a required part of the basic consolidated financial statements prepared in accordance with PFRS. The components of these financial soundness indicators have been traced to the Group's consolidated financial statements as at December 31, 2020 and 2019 and for each of the three years in the period ended December 31, 2020 and no material exceptions were noted.

Isla Lipana & Co.

Jan Michael L. Reyes
Partner
CPA Cert. No. 104972
PTR No. 0011393, issued on January 5, 2021, Makati City
SEC A.N. (individual) as general auditors 104972-SEC, Category A;
valid to audit 2020 to 2024 financial statements
SEC A.N. (firm) as general auditors 0142-SEC, Category A;
valid to audit 2020 to 2024 financial statements
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Makati City
May 7, 2021

Isla Lipana & Co.

Statement Required by Rule 68,
Securities Regulation Code (SRC)

Independent Auditor's Report
To the Board of Directors and Shareholders of
Metro Global Holdings Corporation and Subsidiaries
(Formerly Fil-Estate Corporation)

We have audited the consolidated financial statements of Metro Global Holdings Corporation (the "Parent Company") and its subsidiaries (collectively referred to as the "Group") as at and for the year ended December 31, 2020, on which we have rendered the attached report dated May 7, 2021.

In compliance with Rule 68 of the SRC and based on the certification received from the Parent Company's corporate secretary and the results of our work performed, the Parent Company has 812 shareholders each owning one hundred (100) or more shares as at December 31, 2020.

Isla Lipana & Co.

Jan Michael L. Reyes
Partner
CPA Cert. No. 104972
PTR No. 0011393, issued on January 5, 2021, Makati City
SEC A.N. (individual) as general auditors 104972-SEC, Category A;
valid to audit 2020 to 2024 financial statements
SEC A.N. (firm) as general auditors 0142-SEC, Category A;
valid to audit 2020 to 2024 financial statements
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Makati City
May 7, 2021

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METRO GLOBAL HOLDINGS CORP.

STATEMENT OF MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL STATEMENTS

The management of **Metro Global Holdings Corporation and Subsidiaries** is responsible for the preparation and fair presentation of the financial statements, including the schedules attached therein, for the years ended December 31, 2020, 2019 and 2018 in accordance with the prescribed financial reporting framework indicated therein, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

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

Isla Lipana & Co., the independent auditors, appointed by the stockholders, has audited the financial statements of the group in accordance with Philippine Standards on Auditing, and in their report to the stockholders, have expressed their opinion on the fairness of presentation upon completion of such audit.

Signed under oath by the following:

Robert John L. Sobrepeña
Chairman of the Board/Chief Executive Officer

Atty. Ferdinand T. Santos
President / Chief Risk Officer

Ramon G. Jimenez
Treasurer /VP - CFO

METRO GLOBAL HOLDINGS CORP.

ACKNOWLEDGEMENT

MAY 14 2021

SUBSCRIBED AND SWORN to before me this _____ day of ________ affiant(s) exhibiting to me his/their Social Security System Number, as follows:

NAMES	SSS NO.
Robert John L. Sobrepeña	03-6449007-1
Atty. Ferdinand T. Santos	03-2643588-3
Ramon G. Jimenez	03-6347637-1

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my Notarial seal on the date and place above written.

Doc. No.: 306 ;
Page No.: 63 ;
Book No.: XIV ;
Series of 2021

KAMILLE JOYCE E. CARRANZA-DITANGAN
Notary Public for Pasig, San Juan & Pateros
M/F Renaissance Office Towers
Meralco Avenue, Ortigas Center, Pasig City
Roll of Attorneys No. 58810
Appointment No. 22 (2021-2022)
Commission Expires on December 31, 2022
PTR No. 7201698 / 01.11.2021 / Pasig
IBP LRN No. 988060 / 01.08.2015 / Cavite
MCLE Compliance No. VI-0017577 / 2.11.2019

Metro Global Holdings Corporation and Subsidiaries
(formerly Fil-Estate Corporation)

Consolidated Statement of Financial Position
As at December 31, 2020
(With comparative figures as at December 31, 2019 and January 1, 2019)
(All amounts in Philippine Peso)

	Notes	December 31, 2020	December 31, 2019 (As restated)	January 1, 2019 (As restated)
ASSETS				
Current assets				
Cash	2	1,983,966	1,058,901	747,271
Trade and other receivables	3	8,863,009	28,796,828	27,997,541
Other current assets	4	126,960	70,825	1,689,512
Total current assets		10,973,935	29,926,554	30,434,324
Non-current assets				
Due from related parties	3	1,766,471	1,766,471	2,779,228
Financial assets at fair value through OCI	5	1,494,488,966	1,493,873,929	1,494,801,749
Investment in associates	6	5,987,239	-	1,894,800
Intangible asset, net	7	737,569	764,886	792,203
Deferred tax asset	13	1,594,480	1,594,480	1,594,480
Total non-current assets		1,504,574,725	1,497,999,766	1,501,862,460
Total assets		1,515,548,660	1,527,926,320	1,532,296,784
LIABILITIES AND STOCKHOLDERS' EQUITY				
Current liabilities				
Accrued expenses and other current liabilities	8	385,168,495	382,950,013	410,141,756
Income tax payable	13	6,310,576	7,594,816	3,827,231
Total current liabilities		391,479,071	390,544,829	413,968,987
Non-current liabilities				
Due to a stockholder	14	744,833,320	773,371,405	802,063,113
Due to other related parties	14	361,443,754	347,718,426	333,468,624
Total non-current liabilities		1,106,277,074	1,121,089,831	1,135,531,737
Total liabilities		1,497,756,145	1,511,634,660	1,549,500,724
Stockholders' equity				
Share capital	9	1,998,553,181	1,998,553,181	1,998,553,181
Additional paid-in capital	9	589,120,804	589,120,804	589,120,804
Fair value reserve	5	1,131,344	516,307	1,444,127
Deficit		(2,571,012,814)	(2,571,898,632)	(2,606,322,052)
Total stockholders' equity		17,792,515	16,291,660	(17,203,940)
Total liabilities and stockholders' equity		1,515,548,660	1,527,926,320	1,532,296,784

(The notes on pages 1 to 43 are integral part of these financial statements)

Metro Global Holdings Corporation and Subsidiaries
(formerly Fil-Estate Corporation)

Consolidated Statement of Total Comprehensive Income
For the year ended December 31, 2020
(With comparative figures for the years ended December 31, 2019 and 2018)
(All amounts in Philippine Peso)

	Notes	**2020**	**2019 (As restated)**	**2018 (As restated)**
Depot royalty income	10	9,329,483	30,296,661	29,455,307
General and administrative expenses	11	(12,659,211)	(4,900,826)	(14,424,099)
Share in profit (loss) of associates	6	5,987,239	(1,894,800)	-
Other (expense) income, net	12	(92,386)	20,033,527	212,498
Income before tax		2,565,125	43,534,562	15,243,706
Income tax expense	13	(1,679,307)	(9,111,142)	(4,579,720)
Net income for the year		885,818	34,423,420	10,663,986
Other comprehensive income (loss)				
Item that will not be reclassified to profit or loss				
Fair value gain (loss) on financial assets at fair value through OCI	5	615,037	(927,820)	(443,095)
Total comprehensive income for the year		1,500,855	33,495,600	10,220,891
Basic and diluted earnings per share	15	0.0004	0.0172	0.0053

(The notes on pages 1 to 43 are integral part of these financial statements)

Metro Global Holdings Corporation and Subsidiaries
(formerly Fil-Estate Corporation)

Consolidated Statement of Changes in Equity
For the year ended December 31, 2020
(With comparative figures for the years ended December 31, 2019 and 2018)
(All amounts in Philippine Peso)

	Share capital (Note 9)	Additional paid-in capital (Note 9)	Fair value reserve (Note 5)	Deficit	Total
Balances as at January 1, 2019, as previously reported	1,998,553,181	589,120,804	1,017,460	(2,613,018,687)	(24,327,242)
Effects of restatements (Note 20)	-	-	426,667	6,696,635	7,123,302
Balances as at January 1, 2019, as restated	1,998,553,181	589,120,804	1,444,127	(2,606,322,052)	(17,203,940)
Profit for the year	-	-	-	34,423,420	34,423,420
Other comprehensive loss for the year	-	-	(927,820)	-	(927,820)
Total comprehensive income for the year	-	-	(927,820)	34,423,420	33,495,600
Balances at December 31, 2019	1,998,553,181	589,120,804	516,307	(2,571,898,632)	16,291,660
Profit for the year	-	-	-	885,818	885,818
Other comprehensive income for the year	-	-	615,037	-	615,037
Total comprehensive income for the year	-	-	615,037	885,818	1,500,855
Balances at December 31, 2020	1,998,553,181	589,120,804	1,131,344	(2,571,012,814)	17,792,515

(The notes on pages 1 to 43 are integral part of these financial statements)

Metro Global Holdings Corporation and Subsidiaries
(formerly Fil-Estate Corporation)

Consolidated Statement of Cash Flows
For the year ended December 31, 2020
(With comparative figures for the years ended December 31, 2019 and 2018)
(All amounts in Philippine Peso)

	Notes	2020	2019 (As restated)	2018 (As restated)
Cash flows from operating activities				
Net income before tax		2,565,125	43,534,562	15,243,706
Adjustment for:				
Unrealized foreign exchange loss (gain)		16,171	14,754	(1,852)
Amortization expense	7, 11	27,317	27,317	27,317
Assumption of liability	12	-	(20,260,083)	-
Interest income	2,12	(3,893)	(3,232)	(2,431)
Share in net (income) loss of associates	6	(5,987,239)	1,894,800	-
Operating (loss) income before working capital changes		(3,382,519)	25,208,118	15,266,740
Decrease (increase) in:				
Trade and other receivables		19,933,819	(799,286)	(5,516,006)
Other current assets		(522,609)	102,360	(952,882)
Due from related parties		-	1,012,756	3,632,237
Increase (decrease) in:				
Accrued expense and other current liabilities		2,218,482	(6,931,660)	(4,426,140)
Cash from operations		18,247,173	18,592,288	8,003,949
Interest received	2	3,893	3,232	2,431
Cash paid for income taxes		(2,497,073)	(3,827,230)	(3,497,581)
Net cash from operating activities		15,753,993	14,768,290	4,508,799
Cash flows from financing activities				
Increase (decrease) in				
Due to other related parties	14	13,725,328	14,249,802	-
Due to a stockholder	14	(28,538,085)	(28,691,708)	(5,260,302)
Net cash used in financing activities		(14,812,757)	(14,441,906)	(5,260,302)
Net increase (decrease) in cash		941,236	326,384	(751,503)
Cash at January 1		1,058,901	747,271	1,496,922
Effect of foreign exchange rate changes in cash		(16,171)	(14,754)	1,852
Cash at December 31		1,983,966	1,058,901	747,271

(The notes on pages 1 to 43 are integral part of these financial statements)

Metro Global Holdings Corporation and Subsidiaries
(formerly Fil-Estate Corporation)

Notes to Financial Statement
As at and for the year ended December 31, 2020
(With comparative figures as at and for the years ended December 31, 2019 and 2018)
(In the notes, all amounts are shown in Philippine Peso unless otherwise stated)

Note 1 - Corporate information

1.1 Business information

Metro Global Holdings Corporation (the "Parent Company") was incorporated as San Jose Oil Company, Inc. on September 17, 1954 and was listed on the Philippine Stock Exchange (PSE) on May 4, 1964 as an oil exploration company and was reorganized in 1996 into a corporate vehicle that will pursue infrastructure-related investments and was renamed Fil-Estate Corporation. On September 9, 2004, the Philippines Securities and Exchange Commission (SEC) approved the extension of the Group's corporate life for another 50 years or until 2054.

On May 30, 2014, the SEC approved the amendment of the Articles of Incorporation and By-Laws of the Parent Company, changing its name from Fil-Estate Corporation to Metro Global Holdings Corporation. The amendments were intended to identify the group of companies under the "Metro Group" and establish the affiliation of the Parent Company with its affiliate infrastructure companies, which likewise had the word "Metro" in their corporate names.

The trading of Group's shares of stock at the PSE has been voluntarily suspended since March 20, 2007 to allow the Group to re-align its business and explore new strategic directions.

The Parent Company's immediate and ultimate parent company is Fil-Estate Management, Inc. (FEMI), a company organized and existing under the laws of the Philippines. The total shares outstanding are held by the following shareholders as at December 31:

	2020	2019
Fil-estate Management, Inc.	87.89%	87.89%
PCD Nominee Corporation	5.03%	5.03%
Alakor Securities Corporation	3.34%	3.34%
Bank of Commerce Trust Services Group	2.16%	2.16%
Others	1.58%	1.58%
	100.00%	100.00%

The Parent Company's registered office address, which is also its principal place of business, is at Mezzanine Floor, Renaissance Centre, Meralco Avenue, Pasig City. The Group has ten (10) employees in 2020 and two (2) employees from 2018 to 2019.

1.2 Expansion of the Group's primary purpose

On November 22, 2018, the stockholders approved the amendment of the Articles of Incorporation to include in the primary purpose investment in business engaged in solar, wind, and other renewable energy generation facilities. The proposed amendment will allow the Parent Company to expand its investment into a business engaged in renewable energy generation facilities, a growth area the Parent Company intends to pursue.

On November 20, 2018, the Board authorized the Parent Company to enter into a Memorandum of Agreement with FEMI whereby the Parent Company shall purchase the 249,995 shares of common stock of Metro Solar Power Solutions Inc. (Metro Solar) held by FEMI. Metro Solar is a stock corporation registered with the SEC primarily to construct, erect, assemble, commission and maintain power-generating plants and related facilities for the conversion of renewable energy into usable form for electricity generation and distribution. Such shares issued by Metro Solar to FEMI represent 100% percent of the entire issued and outstanding capital stock of Metro Solar. As per agreement with FEMI, the consideration for Metro Solar shares will be determined by an independent appraiser, which shall be acceptable to the Parent Company. The shares that the Parent Company will issue to FEMI in exchange for the Metro Solar shares will come from the proposed 3.0 billion planned increase in authorized capital stock of the Parent Company, as discussed in detail in Note 9.

As of report date, the Parent Company and FEMI are in the process of finalizing the details of the proposed sale and purchase of shares transaction contemplated by the parties.

1.3 Approval of financial statements

The accompanying financial statements of the Group were approved and authorized for issuance by the Parent Company's Board of Directors (BOD) on May 7, 2021.

1.4 Consolidation

The consolidated financial statements include the financial statements of the Parent Company and its subsidiaries, MGHC Royal Holdings Corporation (MGHC Royal) and Metro Renewable Transport Solutions, Inc. (Metro Renewable). The Parent Company and its subsidiaries are collectively referred to here as the "Group".

The Group's subsidiaries as at December 31 are set out below. Unless otherwise stated, these have share capital consisting solely of ordinary shares that are held directly or indirectly by the Parent Company, and the proportion of ownership interests held equals the voting rights held by the Group.

	Ownership interest/ participating share held			Country of	
	2020	2019	2018	incorporation	Main activity
MGHC Royal	99%	99%	99%	Philippines	MGHC Royal was organized and established on May 19, 2017 to engage in the business to invest or purchase, otherwise acquire, and own, hold, use, sell, assign, transfer, pledge, exchange, or otherwise dispose of real and personal property of every kind and description.
Metro Renewable *(Incorporated in 2020)*	100%	-	-	Philippines	Metro Renewable was organized and established on October 23, 2020 to engage in infrastructure development or providing services in relation with and in connection thereto, including but not limited to the construction of whatever kind and nature and for whatever purpose, buildings, roads, bridges, railways, ports, highways and other passages and facilities for transportation and communication.

1.5 Impact of COVID-19 pandemic

On March 15, 2020, the Philippine Government placed the entire Luzon island under the Enhanced Community Quarantine (ECQ) due to the increasing coronavirus diseases (COVID-19) cases in the country. The ECQ mandated the closure of non-essential businesses and strict home quarantine which resulted in the slowdown of the economy. Measures are implemented to protect the health and safety of the employees, support business continuity, and manage financial impact to a minimum.

Financial position and results as at and for the year ended December 31, 2020

The pandemic has resulted in lower depot royalty income for the Group in 2020 mainly due to the lower rental income from TriNoma commercial center (Note 10). While the Group expects the decline in depot royalty income to continue in the next financial year, management has assessed that the carrying amount of assets are recoverable as at reporting date. Management will continue to monitor the business developments amidst the pandemic and update the assessments made. Any medium to long-term impact of the pandemic on the Group's financial position, results, and cash flows cannot be ascertained yet given the uncertainties surrounding the COVID-19 pandemic.

Going concern

Despite the worsening economic conditions caused by COVID-19, the management has assessed that the Group will be able to continue as a going concern. Up to the date on which the financial statements were authorized for issue, the management is continuously assessing the impact of the COVID-19 on the performance of the Group based on the latest development.

Note 2 - Cash

Cash at December 31 consist of:

	2020	2019 (As restated)
Cash on hand	36,201	-
Cash in banks	1,947,765	1,058,901
	1,983,966	1,058,901

Cash accounts with banks generally earn interest at rates based on daily bank deposit rates. Interest income earned from cash in banks amounted to P3,893 in 2020 (2019 - P3,232) (Note 12).

Note 3 - Trade and other receivables; Due from related parties

Trade and other receivables as at December 31 consist of:

	2020	2019 (As restated)
Trade receivables - third party	8,863,009	28,781,828
Others	-	15,000
	8,863,009	28,796,828

Trade receivable pertains to the Group's royalty income from depot developments in TriNoma and billed to North Triangle Depot Commercial Corporation (NTDCC) (Note 10). These are short-term, unguaranteed, unsecured, non-interest bearing and collectible in cash with usual credit terms of 60 days.

Due from related parties (non-current asset) as at December 31 consist of:

	Notes	2020	2019 (As restated)
Due from related parties	14		
Monumento Rail Transit Corporation (Monumento Rail)		5,314,935	5,314,935
Metro Rail Transit Holdings, Inc. (MRTHI)		117,361	117,361
Metro Rail Transit Holdings II, Inc. (MRTHII)		1,649,110	1,649,110
		7,081,406	7,081,406
Allowance for impairment		(5,314,935)	(5,314,935)
		1,766,471	1,766,471

There is no movement in allowance for impairment of due from related parties for the years ended December 31, 2020, 2019 and 2018.

Critical accounting estimates and judgment: Recoverability of trade and other receivables and due from related parties

From January 1, 2018, provision for impairment of trade and other receivables and due from related parties is calculated using expected credit losses (ECL). ECL are unbiased probability-weighted estimates of credit losses which are determined by evaluating a range of possible outcomes and taking into account past events, current conditions and assessment of future economic conditions.

The Group has used relevant historical information and loss experience to determine the probability of default of trade receivables and incorporated forward-looking information based on certain macroeconomic factors such as gross domestic products and inflation rate. Any change in the Group's assessment of the collectability of receivables could impact the recorded carrying amount of receivables and related allowance for impairment.

Further, management evaluates specific accounts under other receivables and due from related parties who are unable to meet their financial obligations. In these cases, management uses judgment based on the best available facts and circumstances, including but not limited to, the length of relationship with the debtor and the debtors' payment history. The net carrying amount of other receivables and due from related parties at the end of the reporting period and the amount and timing of recorded expenses would therefore differ based on actual experience and changes in judgments made.

Note 4 - Other current assets

Other current assets as at December 31 consist of the following:

	2020	2019 (As restated)
Input VAT	126,960	70,825
Creditable withholding tax	-	-
	126,960	70,825

Creditable withholding relates to the depot royalty income from NTDCC (Note 10).

Note 5 - Financial assets at fair value through OCI

Financial assets at fair value through OCI at December 31 consist of:

	2020	2019 (As restated)
Unquoted equity securities	1,490,792,040	1,490,792,040
Quoted equity securities	3,696,926	3,081,889
	1,494,488,966	1,493,873,929

5.1 Unquoted equity securities

Unquoted equity securities as at December 31, 2020 and 2019 consist of investments in MRTHI and MRTHII amounting to P1,490,792,040. The Group's ownership interests in MRTHI and MRTHII as at December 31, 2020 and 2019 are as follows:

Investee	Direct interest	Indirect interest	Effective interest	Nature of Business
MRTHI	18.6%	-	18.6%	Holding Company
MRTHII	12.6%	15.80%	28.4%	Holding Company

MRTHI owns 84.9% interest in MRTH II while MRTHII wholly owns Metro Rail Transit Corporation (MRTC), which was awarded by the Philippine Government, acting through the Department of Transportation and Communication (DOTC), the Build, Lease and Transfer (BLT) Agreement to build, lease, and transfer a 16.9-kilometer rail transit system in Metro Manila, known as LRTS Phase I. The earnings of MRTC are derived from lease financing income relating to equity rentals received from the DOTC as defined in the BLT Agreement.

Critical accounting estimate and judgment - Measurement of unquoted equity instruments - cost as an estimate of fair value

Prior to the adoption of PFRS 9 Financial Instruments on January 1, 2018, the Group's investments in MRTHI and MRTHII are carried at cost, as allowed under PAS 39 Financial Instruments, with impairment losses recognized as part of profit or loss in the statement of total comprehensive income. The amount recognized in retained earnings, representing cumulative impairment losses from the investments, amounted to P272,905,202 as at December 31, 2017 (prior to the adoption of PFRS 9).

As required by PFRS 9, all equity investments in scope of PFRS 9 are to be measured at fair value in the statement of financial position, with value changes recognized either in profit or loss or other comprehensive income. PFRS 9 further provides that cost might be used as a measure of fair value where cost represents the best estimate of fair value. Upon the adoption of PFRS 9, the Group has assessed that the cost of investments in MRTHI and MRTHII amounting to P1,490,792,040 as at December 31, 2020 and 2019 represents the best estimate of fair value of those investments.

The Group assesses whether the cost is the best estimate of fair value of investments in MRTHI and MRTHII. In making the assessment, the Group checks whether there are events or circumstances that might indicate that cost might not be representative of fair value of the investees, including significant change in the investees' performance and operations, as well significant change in the economic environment in which the investees operate. The Group also considers costs as the best measure of fair value where more recent available information is insufficient to determine fair value; or where there is a wide range of possible fair value measurements, and cost represents the best estimate of fair value within that range.

Any change in the Group's assessment of the best estimate of fair value of investments in MRTHI and MRTHII could impact the recorded carrying amount of financial assets at fair value through OCI and related fair value gains or losses recognized in other comprehensive income.

As at December 31, 2020 and 2019, the Group has assessed that the cost of investments in MRTHI and MRTHII amounting to P1,490,792,040 represents the best estimate of fair value of those investments. In addition, the Group has assessed that the carrying amount of the investments in MRTHI and MRTHII are recoverable in full and can be realized in the future through the Parent Company's share in the benefits arising from the capacity expansion projects to be undertaken by MRTC. Notwithstanding the sale of future share distributions pursuant to "Sale of future share distributions" discussed in (a) below, the Parent Company continues to hold on to the legal rights over the shares of stock in MRTHI and MRTHII. Further, the Group holds a put option to use the shares of stocks of MRTHI and MRTH II to pay-off its net advances from FEMI pursuant to the "Letter of Agreement" as discussed in (b) below.

The Group's unquoted financial assets, pertaining to investments in MRTHI and MRTHII, are under Level 3 fair value category. The cost of the investments represents the best estimate of the fair value of the investments as at reporting date. Therefore, the higher the cost of investments, the higher is the related fair value.

(a) Sale of future share distributions

In 2002, the Parent Company and other participating shareholders of MRTHI and II (collectively referred to as the 'Sellers', entered into Sale Agreements where they sold all future share distributions arising from the equity rental payments (ERP) of the LRTS Phase I Project of MRTC in exchange for Original Issuance Discount Bonds (OID Bonds).

The transaction is covered by several agreements that provide the link between share distributions arising from the ERP of the LRTS Phase I Project of MRTC and payments to the Noteholders. These agreements: (a) facilitate the timely payment of the Sellers' share of the ERP of the LRTS Phase I Project of MRTC ensuring that the right to receive their share in the ERP has been legally independent of the Sellers to the Noteholders, (b) ensure the flow of rental payments independent of the Sellers, (c) bind the Sellers to cause the timely collection of rental payments and to cause MRTC to perform its obligations, and (d) prevent the Sellers from selling their rights in MRTC for as long as the Notes are outstanding. Accordingly, the stock certificates of the Group in MRTHI and MRTH II are under the custody of a trustee and were pledged to MRT III.

MRTC accounts for the lease payments from DOTC under finance lease where lease financing income is recognized using a constant periodic rate of return on the net investment. Future share distribution sold under the Agreements pertains to the Group's share in the ERPs of the LRTS Phase 1 Project of MRTC.

Notwithstanding the sale of future share distributions, the Group continues to hold on to the legal rights over the shares of stock in MRTHI and MRTH II in compliance with the various agreements related to the sale of share of future share distributions mentioned above, as well as the Group's obligation under the Agreement of MRTC with DOTC whereby the original shareholders of MRTHI and MRTHII are precluded from transferring their equity interest in MRTHI and MRTHII until the end of the BLT Agreement in July 2025. Accordingly, any additional variable ERP to be received by MRTHI and MRTHII through MRTC from DOTC in the future and any benefits arising from the residual rights in the expansion projects shall still accrue to the Group and the other shareholders.

(b) Letter of Agreement

On August 18, 2005, the Parent Company and FEMI entered into a "Letter of Agreement", whereby FEMI has agreed to grant the Parent Company the sole option to assign to FEMI its equity interests in MRTHI and MRTHII as settlement of the Parent Company's liabilities to FEMI, included in 'Due to a stockholder' account in the statements of financial position, and any additional advances or interest which FEMI may charge to the Parent Company in relation to the said advances. Under the "Letter of Agreement," should the Parent Company opt to sell the said investments to third party or parties in the future, FEMI has the right of first refusal to purchase the said investments at its prevailing market value.

5.2 Quoted equity securities

Quoted equity securities consist of investments in domestic companies listed in the Philippine Stock Exchange and whose fair values are based on quoted market prices at the reporting date (Level 1 fair value hierarchy).

The movements of the account for the years ended December 31 are as follows:

	2020	2019 (As restated)	2018 (As restated)
Acquisition cost	2,565,582	2,565,582	2,565,582
Cumulative change in fair value			
Beginning of the year	516,307	1,444,127	1,887,222
Change in the fair value during the year	615,037	(927,820)	(443,095)
End of the year	1,131,344	516,307	1,444,127
	3,696,926	3,081,889	4,009,709

The change in fair value of quoted equity securities are presented as part of other comprehensive income in the statement of total comprehensive income.

Note 6 - Investment in associates

The Group's investment in associates at December 31 consists of:

	Country of incorporation	Ownership interest 2020	Ownership interest 2019	Main activity and registered place of business
MRT Development Corporation (MRTDC)	Philippines	15.79%	15.79%	Development of commercial premises in the depot and air space in the light rail transit system, its lease or sublease thereof, and the sale of development rights of stations. Registered address is at 2nd floor, The Renaissance Tower, Meralco Avenue, Pasig City
Monumento Rail Transit Corporation (Monumento Rail)	Philippines	28.47%	28.47%	Build, lease, and maintain a railway transit in Metro Manila, and to perform such other activities as may be necessary and desirable in the pursuit of the above-mentioned activities. As at December 31, 2020 and 2019, the Company has no commercial activity. Registered address is at 6th floor, The Belvedere Tower, San Miguel Avenue, Ortigas Center, Pasig City.

The carrying value of investment in associates as at December 31, 2020 consists of investment in MRTDC amounting to P5,987,239 (2019 - nil). As at December 31, 2020 and 2019, Monumento Rail has no commercial activity and its investment account is carried at nil.

The movement of investment in associates for the years ended December 31 are as follows:

	2020	2019 (As restated)	2018 (As restated)
At January 1	-	1,894,800	-
Acquisition of MRTDC	-	-	1,894,800
Share in net income (loss) of MRTDC	5,987,239	(1,894,800)	-
At December 31	5,987,239	-	1,894,800

On December 20, 2018, the Parent Company entered into a Deed of Assignment with Fil-Estate Properties, Inc. (FEPI) to acquire the 1,579 shares representing 15.79% equity ownership of FEPI in MRTDC for P1,894,000 consideration. The amount was paid for by FEMI on behalf of the Parent Company and is considered a non-cash investing activity.

MRTDC has exclusive rights to all commercial developments along the MRT-3 System, including in and above the 13 Stations, commercial leasing rights in the 13 Stations, advertising rights, development of the air space above all the 13 stations, and all other commercial activities with the entire MRT-3 System.

There are no significant restrictions on the ability of MRTDC to transfer funds to the Group in the form of cash dividends or repayment of loans or advances.

The summarized financial information of a material associate, MRTDC, as at and for the years ended December 31 are as follows:

Statement of financial position

	2020	2019
Current assets	102,684,650	61,762,518
Non-current assets	190,973,104	136,277,277
Current liabilities	(255,739,838)	(69,983,388)
Non-current liabilities	-	(134,708,725)
Net assets (liabilities)	37,917,916	(6,652,318)

Statement of total comprehensive income

	2020	2019
Revenue	180,913,742	103,758,305
Net income (loss)	44,570,234	(18,676,576)
Other comprehensive income	-	24,259
Total comprehensive income (loss)	44,570,234	(18,652,317)
Dividends received from associate	-	-

The information above reflects the amounts presented in the financial statements of MRTDC whose accounting policies are consistent with the Group's accounting policies.

Reconciliation of summarized financial information

Reconciliation of the summarized financial information presented, to the carrying amount of the Group's interest in associates, is as follows:

	2020	2019
Net assets	37,917,916	(6,652,318)
Group's equity interest	15.79%	15.79%
Group's share of net asset	5,987,239	(1,050,401)
Unrecognized share in net loss	-	1,050,401
Carrying value, December 31	5,987,239	-

Critical accounting judgment: Recoverability of investment in associates

The carrying value of the investment in associates is reviewed and assessed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. Changes in those management assessment and judgment could have a significant effect on the carrying value of investment in associates and the amount and timing of recorded provision for any period.

Based on management's assessment, there are no events or circumstances which might indicate that the carrying value of investment in associates amounting to P5,987,239 (2019 - nil) as at December 31, 2020 are not recoverable.

Note 7 - Intangible asset, net

Depot royalty rights

On August 22, 2006, the Board of Directors of Monumento Rail approved the redemption of its redeemable preferred shares through the assignment of its right to receive Depot Royalties to the holders of redeemable preferred shares pro-rata to their shareholdings. On December 17, 2014, Monumento Rail and the Parent Company executed the Redemption and Deeds of Assignment of the latter's redeemable preferred shares, giving the Parent Company a pro-rata interest on the Depot Royalty Rights to the extent of an aggregate of 28.47%, representing the preferred shareholdings held by the Parent Company.

As a result of the redemption, the Parent Company recognized a Depot royalty right intangible asset which represents the Parent Company's right to a 28.47% share in the depot royalties with respect to improvements constructed on the 16-hectare Depot located at North Triangle EDSA and rental income from the commercial center known as TriNoma Mall. As successor-in-interest, the Parent Company is entitled to receive 28.47% of royalties corresponding to 5% of the gross receipts of the rental income from 8.3 hectare commercial center and 5% of the gross proceeds of sale or leases on improvements constructed on the lot pads less management fees and general and administrative expenses. (Note 10).

The cost of depot royalty rights upon initial recognition amounted to P901,471 which is equivalent to the value of the Parent Company's investment in the redeemable preferred shares of Monumento Rail consisting of 18,029,417 shares. The intangible asset was assigned with a useful life of 33 years commencing from 2014 up to 2047 or the expiration of development rights as provided for in the Redemption and Deed of Assignment.

The movements of Depot Royalty Rights for the years ended December 31 are as follows:

At January 1, 2018	
Cost	901,471
Accumulated amortization	(81,951)
Net carrying amount	819,520
For the year ended December 31, 2018	
Opening net carrying amount	819,520
Amortization	(27,317)
Closing net carrying amount	792,203
At December 31, 2018	
Cost	901,471
Accumulated amortization	(109,268)
Net carrying amount	792,203
For the year ended December 31, 2019	
Opening net carrying amount	792,203
Amortization	(27,317)
Closing net carrying amount	764,886
At December 31, 2019	
Cost	901,471
Accumulated amortization	(136,585)
Net carrying amount	764,886
For the year ended December 31, 2020	
Opening net carrying amount	764,886
Amortization	(27,317)
Closing net carrying amount	737,569
At December 31, 2020	
Cost	901,471
Accumulated amortization	(163,902)
Net carrying amount	737,569

Note 8 - Accrued expenses and other current liabilities

Accrued expenses and other liabilities as at December 31 consist of the following:

	2020	2019 (As restated)
Advances from MPIC	350,000,000	350,000,000
Accrued expenses	34,712,015	32,880,351
Withholding tax payable - compensation	448,731	60,247
Withholding tax payable - expanded	7,749	9,415
	385,168,495	382,950,013

A. Advances from MPIC

The amount pertains to deposit received from Metro Pacific Investment Corporation (MPIC) pursuant to the “Cooperation Agreement”, as described below, entered into by the Parent Company and Fil-Estate Companies with MPIC.

Cooperation Agreement

On November 12, 2010, the Parent Company, FEPI and FEMI (collectively termed as the 'Fil-Estate Companies') entered into a Cooperation Agreement with Metro Pacific Investment Corporation (MPIC) relating to the Fil-Estate Companies' rights and interests in the MRT Companies. The cooperation has the following objectives: (i) explore solutions that will enable the expansion of the MRT 3 system through financially and legally viable means, and (ii) to transfer the interests of the Fil-Estate Companies in the MRT Companies, subject to obtaining the necessary consents from the relevant parties. Under the Cooperation Agreement, the Fil-Estate Companies shall appoint MPIC as its attorney-in-fact in connection with the exercise of the rights and interests of the Fil-Estate Companies in the MRT Companies. MPIC and Fil-Estate Companies are still in the process of discussing possible scenarios on how to implement the transactions contemplated by the parties when they entered into the Cooperation Agreement. The completion and consummation of the transaction contemplated by the parties is subject to certain conditions, which as at December 31, 2020 has not yet occurred.

As the Parent Company does not have an unconditional right to defer settlement of the amount for at least 12 months from reporting date, the amount was classified as current liability as at December 31, 2020 and 2019.

B. Accrued expenses

The account consists mainly of accrual for payroll and professional fees, including legal, consulting and audit fees, and other general and administrative expenses. The average credit period on purchases of goods and services from suppliers is 30 to 60 days.

<u>Note 9 - Equity</u>

Share capital

The details of share capital as at December 31, 2020 and 2019 are as follows:

Authorized share capital	2,000,000,000
Subscribed share capital	2,000,000,000
Less: Subscription receivable	(1,446,819)
Issued and subscribed share capital	1,998,553,181
Par value per share	1
Amount of share capital	1,998,553,181

Track record of registration of securities

Date of SEC Approval	Authorized Shares	Number of Shares Issued	Issue/Offer Price
January 22, 1998	300,000,000	299,850,000	1.00
December 11, 2000	1,700,000,000	700,000,000	1.00
December 16, 2013	-	800,000,000	1.00
September 4, 2014	-	200,150,000	1.00
	2,000,000,000	2,000,000,000	-

a. On January 22, 1998, the SEC approved the declassification of Class A and B common shares to a single class of common shares, and the change in par value of 300.0 million authorized common shares from P0.01 per share to P1.00 per share. Each share of stock entitles the person in whose name it is registered in the books of the Parent Company to one vote, provided the shares have not been declared delinquent.

b. On December 11, 2000, the SEC approved the increase in authorized capital stock from P300.0 million, divided into 30.0 billion shares with a par value P0.01 per share, to P2.0 billion divided into 2.0 billion shares with a par value P1.00 per share.

FEMI subscribed to 700.0 million shares in exchange for the assignment of its interests in the MRTHI and Metro Rail Transit Corp. Limited with an aggregate carrying value of P1.3 billion. As a result, share capital of P700.0 million with a par value of P1.00 per share was recognized, with the excess credited to additional paid-in capital.

c. On December 16, 2013, the SEC approved the conversion of a portion of the Parent Company's liabilities to FEMI amounting to P800.0 million into equity shares totaling 800.0 million shares at P1.00 par value.

d. On September 4, 2014, the SEC approved the conversion of a portion of the Parent Company's liabilities to FEMI amounting to P200.15 million into equity shares totaling 200.15 million shares at P1.00 par value. The conversion resulted in FEMI owning 87.89% shareholding in the Parent Company.

Planned increase in authorized capital stock

The Parent Company plans to increase its authorized capital stock from 2.0 million shares at P100 per share to 5.0 million shares at P100 per share. FEMI agrees to subscribed to 25% of the planned increase in capitalization, or 750.0 million shares at P1.00 per share. Out of the said subscription, P500.0 million corresponding to 500.0 million common shares at P100 per share will be fully paid through the conversion into equity of a portion of FEMI advances to the Parent Company. As at report date, the Parent Company is in the process of finalizing the documentary requirements necessary for the planned increase in authorized capital stock.

Note 10 - Depot royalty income

Depot royalty income for the year ended December 31, 2020 amounting to P9,329,483 (2019 - P30,296,661; 2018 - P29,455,307) represents the Group's 28.47% share in the 5% of the gross receipts of the rental income from TriNoma commercial center owned and operated by NTDCC. The amount of royalty income is recognized over time as NTDCC earns rental income from the commercial center.

Note 11 - General and administrative expenses

This account consists of the following:

	Note	2020	2019 (As restated)	2018 (As restated)
Salaries and wages		5,398,091	1,093,336	1,048,891
Transportation and travel		2,686,300	756,029	572,217
Professional and retainer's fee		1,287,322	514,149	9,898,628
Taxes and licenses		1,281,269	1,339,176	1,215,337
Legal		598,684	292,890	346,176
13th month pay		455,232	119,500	123,195
Director's fee		410,936	440,351	303,509
Amortization expense	7	27,317	27,317	27,317
Telephone, telegraphic, and postage		850	106,158	329,345
Others		513,210	211,920	559,484
		12,659,211	4,900,826	14,424,099

Professional fees in 2018 include retainer fee for the Group's financial advisor in connection with the planned financing of MRT3. In 2019, MRTC assumed all related outstanding liability to the financial advisor totaling P20,260,083 as at the date of assumption of liability. As a result, the amount was credited to other income in the statement of total comprehensive income (Note 12).

Others include advertising and promotions, trainings, registration fees, bank charges, office supplies, food expense, amortization expense and utilities.

Note 12 - Other (expense) income, net

Other (expense) income, net for the years ended December 31 consists of the following:

	Note	2020	2019 (As restated)	2018 (As restated)
Interest income	2	3,893	3,232	2,431
(Loss) gain on foreign exchange		(96,279)	(290,502)	210,067
Assumption of liability		-	20,260,083	-
Other income		-	60,714	-
		(92,386)	20,033,527	212,498

Foreign exchange gain (loss) relates to the translation and transactions in respect of the Group's USD-denominated cash account.

Assumption of liability

On May 1, 2014, MGHC engaged Arch Advisory Limited (Arch Advisory) as its financial supervisor in connection with preparation of investable financial models, including funding, negotiation of potential projects with the Philippine Government and Metro Pacific, structuring the terms and conditions of a proposed financing for the MRT3 rail line that will be offered to potential investors, among others. In 2019, MRTC assumed the outstanding liability to Arch Advisory including all other fees paid to the latter in prior years for a total amount of P20,260,083.

Note 13 - Income taxes

Income tax expense

Income tax expense for the taxable years 2020, 2019 and 2018 consist of current income tax expense. The Parent Company availed of the Optional Standard Deduction (OSD) for purposes of the income tax calculation for the taxable years 2020 and 2019, and regular current income for 2018, while the subsidiaries used the regular current income for the taxable years 2020, 2019 and 2018.

Deferred income tax (DIT)

DIT assets as at December 31, 2020 and 2019 amounting to P1,594,480 represent the tax effects of allowance for impairment of other receivables. The account has no movement for each of the three years in the period ended December 31, 2020.

The Group did not recognize deferred income tax assets arising from the net operating loss carry-over (NOLCO) of MGHC Royal because management has assessed there will be no future taxable income against which the benefits of these tax assets can be utilized. The amount and details of NOLCO and related unrecognized deferred tax assets as at reporting dates were not disclosed as they are assessed to be immaterial.

Reconciliation of pre-tax income to tax expense

The reconciliation of tax on pretax income computed at the applicable statutory rates to tax expense follows:

	2020	2019 (As restated)	2018 (As restated)
Income tax at statutory income tax rate of 30%	769,538	13,060,369	4,573,112
Adjustments for:			
Non-deductible expenses	799	1,507,537	7,232
Interest income subjected to final tax	(1,068)	(970)	(624)
Share in net (income) loss of investment in associate	(1,796,172)	568,440	-
Unrecognized NOLCO	375,625	-	-
Impact of OSD	2,330,585	(6,024,234)	-
	1,679,307	9,111,142	4,579,720

Critical accounting judgment: Income taxes

Significant judgment is required in determining the income tax expense recognized in profit or loss. There are some transactions and calculations for which the ultimate tax determination is uncertain in the ordinary course of business. The Group recognizes liabilities for anticipated tax assessment issues when it is probable. The liabilities are based on assessment and judgment of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the Group's income tax and related liability in the period in which such determination is made.

The recognition of DIT assets depends on management's assessment of the probability and available future taxable income against which the temporary difference can be applied. The Group reviews the carrying amount of its DIT assets at the end of each reporting period and reduces the amounts to the extent it is no longer probable that sufficient taxable profit will allow all or part of its DIT assets to be utilized. Management has assessed during the reporting periods that the Group will be able to generate sufficient future taxable income against which the temporary differences can be applied.

Note 14 - Related party transactions and balances

Transactions and balances with related parties are presented as follows:

	Transactions			Balances		
	2020	2019	2018	2020	2019	Ref
Due from related parties - non- current						
Reimbursement of expenses						(a)
MRTHI - investee	-	(1,012,757)	-	117,361	117,361	
MRTH II - investee	-	-	-	1,649,110	1,649,110	
	-	(1,012,757)	-	1,766,471	1,766,471	
Due to a stockholder						
Payments on behalf						
FEMI	28,538,085	28,691,708	5,260,302	(744,833,320)	(773,371,405)	(b)
Due to other related parties						
Advances						
MRTHI - investee	(8,198,827)	-	-	(221,939,234)	(213,740,407)	(c)
MRTHII - investee	-	-	-	(119,728,217)	(119,728,217)	(c)
MRTDC - associate	(5,526,501)	(14,249,802)	-	(19,776,303)	(14,249,802)	(d)
	(13,725,328)	(14,249,802)	-	(361,443,754)	(347,718,426)	

(a) Due from related parties non-current

Receivables from MRTHI and MRTHII represent expenses paid by the Group on their behalf. Amounts are unsecured, non-interest bearing, and collectible in cash upon demand, but not expected to be collected within 12 months from the end of the reporting period.

(b) Due to a stockholder

Due to a stockholder is unsecured, non-interest, and arose mainly from FEMI's payment of the Parent Company's bank loans, including interests and penalties, aggregating to P3.0 billion, and the cost of acquisition of shares of MRTHII amounting to P180.0 million. Over the years, the amount of liability was reduced mainly through repayments and conversion of FEMI advances into equity. Repayments amounting to P28,538,085 was made during the year ended December 31, 2020 (2019 - P28,691,708). Net repayments in 2018 amounted to P5,260,302, consisting of repayments to FEMI of P30,155,103 and payments by FAMI of expenses on behalf of the Parent Company amounting to P24,894,801. No conversions to equity was made during the year ended December 31, 2020, 2019 and 2018.

On November 2, 2018, the Parent Company entered into a Repayment Agreement with FEMI for the repayment of advances to the latter. To enable the Parent Company to make its repayments to the extent of P300.0 million, the Parent Company assigns to FEMI for a period of fifteen (15) years commencing on January 30, 2020 and ending on January 30, 2034, its receipts from depot royalty income. On April 11, 2019, the Board of Directors of the Parent Company passed a resolution approving the Parent Company's agreement with FEMI that in consideration of FEMI not charging interest on the outstanding obligations of the Parent Company, the Parent Company agreed to partially repay the advances from FEMI by way of allocating to FEMI dividends and other income from affiliates of the Parent Company in addition to the assignment of depot royalties.

FEMI, in its letter of support to the Group, committed not to demand payment of the amount due from the Group for a period of at least twelve (12) months from reporting date or until such time that the Group has the ability to pay in accordance with the Repayment Agreement above. As the Group has the unconditional right to defer settlement of the advances for at least 12 months from reporting date, the amount was classified as non-current liability as at December 31, 2020 and 2019.

(c) Advances from MRTHI and MRTHII

Outstanding amounts payable to MRTHI and MRTHII arose from advances to Parent Company for settlement of outstanding obligations. Amounts are unsecured, non-interest bearing, and are to be offset against the Parent Company's share of future dividends of MRTHI and MRTHII, which are not expected to be declared within 12 months from reporting date, thus, the amount was classified as non-current liability as at December 31, 2020 and 2019.

(d) Advances from MRTDC

Outstanding amounts payable to MRTDC arose from advances to Parent Company for settlement of outstanding obligations. Amounts are unsecured, non-interest bearing, and are to be offset against the Parent Company's share of future dividends of MRTDC, which are not expected to be declared within 12 months from reporting date, thus, the amount was classified as non-current liability as at December 31, 2020 and 2019.

The following related party transactions and balances were eliminated for the purpose of preparing the consolidated financial statements as at and for the years ended December 31:

	2020	2019 (As restated)
As at December 31		
Investment in subsidiaries	4,872,561	2,415,530
Trade and other receivables	3,558,950	409,859
Accrued expense and other current liabilities	(5,059,792)	(1,886,763)
Due to/from related parties	(385,921)	(409,859)
For the year ended December 31		
Other expense, net	(42,969)	(11,403)

Material related party transactions policy

The Group has an approved material related party transactions policy that sets forth the required thresholds for approval for related party transactions as part of the Group's corporate governance policy.

Note 15 - Earnings per share

The following table presents basic and diluted earnings per share (EPS) for the years ended December 31:

	2020	2019 (As restated)	2018 (As restated)
Net income	885,818	34,423,420	10,663,986
Divided by weighted average number of shares outstanding	1,998,553,181	1,998,553,181	1,998,553,181
Basic and diluted EPS	0.0004	0.0172	0.0053

The Parent Company has no potential dilutive ordinary shares for the years ended December 31, 2020, 2019 and 2018. Therefore, the amounts reported for basic and diluted earnings per share are the same.

Note 16 - Segment reporting

Operating segments, and the amounts of each segment item reported in the consolidated financial statements, are identified from the financial information provided regularly to the Group's management for the purposes of allocating resources to, and assessing the performance of, the Group's various entities.

Individually material operating segments are not aggregated for financial reporting purposes unless the segments have similar economic characteristics and are similar in respect of the nature of services and the type or class of customers. Operating segments which are not individually material may be aggregated if they share a majority of these criteria.

The Group's management assesses the performance and allocates the resources of the Group as a whole, as all of the Group's activities are considered to be primarily holding infrastructure-related investments. Therefore, management considers there is only one operating segment under the requirements of PFRS 8, Operating Segments. In this regard, no segment information is presented.

No geographic information is shown as the revenue and profit from operations of the Group are presently solely derived from its activities in the Philippines.

Note 17 - Critical accounting estimates, assumptions and judgments

Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates, assumptions and judgments that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial period are enumerated below:

(a) Critical accounting estimates and assumptions

- Recoverability of trade and other receivables and due from related parties (Notes 3 and 14)
- Measurement of unquoted equity instruments - cost as an estimate of fair value (Note 5)

(b) Critical accounting judgments

- Recoverability of trade and other receivables and due from related parties (Notes 3 and 14)
- Measurement of unquoted equity instruments - cost as an estimate of fair value (Note 5)
- Recoverability of investment in associates (Note 6)
- Income taxes (Note 13)

Note 18 - Financial risk management objectives and policies

18.1 Components of financial assets and financial liabilities

Financial assets

Details of the Group's financial assets as at December 31 are as follows:

	Notes	2020	2019 (As restated)
At amortized cost			
Cash	2	1,983,966	1,058,901
Trade and other receivables	3	8,863,009	28,781,828
Due from related parties	3	7,081,406	7,081,406
		17,928,381	36,922,135
At FVOCI			
Unquoted equity securities	5	1,490,792,040	1,490,792,040
Quoted equity securities	5	3,696,926	3,081,889
		1,494,488,966	1,493,873,929
		1,512,417,347	1,530,796,064

Trade and other receivables exclude other receivables which are subject to liquidations. Due from related parties are presented gross of allowance for credit losses. Allowance for credit losses as at December 31, 2020 and 2019 amounted to P5,314,935.

Financial liabilities

Details of the Group's financial liabilities, at amortized cost, at December 31 are as follows:

	Notes	2020	2019 (As restated)
Advances from MPIC	8	350,000,000	350,000,000
Accrued expenses	8	34,712,015	32,880,351
Due to a stockholder	14	744,833,320	773,371,405
Due to other related parties	14	361,443,754	347,718,426
		1,490,989,089	1,503,970,182

Other current liabilities excluded pertain to payables to government agencies that are non-financial liabilities.

18.2 Financial risk factor

The Group's activities expose it to a variety of financial risks and these activities involve the analysis, evaluation and management of some degree of risk or combination of risks. The Group's overall risk management program focuses on the unpredictability of financial markets, aims to achieve an appropriate balance between risk and return and seeks to minimize potential adverse effects on the Group's financial performance.

The most important types of risk the Group's manages are liquidity risk and credit risk.

18.2.1 Liquidity risk

Liquidity risk arises from the possibility that the Group will encounter difficulty in raising funds to meet associated commitments with financial instruments.

The Group manages the liquidity risk by maintaining a balance between continuity of funding and flexibility in operations. Treasury controls and procedures are in place to ensure that sufficient cash is maintained to cover daily operational and working capital requirements. Management closely monitors the Group's future and contingent obligations and sets up required cash reserves and reserve borrowing facilities as necessary in accordance with internal policies. Short-term advances from related parties are availed to cover for immediate expenses and maturing obligations. The Group is also able to defer payments of some of its due to related party balances.

The Group continues to obtain support from FEMI to finance the Group's operations.

The table below presents the Group's financial liabilities:

	Within 12 Months	More than 12 months	Total
2020			
Advances from MPIC	350,000,000	-	350,000,000
Accrued expenses	34,712,015	-	34,712,015
Due to a stockholder	-	744,833,320	744,833,320
Due to related parties	-	361,443,754	361,443,754
	384,712,015	1,106,277,074	1,490,989,089
2019			
Advances from MPIC	350,000,000	-	350,000,000
Accrued expenses	32,880,351	-	32,880,351
Due to a stockholder	-	773,371,405	773,371,405
Due to related parties	-	347,718,426	347,718,426
	382,880,351	1,121,089,831	1,503,970,182

The Group expects to settle the above financial obligations due within 12 months in accordance with their contractual maturity of 30 to 60 days.

18.2.2 Credit risk

Credit risk refers to the risk that a counterparty will cause a financial loss to the Group by failing to discharge an obligation. Significant changes in the economy that may represent a concentration in the Group's business, could result in losses that are different from those provided for at reporting date.

Credit risk arises from cash deposits with banks and financial institutions, as well as credit exposure on receivable from customers, related parties and other counterparties. The fair values of these financial assets approximate net carrying amounts due to their short-term maturities.

The Group has a significant concentration of credit risk on its transactions with NTDCC, its sole customer. However, this is brought down to an acceptable level since depot royalties are collected in accordance with the agreement and the Group's credit policy with no reported defaults and write-offs in previous years. In addition, credit risk is minimized by monitoring receivables regularly.

The Group has the following financial assets as at December 31, 2020 where the expected credit loss model has been applied:

	Gross carrying amount	Allowance provided	Net carrying amount	Internal credit rating	Basis of recognition of ECL
2020					
Cash	1,947,765	-	1,947,765	Performing	12-month ECL
Trade and other receivables					
Group 1	8,863,009	-	8,863,009	Collective assessment	Lifetime ECL
Due from related parties					
Group 2	1,766,471	-	1,766,471	Performing	12-month ECL
Group 3	5,314,935	(5,314,935)	-	Credit impaired	Lifetime ECL
	17,892,180	(5,314,935)	12,577,245		
2019					
Cash	1,058,901	-	1,058,901	Performing	12-month ECL
Trade and other receivables					
Group 1	28,781,828	-	28,781,828	Collective assessment	Lifetime ECL
Due from related parties					
Group 2	1,766,471	-	1,766,471	Performing	12-month ECL
Group 3	5,314,935	(5,314,935)	-	Credit impaired	Lifetime ECL
	36,922,135	(5,314,935)	31,607,200		

Credit quality of customers are classified as follows:

- Group 1 - Customer and counterparty balances without history of default and assessed to be fully recoverable.
- Group 2 - Customer and counterparty balances with some defaults in the past. Amounts are largely collectible after collection efforts.
- Group 3 - Individually assessed customer with defaults and which the Group no longer expects to recover the balance despite its collection efforts.

The maximum exposure to credit risk at the reporting date is the carrying value of financial assets summarized above.

Cash exclude cash on hand as at December 31, 2020 amounting to P36,201 (2019 - nil) (Note 2) which is not subject to credit risk.

None of the fully performing financial assets have been renegotiated during the years ended December 31, 2020 and 2019. The Company does not hold any collateral as security to the above financial assets.

Credit quality of the Group's financial assets

Cash in banks

To minimize credit risk exposure from its cash account, the Group deposits its cash in universal banks that have good credit ratings. Accordingly, the Group's cash in bank is subject to insignificant expected credit loss as at reporting dates.

Receivables

Group 1 - The Group's receivables under Group 1 consists of amounts due from NTDCC, have no history of recent default or write-off and are considered to be fully performing. Accordingly, no provision for impairment is required.

Group 2 - Past due but not impaired receivables consist of amounts due from related parties, who, despite delays in collection based on the credit term, are deemed to be fully collectible based on management's assessment and counterparties' financial capacity and creditworthiness. Accordingly, no provision for impairment is required at reporting date.

Group 3 - The Group records a provision for impairment of receivables that are assessed to have a significant probability of becoming uncollectible. The assessment is based on the Group's knowledge of the collectability of the account, nature of dispute and the creditworthiness of the customer.

18.2.3 Foreign currency exchange risk

Foreign currency exchange risk arises when future commercial transactions or recognized assets or liabilities are denominated in a currency that is not the Group's functional currency.

The Company has transactional currency exposure. Such exposure is not material to the Group as this arises mainly from immaterial cash balances denominated in US Dollar.

18.3 Capital risk management

The Group manages its capital to ensure that the Group will be able to continue as a going concern, while maximizing the return on investments of stockholders. The Group monitors its use of capital by comparing deficit to total capitalization and makes adjustments to it in light of changes in economic conditions and its financial position.

The Group considers its long-term debt from FEMI and other related parties, as well as total equity consisting of share capital, additional paid-in capital, and deficit, as its capital:

	Note	2020	2019 (As restated)
Equity			
Share capital	9	1,998,553,181	1,998,553,181
Additional paid-in capital		589,120,804	589,120,804
Deficit		(2,571,012,814)	(2,571,898,632)
		16,661,171	15,775,353
Debt			
Due to a stockholder	14	744,833,320	773,371,405
Due to related parties	14	361,443,754	347,718,426
		1,106,277,074	1,121,089,831
		1,122,938,245	1,136,865,184

Note 19 - Summary of significant accounting policies

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.

19.1 Basis of preparation

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

These consolidated financial statements have been prepared under the historical cost convention except for financial assets at FVOCI.

The preparation of the consolidated financial statements in conformity with PFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Group's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 17.

19.2 Changes in accounting policies and disclosures

(a) New and amended standards adopted by the Group

The Group has adopted the following relevant and applicable new standards for the first time for the financial year beginning January 1, 2020:

- *Amendments to PFRS 3, Business combination - Definition of business*

  The amendments to PFRS 3 clarify that while businesses usually have outputs, outputs are not required for an integrated set of activities and assets to qualify as a business. 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. Additional guidance is provided that helps to determine whether a substantive process has been acquired.

  The amendments introduce an optional concentration test that permits a simplified assessment of whether an acquired set of activities and assets is not a business. Under the optional concentration test, the acquired set of activities and assets is not a business if substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset or group of similar assets.

  These amendments had no impact on the consolidated financial statements of the Group but may impact future periods should the Group enter into any business combination.

- *Amendments to PAS 1, Presentation of financial statements and PAS 8, Accounting Policies, Changes in Accounting Estimates and Errors - Definition of material*

  The amendments clarify the definition of material and how it should be applied by including the concept of 'obscuring information' in the new definition and replaced the threshold 'could influence' with 'could reasonably be expected to influence' in the definition of 'material'. These amendments had no impact on the consolidated financial statements of the Group.

- *Amendments to the Conceptual Framework for financial reporting*

  The Conceptual Framework is not a standard, and none of the concepts contained therein override the concepts or requirements in any standard. The purpose of the Conceptual Framework is to assist the standard-setters in developing standards, to help preparers develop consistent accounting policies where there is no applicable standard in place and to assist all parties to understand and interpret the standards.

  The revised Conceptual Framework includes new concepts, provides updated definitions and recognition criteria for assets and liabilities and clarifies some important concepts. These amendments had no impact on the consolidated financial statement of the Group.

(b) New and amended standards not yet adopted by the Group

A number of new and amended standards are effective for annual periods beginning after January 1, 2020, which the Group has not early adopted. None of these standards are expected to have a significant effect on the consolidated financial statements of the Group, while the most relevant ones are set out below:

- *Amendments to PAS 1: Classification of Liabilities as Current or Non-current (effective January 1, 2023)*

  The amendments clarify that liabilities are classified as either current or noncurrent, depending on the rights that exist at the end of the reporting period. Classification is unaffected by the expectations of the entity or events after the reporting date (e.g. the receipt of a waver or a breach of covenant). The amendments also clarify what PAS 1 means when it refers to the 'settlement' of a liability. The amendments could affect the classification of liabilities, particularly for entities that previously considered management's intentions to determine classification and for some liabilities that can be converted into equity. The amendments are not expected to have a significant impact on the consolidated financial statements of the Group.

- *Onerous Contracts - Costs of Fulfilling a Contract - Amendments to PAS 37 (effective January 1, 2022)*

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

- *COVID-19-Related Rent Concessions - Amendments to PFRS 16*

  The amendment provides practical relief to lessees in accounting for rent concessions occurring as a direct consequence of COVID-19, by introducing a practical expedient to PFRS 16. The practical expedient permits a lessee to elect not to assess whether a COVID-19-related rent concession is a lease modification.

  A lessee that makes this election shall account for any change in lease payments resulting from the COVID-19-related rent concession the same way it would account for the change applying PFRS 16 if the change were not a lease modification.

  The practical expedient applies only to rent concessions occurring as a direct consequence of COVID-19 and only if certain conditions provided by the amendments are met. The amendment is effective beginning June 1, 2020 but can be immediately in any financial statements not yet authorized for issue. The amendments are not expected to have a significant impact on the consolidated financial statements of the Group given that the Group currently does not have any lease arrangements.

There are no other applicable and relevant standards, amendments or interpretations which are issued and effective beginning after January 1, 2020 that have or are expected to have a significant impact on the Group's consolidated financial statements during and at the end of the reporting period.

19.3 Financial assets

Classification

The Group classifies its financial assets in the following measurement categories: (a) those to be measured subsequently at fair value (either through OCI or through profit or loss), and (b) those to be measured at amortized cost. The classification depends on the Group's business model for managing the financial assets and the contractual terms of the cash flows.

The Group holds financial assets at fair value through OCI during and at the end of December 31, 2020 and 2019 (Note 5).

Financial assets at amortized cost are assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest. The Group's financial assets at amortized cost category includes cash (Note 2), trade and other receivables (Note 3), and due from related parties (Notes 3 and 14).

The Group classifies the following investments as financial assets at FVTPL:

- investments in equity securities unless irrevocably elected at initial recognition to be measured at fair value through OCI;
- investments in debt instruments held within a business model whose objective is to sell prior to maturity or has contractual terms that does not give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI)on the principal amount outstanding, unless designated as effective hedging instruments under a cash flow hedge;
- investments that contain embedded derivatives; and
- investments in debt instruments designated as financial assets at FVTPL at initial recognition.

The Group's did not hold financial assets at FVTPL during and at the end of December 31, 2020 and 2019

Recognition and subsequent measurement

The Group recognizes a financial asset in the consolidated statement of financial position when the Group becomes a party to the contractual provisions of the instrument.

All financial instruments are initially measured at fair value plus or minus, in the case of a financial asset or financial liability not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVTPL are expensed in profit or loss.

Subsequently, assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. Interest income from these financial assets is recognized using the effective interest rate method.

Changes in the fair value of financial assets at FVOCI are recognized in other comprehensive income.

The Group assesses whether the cost is the best estimate of fair value of financial assets at FVOCI. In making the assessment, the Group checks whether there are events or circumstances that might indicate that cost might not be representative of fair value of the financial assets, including significant change in the investees' performance and operations, as well significant change in the economic environment in which the investees operate. The Group also considers costs as the best measure of fair value where more recent available information is insufficient to determine fair value; or where there is a wide range of possible fair value measurements, and cost represents the best estimate of fair value within that range.

Impairment

The Group assesses on a forward-looking basis the expected credit losses (ECL) associated with its financial assets carried at amortized cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Impairment losses are presented separately in the consolidated statement of total comprehensive income.

Loss allowances of the Group are measured on either of the following bases:

- 12-month ECL: these are ECL that result from default events that are possible within the 12 months after the reporting date (or for a shorter period if the expected life of the instrument is less than 12 months); or
- Lifetime ECL: these are ECL that result from all possible default events over the expected life of a financial instrument or contract asset.

Simplified approach

The Group applies the simplified approach to provide for ECL for all trade receivables. The simplified approach requires the loss allowance to be measured at an amount equal to lifetime ECL. The expected loss rates are based on the payment profiles of customers and the corresponding historical credit losses experienced. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors such as gross domestic product and inflation rate affecting the ability of the customers to settle the receivables.

General approach

Under the general approach, the loss allowance is measured at an amount equal to 12-month ECL at initial recognition.

At each reporting date, the Group assesses whether the credit risk of a financial instrument has increased significantly since initial recognition. When credit risk has increased significantly since initial recognition, loss allowance is measured at an amount equal to lifetime ECL.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECL, the Group consider reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment and includes forward-looking information.

The Group considers a financial asset to be in default when the borrower is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realizing security (if any is held).

The maximum period considered when estimating ECL is the maximum contractual period over which the Group is exposed to credit risk.

Measurement of ECL

The measurement of expected credit losses is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information as described above. As for the exposure at default, for financial assets, this is represented by the assets' gross carrying amount at the reporting date.

Credit-impaired financial assets

At each reporting date, the Group assesses whether financial assets carried at amortized cost are credit impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the counterparty;
- a breach of contract such as a default; or
- it is probable that the borrower will enter bankruptcy or other financial reorganization.

Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedures for recovery of amounts due.

Derecognition

Financial assets are derecognized when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership. Any gain or loss arising on derecognition is recognized directly in the consolidated statement of total comprehensive income and presented in other gains/(losses).

19.4 Financial liabilities

Classification

The Group classifies its financial liabilities as: (i) financial liabilities at fair value through profit or loss, and (ii) other financial liabilities measured at amortized cost. Financial liabilities under category (i) comprise of two sub-categories: financial liabilities classified as held for trading and financial liabilities designated by the Group as at fair value through profit or loss upon initial recognition. Management determines the classification of its financial liabilities at initial recognition.

The Group did not hold financial liabilities under category (i) during and at the end of each reporting period.

Other financial liabilities at amortized cost are contractual obligations which are either those to deliver cash or another financial asset to another entity or to exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavorable to the Group. These are included in current liabilities, except for maturities greater than 12 months after the reporting period which are classified as non-current liabilities.

The Group's other financial liabilities at amortized cost consist of accrued expenses and other current liabilities (excluding withholding tax payable and payable to government agencies) (Note 8), due to a stockholder (Note 14), and due to other related parties (Note 14).

Recognition and measurement

The Group recognizes a financial liability in the consolidated statement of financial position when, and only when, the Group becomes a party to the contractual provision of the instrument.

Other financial liabilities at amortized cost are initially measured at fair value plus transaction costs. Subsequently, these are measured at amortized cost using the effective interest rate method.

Derecognition

Other financial liabilities at amortized cost are derecognized when the obligation is paid, settled, discharged, cancelled or has expired.

Transfer, assumption, or assignment of liabilities

The transfer, assumption, or assignment of financial liabilities to or from other parties for no consideration requires recognition of gains or losses, charged to other income or expense in the statement of total comprehensive income.

19.5 Determination of fair value

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The fair value of financial and non-financial liabilities takes into account non-performance risk, which is the risk that the entity will not fulfill an obligation.

The Group classifies its fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1);
- 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 2); and
- inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (Level 3).

The appropriate level is determined on the basis of the lowest level input that is significant to the fair value measurement.

The fair value of financial instruments traded in active markets is based on quoted market prices at the reporting date. A market is regarded as active 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. The quoted market price used for financial assets held by the Group is the current bid price. These instruments are included in Level 1. The Group's quoted financial assets at FVOCI are under this category.

The fair value of assets and liabilities that are not traded in an active market (for example, over-the-counter derivatives) is determined by using valuation techniques. These valuation techniques maximize the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the asset or liability is included in Level 2. If one or more of the significant inputs is not based on observable market data, the asset or liability is included in Level 3. The Group's unquoted financial assets, pertaining to investments in MRTHI and MRTHII, are under Level 3 fair value category. The cost of the investments represents the best estimate of the fair value of the investments as at reporting date (Note 5).

Specific valuation techniques used to value financial instruments include:

- Quoted market prices or dealer quotes for similar instruments.
- The fair value of interest rate swaps is calculated as the present value of the estimated future cash flows based on observable yield curves.
- The fair value of forward foreign exchange contracts is determined using forward exchange rates at the reporting date, with the resulting value discounted back to present value.
- Other techniques, such as discounted cash flow analysis, are used to determine fair value for the remaining financial instruments.

The carrying amounts of financial instruments presented as part of current assets and current liabilities as at December 31, 2020 and 2019 approximate their fair values due to their short-term maturities.

The fair values of due to a stockholder and due to other related parties amounted to P665,576,140 (2019 - P618,325,179) and P322,982,783 (2019 - P278,007,509), determined using discounted cash flow approach by applying current market interest rates of 2.49% (2019 - 4.09%) (Level 2), based on the expected settlement of the amounts by the end of the BLT Agreement in July 2025.

The Group has no other financial assets and liabilities measured at fair value during and at the end of each reporting date.

Non-financial assets

For non-financial assets, the Group uses valuation techniques that are appropriate in the circumstances and applies the technique consistently. Commonly used valuation techniques are as follows:

- Market approach - A valuation technique that uses prices and other relevant information generated by market transactions involving identical or comparable (i.e., similar) assets, liabilities or a group of assets and liabilities, such as a business.
- Income approach - Valuation techniques that convert future amounts (e.g., cash flows or income and expenses) to a single current (i.e., discounted) amount. The fair value measurement is determined on the basis of the value indicated by current market expectations about those future amounts.
- Cost approach - A valuation technique that reflects the amount that would be required currently to replace the service capacity of an asset (often referred to as current replacement cost).

The fair value of a non-financial asset is measured based on its highest and best use. The carrying value of the Group's non-financial assets, substantially property and equipment, approximate its fair value in the light of the assets' current use is presumed to be its highest and best use.

19.6 Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the statements of financial position when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis, or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Group or the counterparty. The Group does not have financial assets and liabilities that are covered by enforceable master netting arrangements and other similar agreements.

19.7 Consolidation

Subsidiaries

Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

Intercompany transactions, balances and unrealized gains on transactions between group companies are eliminated. Unrealized losses are also eliminated.

Accounting policies and reporting period of its subsidiaries are consistent with the policies adopted by and the reporting period of the Parent Company.

Non-controlling interests

Non-controlling interests pertain to the equity in a subsidiary not attributable, directly or indirectly to the Group. Non-controlling interests represent the portion of profit or loss and net assets in subsidiaries not wholly-owned and are presented in the consolidated statement of total comprehensive income, consolidated statement of changes in equity and consolidated statement of financial position, separately from the equity attributable to the Parent Company.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the Parent Company and to the non-controlling interests, even if this results in the non-controlling interests having deficit balance.

The amount of non-controlling interests from the Group's investment in MGHC Royal Holdings Corporation (MGHC Royal) is immaterial as at December 31, 2020 and 2019 considering that MGHC Royal is a dormant entity.

Disposal of subsidiary

When the Group ceases to have control, any retained interest in the subsidiary is re-measured to its fair value at the date when control is lost, with the change in carrying amount generally recognized in profit or loss. The fair value is the initial carrying amount for purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset.

19.8 Cash

Cash includes cash on hand and deposits held at call with banks. These are carried in the statement of financial position at nominal amount which approximates fair value. Cash in banks earn interest at the prevailing bank deposit rates.

19.9 Trade and other receivables, net

Trade receivables arising from depot royalties with an average credit term of 60 days are recognized at transaction price and subsequently measured at amortized cost using effective interest method less any provision for impairment.

Other receivables are recognized initially at fair value and subsequently measured at amortized cost using effective interest method, less any provision for impairment.

Trade receivables and its related provision for impairment are written off when the Group has determined that the receivable is uncollectible as they have already exerted all collection efforts, including filing a legal case. Bad debts written off are specifically identified after exhausting all collection efforts (i.e. sending demand letters and legal notice of default to customers) and are approved by the BOD.

Write-offs represent either direct charge against profit or loss at the time the receivable deemed uncollectible or the release of previously recorded provision from the allowance account and credited to the related receivable account following the Group's assessment that the related receivable will no longer be collected after all collection efforts have been exhausted.

Subsequent recoveries of amounts previously written-off are credited in profit or loss under general and administrative expenses. Reversals of previously recorded impairment provision are recognized in profit or loss based on the result of management's update assessments, considering available facts and changes in circumstances, including but not limited to results of recent discussions and arrangements entered into with customers as to the recoverability of receivable at reporting date.

19.10 Other current assets

Other current assets consist of input value-added tax (VAT) and creditable withholding taxes. These are stated at face value less provision for impairment, if any. Provision for unrecoverable input VAT and creditable withholding taxes, if any, is maintained by the Group at a level considered adequate to provide for potentially unutilizable or uncollectible portion of the claim. The carrying amount of the asset is reduced through the use of an allowance account and the amount of the loss is recognized in profit or loss within general and administrative expenses.

Input VAT and creditable withholding taxes are derecognized when there is a legally enforceable right to apply the recognized amounts against the related liability within the period prescribed by the relevant tax laws.

Amounts are included in current assets, except when the related assets are expected to be realized more than twelve (12) months after the reporting period which are classified in non-current assets.

19.11 Investment in associate

Associates are all entities over which the Group has significant influence but not control, generally accompanying a shareholding of between 20% and 50% of the voting rights. (Note 6)

Investments in associates are accounted for using the equity method of accounting. Under the equity method, the investment is initially recognized at cost, and the carrying amount is increased or decreased to recognize the investor's share of the profit or loss of the investee after the date of acquisition. It is also decreased by dividends received from the investee. The Group's investment in associates includes goodwill identified on acquisition. Any excess of the Group's share of the net fair value of the associates identifiable assets and liabilities over the cost of the investment is included as income in the determination of the Group's share of the associate's profit or loss in the period in which the investment is acquired.

If the ownership interest in an associate is reduced but significant influence is retained, only a proportionate share of the amounts previously recognized in other comprehensive income are reclassified to profit or loss where appropriate.

The Group's share of its associates' post-acquisition profits or losses is recognized in profit or loss, and its share of post-acquisition movements in other comprehensive income is recognized in other comprehensive income. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment. When the Group's share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured receivables, the Group does not recognize further losses, unless it has incurred legal or constructive obligations or made payments on behalf of the associate.

Dilution gains and losses arising in investments in associates are recognized in profit or loss. Unrealized gains on transactions between the Group and its associates are eliminated to the extent of the Group's interest in the associates. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of associates have been changed where necessary to ensure consistency with the policies adopted by the Group.

19.12 Intangible assets

Intangible assets acquired separately are carried at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortization in the case of intangible assets with finite lives, and any accumulated impairment losses.

The useful lives of intangible assets are assessed to be either finite or indefinite.

Intangible assets with finite lives are amortized over the remaining useful economic life at the date of acquisition or business combination. These are assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and method for an intangible asset with a finite useful life is reviewed at the end of each reporting date.

The Group's intangible asset, pertaining to depot royalty rights, was assigned with a useful life of 33 years commencing from 2014 up to 2047 or the expiration of the development rights (Note 7).

Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is accounted for by changing the amortization period or method, as appropriate, and treated as changes in accounting estimates. The amortization of intangible assets with finite lives is recognized in profit or loss in the expense category consistent with the function of the intangible asset.

19.13 Impairment of non-financial assets

Non-financial assets that have definite useful lives are subject to depreciation or amortization and reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less cost to sell and value in use. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Value in use requires the Group to make estimates of future cash flows to be derived from the particular asset and discount them using a pre-tax market rate that reflects current assessments of the time value of money and the risks specific to the asset.

Impairment losses, if any, are recognized in profit or loss within other expenses in the consolidated statement of total comprehensive income. Non-financial assets that have been impaired are reviewed for possible reversal of the impairment at each reporting period. When impairment loss subsequently reverses, the carrying amount of the assets or cash-generating unit is increased to the revised estimate of its recoverable amount, but the increased carrying amount should not exceed the carrying amount that would have been determined had no impairment loss has been recognized for the asset or cash-generating unit in prior years. Reversals of previously recorded impairment provisions are credited against provision account in profit and loss.

19.14 Accrued expense and other current liabilities

Accrued expense and other current liabilities are obligations to pay for related money received, goods or services that have been acquired in the ordinary course of business from purchase of goods or service.

Accrued expense and other current liabilities are recognized in the period in which the related money, goods or services are received or when a legally enforceable claim against the Group is established or when the corresponding assets or expenses are recognized. These are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities.

The transfer, assumption, or assignment of financial liabilities to or from other parties for no consideration requires recognition of gains or losses, charged to other income or expense in the statement of total comprehensive income.

19.15 Provisions and contingencies

Provisions are recognized when the Group has a present legal or constructive obligation as a result of past events, it is more likely than not that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognized for future operating losses.

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. A provision is recognized even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessment of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognized in profit or loss.

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources embodying economic benefits will be required to settle the obligation, the provision is reversed and derecognized in the consolidated statement of financial position.

Provisions are derecognized when the related legal or contractual obligation is discharged, cancelled or expired.

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.

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

19.16 Revenue Recognition

Revenue is measured based on the transaction price specified in a contract with the customer. The Group recognizes revenue when it transfers control over a product or service to a customer.

The following is a description of principal activities from which the Group generates its revenue.

Depot royalty income

The amount of royalty income is recognized over time as NTDCC earns rental income from the TriNoma commercial center. The use of a time-based approach (output method) best provides a faithful depiction of the transfer of services to the customer given the nature of the royalty arrangement.

Other income

Other income is recognized when earned.

Interest

Revenue is recognized on a time-proportion basis using the effective interest method

19.17 Cost and expense recognition

Costs and expenses are recognized in the statement of total comprehensive income when decrease in future economic benefit related to a decrease in an asset or an increase in a liability has arisen that can be measured reliably. Costs and expenses are recognized in the statement of total comprehensive income:

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

Costs and expenses in the statement of total comprehensive income are presented using the function of expense method.

19.18 Employee benefits

(i) Short-term benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided.

A liability is recognized for the amount expected to be paid under short-term cash bonus if the Group has present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

(ii) Retirement benefits

The Group has yet to adopt a formal retirement plan for the benefit of its qualified employees. Under RA No. 7641, in the absence of a retirement plan or agreement providing for retirement benefits of employees in the private sector, an employee upon reaching the age of 60 years or more, but not beyond 65 years, who has served at least 5 years in a private company, may retire and shall be entitled to retirement pay equivalent to at least one-half month salary plus one twelfth of the 13th month pay and cash equivalent of not more than 5 days of service incentive leaves for every year of service (or 100% of monthly salary), a fraction of at least 6 months being considered as one whole year.

The liability recognized in the statement of financial position in respect of defined benefit retirement plans is the present value of the defined benefit obligation at the end of the reporting period. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of government bonds that are denominated in Philippine Peso, the currency in which the benefits will be paid, and that have terms to maturity approximating the terms of the related retirement obligation.

Remeasurements arising from experience adjustments and changes in actuarial assumptions are charged or credited in other comprehensive income in the period in which they arise.

Past-service costs are recognized immediately in profit or loss.

The net interest cost is calculated by applying the discount rate to the balance of the defined benefit obligation. This cost is included in employee benefit expense in profit or loss.

(iii) Termination benefits

Termination benefits are payable when employment is terminated by the Group before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. The Group recognizes termination benefits when it is demonstrably committed to either: (a) terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal; or (b) providing termination benefits as a result of an offer made to encourage voluntary redundancy. Benefits falling due more than 12 months after the reporting date are discounted to present value.

19.19 Foreign currency transactions and translations

Items included in the financial statements of the Group 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 Group's functional and presentation currency.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transaction. Foreign exchange gains and losses resulting from the settlement of foreign currency transactions and from the translation at year-end exchange rate of monetary assets and liabilities denominated in foreign currencies are recognized in profit or loss.

Foreign currency transactions during the year are translated into the functional currency at exchange rates which approximate those prevailing on transaction dates.

Foreign currency 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 total comprehensive income.

19.20 Related party relationships and transactions

Related party relationship exists when one party has the ability to control, directly or indirectly through one or more intermediaries, the other party or exercise significant influence over the other party in making financial and operating decisions. Such relationship also exists between and/or among entities which are under common control with the reporting enterprise, or between, and/or among the reporting enterprise and its key management personnel, directors, or its shareholders. In considering each possible related party relationship, attention is directed to the substance of the relationship, and not merely the legal form.

19.21 Current and deferred income tax

Income tax expense recognized in profit or loss during the period comprises of current and deferred income tax (DIT), except to the extent that it relates to items recognized in other comprehensive income.

The current income tax charge is calculated on the basis of tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

DIT is recognized on all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. DIT is determined using tax rates and laws that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related DIT asset is realized or the deferred income tax liability is settled.

DIT assets are the amounts of income taxes recoverable in future periods in respect of all deductible temporary differences. DIT assets are recognized to the extent it is probable that future taxable profit will be available against which the temporary differences can be utilized. DIT liabilities are the amounts of income taxes payable in future periods in respect of taxable temporary differences.

DIT assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the DIT assets and liabilities relate to income taxes levied by the same taxation authority where there is an intention to settle the balances on a net basis.

19.22 Earnings per share

Basic EPS is computed by dividing net income attributable to common stock by the weighted average number of common shares outstanding, after giving retroactive effect for any stock dividends, stock splits or reverse stock splits during the period, if any.

Diluted EPS is computed by dividing net income attributable to common shareholders by the weighted average number of common shares outstanding during the period, after giving retroactive effect for any stock dividends, stock splits or reverse stock splits during the period, and adjusted for the effect of dilutive convertible preferred shares. If the required dividends to be declared on convertible preferred shares divided by the number of equivalent common shares, assuming such shares are converted, would decrease the basic EPS, then such convertible preferred shares would be deemed dilutive. Where the effect of the assumed conversion of the preferred shares have anti-dilutive effect, basic and diluted EPS are stated at the same amount.

19.23 Equity

Capital stock is determined using 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.

Retained earnings (deficit) include all current and prior period results as disclosed in the statement of income.

19.24 Subsequent events

Subsequent events that provide additional information about the Group's position at the financial reporting date (adjusting events) are reflected in the c financial statements. Subsequent events that are not adjusting events are disclosed in the notes to financial statements when material.

Corporate Recovery and Tax Incentives for Enterprises Act (CREATE)

On March 26, 2021, Republic Act (RA) No.11534, otherwise known as CREATE, was signed into law. Among the salient provisions of CREATE include changes to the Corporate Income Tax (CIT) as follows:

1. Reduction in CIT rate effective July 1, 2020. Domestic Corporations will be subject to the following reduced CIT rates depending on their assets and taxable income:
   a. 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;
   b. 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.
2. Effective July 1, 2020 until June 30, 2023, the MCIT rate shall be one percent (1%).

As at December 31, 2020, the CREATE bill is still pending ratification by both the Philippine Congress and Senate, and consequently pending approval of the President of the Republic of the Philippines. As such, the Company has assessed that the proposed tax law is not enacted or substantively enacted as at December 31, 2020. Therefore, for financial reporting purposes, the enactment of CREATE after the reporting date is deemed a non-adjusting subsequent event.

Had the new CIT rates been applied on the December 31, 2020 financial statements of the Group, the newly enacted income tax rate would have resulted in lower deferred income tax asset of P265,747, lower current income expense and income tax payable of P139,942, and lower net income of P125,805.

Note 20 - Restatements

Errors can arise in respect of the recognition, measurement, presentation or disclosure of elements of financial statements. Potential current period errors discovered in that period are corrected before the financial statements are authorized for issue. However, material errors are sometimes not discovered until a subsequent period, and these prior period errors are corrected in the comparative information presented in the financial statements for that subsequent period.

The Group corrects a prior period error by retrospective restatement except when it is impracticable to determine either the period-specific effects or the cumulative effect of the error. When it is impracticable to determine the period-specific effects of the error on comparative information for one or more prior periods presented, the restatement of the opening balances of assets, liabilities and equity shall be made for the earliest period for which retrospective restatement is practicable. When it is impracticable to determine the cumulative effect, at the beginning of the current period, of an error on all prior periods, restatement of the comparative information to correct the error prospectively shall be made from the earliest date practicable.

Consolidated statements of financial position

Adjustments and reclassifications - December 31, 2019

a. Adjustment to consolidate cash of MGHC Royal amounting to P126,669.
b. Offsetting of the deferred output tax to its related accounts receivable amounting to P3,635,599. Reclassification of due from related parties to non-current amounting to P7,583,433 and recognition of related impairment amounting to P4,915,491 charged against beginning deficit. Recognition of depot royalty rights from due from related party balance amounting to P901,471 previously classified as receivable with catch up amortization amounting to P136,585.
c. Adjustment to consolidate other current assets of MGHC Royal amounting to P3,039.
d. Reversal of impairment loss on financial assets at fair value through OCI recognized on unquoted equity securities from January 1, 2018 charged to beginning deficit in 2018 amounting to P33,542,053.
e. Recognition of impairment of an associate amounting to P5,427,052 charged to beginning deficit. Recognition of share in 2019 net loss of another associate amounting to P1,894,800 and reversal of share in 2018 net profit of the same associate amounting P17,936,086 charged to beginning deficit.
f. Elimination of investment in subsidiary balance amounting to P2,499,500.
g. Reversal of deferred tax assets related to impairment loss amounting to P10,062,616, and recognition of deferred tax assets amounting to P1,474,647.
h. Offsetting of deferred output tax in relation to note (b). Adjustments to consolidate accrued expenses of MGHC Royal amounting to P10,800, and eliminate subscription payable amounting to P1,886,763 and due to related parties amounting to P409,859. Reversal of advances from a related party amounting to P28,366,428 charged to beginning deficit.
i. Adjustments to beginning deficit pertaining to (b), (d), (e), (g) and (h) above, and adjustments to the 2019 total comprehensive income.

Adjustments and reclassifications - December 31, 2018

a. Adjustment to consolidate cash of MGHC Royal amounting to P126,672.
b. Offsetting of the deferred output tax to its related accounts receivable amounting to P3,534,637. Reclassification of due from related parties to non-current amounting to P8,738,904 and recognition of related impairment amounting to P5,058,205 charged against beginning deficit. Recognition of depot royalty rights from due from related party balance amounting to P901,471 previously classified as receivable with catch up amortization amounting to P109,268.
c. Adjustment to consolidate other current assets of MGHC Royal amounting to P3,039.
d. Reversal of impairment loss on financial assets at fair value through OCI recognized on unquoted equity securities from January 1, 2018 charged to beginning deficit in 2018 amounting to P8,594,456, and recognition of additional gain on financial assets at fair value through OCI for quoted equity securities amounting to P426,667.
e. Recognition of impairment of an associate amounting to P6,027,247 charged to beginning deficit. Reversal of share in 2018 net profit of an associate amounting P17,936,086.
f. Elimination of investment in subsidiary balance amounting to P2,499,500.
g. Reversal of deferred tax assets related to impairment loss amounting to P2,578,337, and recognition of deferred tax assets amounting to P1,517,461.
h. Offsetting of deferred output tax in relation to note (b). Adjustments to consolidate accrued expenses of MGHC Royal amounting to P11,200, and eliminate subscription payable amounting to P1,886,763 and due to related parties amounting to P421,659. Reversal of advances from a related party amounting to P28,366,428 charged to beginning deficit.
i. Adjustments to beginning deficit pertaining to (b), (d), (e), (g) and (h) above, and adjustments to the 2018 total comprehensive income.

As at December 31, 2019	References	As previously reported	Effects of adjustments	As restated
Current assets				
Cash	(a)	932,232	126,669	1,058,901
Trade and other receivables	(b)	40,015,860	(11,219,032)	28,796,828
Other current assets	(c)	67,786	3,039	70,825
Total current assets		41,015,878	(11,089,324)	29,926,554
Non-current assets				
Due from related parties	(b)	-	1,766,471	1,766,471
Financial assets at fair value through OCI	(d)	1,460,331,875	33,542,054	1,493,873,929
Intangible asset, net	(b)	-	764,886	764,886
Investment in associate	(e)	25,257,938	(25,257,938)	-
Investment in subsidiary	(f)	2,499,500	(2,499,500)	-
Deferred tax asset	(g)	10,182,449	(8,587,969)	1,594,480
Total non-current assets		1,498,271,762	(271,996)	1,497,999,766
Total assets		1,539,287,640	(11,361,320)	1,527,926,320
Current liabilities				
Accrued expense and other current liabilities	(h)	416,828,003	(33,877,990)	382,950,013
Income tax payable		7,594,816	-	7,594,816
Total current liabilities		424,422,819	(33,877,990)	390,544,829
Non-current liability				
Due to a stockholder		773,371,405	-	773,371,405
Due to other related parties	(h)	348,128,285	(409,859)	347,718,426
Total non-current liabilities		1,121,499,690	(409,859)	1,121,089,831
Total liabilities		1,545,922,509	(34,287,849)	1,511,634,660
Stockholders' equity				
Share capital		1,998,553,181	-	1,998,553,181
Additional paid-in capital		589,120,804	-	589,120,804
Fair value reserve		516,307	-	516,307
Deficit	(i)	(2,594,825,161)	22,926,529	(2,571,898,632)
Total stockholders' equity		(6,634,869)	22,926,529	16,291,660
Total liabilities and stockholders' equity		1,539,287,640	(11,361,320)	1,527,926,320

As at December 31, 2018	References	As previously reported	Effects of adjustments	As restated
Current assets				
Cash	(a)	620,599	126,672	747,271
Trade and other receivables	(b)	40,271,082	(12,273,541)	27,997,541
Other current assets	(c)	1,686,473	3,039	1,689,512
Total current assets		42,578,154	(12,143,830)	30,434,324
Non-current assets				
Due from related parties	(b)	-	2,779,228	2,779,228
Financial assets at fair value through OCI	(d)	1,485,780,626	9,021,123	1,494,801,749
Intangible asset, net	(b)	-	792,203	792,203
Investment in associate	(e)	25,858,133	(23,963,333)	1,894,800
Investment in subsidiary	(f)	2,499,500	(2,499,500)	-
Deferred tax asset	(g)	2,655,356	(1,060,876)	1,594,480
Total non-current assets		1,516,793,615	(14,931,155)	1,501,862,460
Total assets		1,559,371,769	(27,074,985)	1,532,296,784
Current liabilities				
Accrued expense and other current liabilities	(h)	443,918,384	(33,776,628)	410,141,756
Income tax payable		3,827,231	-	3,827,231
Total current liabilities		447,745,615	(33,776,628)	413,968,987
Non-current liability				
Due to a stockholder		802,063,113	-	802,063,113
Due to other related parties	(h)	333,890,283	(421,659)	333,468,624
Total non-current liabilities		1,135,953,396	(421,659)	1,135,531,737
Total liabilities		1,583,699,011	(34,198,287)	1,549,500,724
Stockholders' equity				
Share capital		1,998,553,181	-	1,998,553,181
Additional paid-in capital		589,120,804	-	589,120,804
Fair value reserve	(d)	1,017,460	426,667	1,444,127
Deficit	(i)	(2,613,018,687)	6,696,635	(2,606,322,052)
Total stockholders' equity		(24,327,242)	7,123,302	(17,203,940)
Total liabilities and stockholders' equity		1,559,371,769	(27,074,985)	1,532,296,784

Consolidated statements of total comprehensive income

Adjustments and reclassifications - for the year ended December 31, 2019

a. Reclassification of other income to present depot royalty income of P30,296,661 separately, and present assumption of liability amounting to P20,260,083, interest income of P4,039 and other income of P60,714 as part of other (expense) income, net.
b. Reversal of share in net loss of an associate amounting to P600,196 and of impairment loss amounting to P24,947,596, and reclassification of loss on foreign exchange amounting to P290,502 to other (expense) income, net.
c. Adjustments to consolidate general and administrative expenses of MGHC Royal amounting to P11,403, recognize amortization expense amounting to P27,317, and reverse provision for impairment of receivables amounting to P142,713.
d. Recognition of share in net loss of an associate amounting to P1,894,800.
e. Reclassifications pertaining to (a) and (b) above, and reversal of interest income amounting to P807.
f. Recognition of additional income tax expense amounting to P7,526,285.
g. Reclassification to correct presentation of fair value loss on financial assets at fair value through OCI, and recognition of additional gain on financial assets at fair value through OCI for quoted equity securities amounting to P426,667 from 2018.

Adjustments and reclassifications - for the year ended December 31, 2018

a. Reversal of share in net profit of an associate amounting to P17,936,086, reclassification of other income to present depot royalty income amounting to P29,455,307 separately, and presentation of gain on foreign exchange of P210,067 and interest income of P2,599 under other (expense) income, net.
b. Reversal of share in net loss of an associate amounting to P9,158 and of impairment loss amounting to P8,594,456.
c. Adjustments to consolidate general and administrative expenses of MGHC Royal amounting to P40,310, recognize amortization expense of P21,317, and reverse provision for impairment of receivables of P256,729.
d. Reclassifications pertaining to (a) above, adjustment to consolidate interest income of MGHC Royal amounting to P351 and reversal of interest income amounting to P519.
e. Recognition of additional income tax expense amounting to P2,634,953.
f. Reclassification to correct presentation of fair value loss on financial assets at fair value through OCI, and recognition of additional gain on financial assets at fair value through OCI for quoted equity securities amounting to P426,667.

For the year ended December 31, 2019	References	As previously reported	Effects of adjustments	As restated
Other income	(a)	50,621,497	(50,621,497)	-
Other expense	(b)	(25,838,294)	25,838,294	-
Depot royalty income	(a)	-	30,296,661	30,296,661
General and administrative expenses	(c)	(5,004,819)	103,993	(4,900,826)
Share in profit (loss) of associates	(d)	-	(1,894,800)	(1,894,800)
Other (expense) income, net	(e)	-	20,033,527	20,033,527
Income before tax		19,778,384	23,756,178	43,534,562
Income tax expense	(f)	(1,584,857)	(7,526,285)	(9,111,142)
Net income for the year		18,193,527	16,229,893	34,423,420
Other comprehensive income (loss) - net				
Items reclassified subsequently to net income upon derecognition				
Gain (loss) on valuation of available-for-sale	(g)	(501,154)	501,154	-
Income tax	(g)	(150,346)	150,346	-
Item that will not be reclassified to profit or loss				
Fair value gain (loss) on financial assets at fair value through OCI	(g)	-	(927,820)	(927,820)
Total comprehensive income		17,842,719	15,652,881	33,495,600

For the year ended December 31, 2018	References	As previously reported	Effects of adjustments	As restated
Other income	(a)	47,604,060	(47,604,060)	-
Other expense	(b)	(8,603,614)	8,603,614	-
Depot royalty income	(a)	-	29,455,307	29,455,307
General and administrative expenses	(c)	(14,613,203)	189,104	(14,424,099)
Share in profit (loss) of associates	(d)	-	-	-
Other (expense) income, net	(e)	-	212,498	212,498
Income before tax		24,387,243	(9,143,537)	15,243,706
Income tax expense	(f)	(1,944,767)	(2,634,953)	(4,579,720)
Net income for the year		22,442,476	(11,778,490)	10,663,986
Other comprehensive income (loss) - net				
Items reclassified subsequently to net income upon derecognition				
Gain (loss) on valuation of available-for-sale	(g)	(869,762)	869,762	-
Income tax	(g)	(260,929)	260,929	-
Item that will not be reclassified to profit or loss				
Fair value gain (loss) on financial assets at fair value through OCI	(g)	-	(443,095)	(443,095)
Total comprehensive income		21,833,643	(11,612,752)	10,220,891

Basic and diluted earnings per share

	As previously reported	Effects of adjustments	As restated
2019	0.009	0.0082	0.0172
2018	0.011	(0.0057)	0.0053

Consolidated statements of cash flows

Adjustments and reclassifications - for the year ended December 31, 2019

a. Presentation of non-cash adjustments such as assumption of liability, share in net loss of associates, amortization expense and unrealized foreign exchange loss amounting to P20,260,083, P1,894,800, P27,317, and P14,754, respectively, under the operating activities section.
b. Reversal of impairment loss amounting to P24,947,597 under the operating activities section.
c. Reclassification of movement in other current assets to cash paid for income taxes amounting to P1,516,328 and adjustment in the amount of interest received of P808.
d. Reclassification of the movement of due from related parties from trade and other receivables amounting to P1,012,756.
e. Reversal of accrued expense and other current liabilities amounting to P20,158,721.
f. Adjustment in due to other related parties amounting to P588,396.
g. Reclassification of due to a shareholder from operating activities to financing activities amounting to P28,691,708.
h. Adjustment to consolidate beginning cash of MGHC Royal amounting to P126,672.

Adjustments and reclassifications - for the year ended December 31, 2018

a. Presentation of non-cash adjustments such as amortization expense and unrealized foreign exchange loss amounting to P1,852 and P27,317, respectively, under the operating activities section.
b. Reversal of impairment loss amounting to P8,594,456 under the operating activities section.
c. Reversal of share in net income of an associate amounting to P17,926,928.
d. Reclassification of movement in other current assets to cash paid for income taxes amounting to P27,758, adjustment in the amount of interest received amounting to P168, and further adjustment in the amount of income taxes paid amounting to P47,199.
e. Reclassification of the movement of due from related parties from trade and other receivables amounting to P3,632,237.
f. Reversal of accrued expense and other current liabilities amounting to P1,884,283.
g. Reclassification of due to a shareholder from operating activities to financing activities amounting to P22,966,212, and further adjustment in the movement of due to a stockholder presented in financing activities amounting to P1,473,142.
h. Adjustment to consolidate beginning cash of MGHC Royal amounting to P625,321.

For the year ended December 31, 2019	References	As previously reported	Effects of adjustments	As restated
Cash flows from operating activities				
Net income before tax		19,778,384	23,756,178	43,534,562
Adjustment for:				
Unrealized foreign exchange loss	(a)	-	14,754	14,754
Amortization expense	(a)	-	27,317	27,317
Assumption of liability	(a)	-	(20,260,083)	(20,260,083)
Impairment losses	(b)	24,947,596	(24,947,596)	-
Interest income	(c)	(4,040)	808	(3,232)
Share in net loss of associates	(a)	-	1,894,800	1,894,800
Operating income (loss) before working capital changes		44,721,940	(19,513,822)	25,208,118
Decrease (increase) in:				
Trade and other receivables	(d)	255,222	(1,054,508)	(799,286)
Other current assets	(c)	1,618,688	(1,516,328)	102,360
Due from related parties	(d)	-	1,012,756	1,012,756
Increase (decrease) in:				
Accrued expense and other current liabilities	(e)	(27,090,381)	20,158,721	(6,931,660)
Due to a stockholder	(g)	(28,691,708)	28,691,708	-
Cash from operations		(9,186,239)	27,778,527	18,592,288
Interest received	(c)	4,040	(808)	3,232
Cash paid for income taxes	(c)	(5,344,366)	1,517,136	(3,827,230)
Net cash from operating activities		(14,526,565)	29,294,855	14,768,290
Cash flows from financing activities				
Increase (decrease) in:				
Due to other related parties	(f)	14,838,198	(588,396)	14,249,802
Due to a stockholder	(g)	-	(28,691,708)	(28,691,708)
Net cash used in financing activities		14,838,198	(29,280,104)	(14,441,906)
Net increase in cash		311,633	14,751	326,384
Cash at January 1	(h)	620,599	126,672	747,271
Effect of foreign exchange rate changes in cash	(a)	-	(14,754)	(14,754)
Cash at December 31		932,232	126,669	1,058,901

For the year ended December 31, 2018	References	As previously reported	Effects of adjustments	As restated
Cash flows from operating activities				
Net income before tax		24,387,243	(9,143,537)	15,243,706
Adjustment for:				
Unrealized foreign exchange loss	(a)	-	(1,852)	(1,852)
Amortization expense	(a)	-	27,317	27,317
Impairment losses	(b)	8,594,456	(8,594,456)	-
Interest income	(d)	(2,599)	168	(2,431)
Share in net income of associate	(c)	(17,926,928)	17,926,928	-
Operating income before working capital changes		15,052,172	214,568	15,266,740
Decrease (increase) in:				
Trade and other receivables	(e)	(1,627,039)	(3,888,967)	(5,516,006)
Other current assets	(d)	(980,640)	27,758	(952,882)
Due from related parties	(e)	-	3,632,237	3,632,237
Increase (decrease) in:				
Accrued expense and other current liabilities	(f)	(2,541,857)	(1,884,283)	(4,426,140)
Due to a stockholder	(g)	22,966,212	(22,966,212)	-
Cash from operations		32,868,848	(24,864,899)	8,003,949
Interest received	(d)	2,599	(168)	2,431
Cash paid for income taxes	(d)	(3,422,792)	(74,789)	(3,497,581)
Net cash from (used in) operating activities		29,448,655	(24,939,856)	4,508,799
Cash flows from financing activities				
Decrease in:				
Due to a stockholder	(g)	(29,699,656)	24,439,354	(5,260,302)
Net cash used in financing activities		(29,699,656)	24,439,354	(5,260,302)
Net increase in cash		(251,001)	(500,502)	(751,503)
Cash at January 1	(h)	871,601	625,321	1,496,922
Effect of foreign exchange rate changes in cash	(a)	-	1,852	1,852
Cash at December 31		620,600	126,671	747,271

METRO GLOBAL HOLDINGS CORPORATION AND SUBSIDIARIES

SUPPLEMENTARY SCHEDULES AS REQUIRED BY SRC RULE 68, AS AMENDED
DECEMBER 31, 2020

Schedules	Description
A	Financial Assets
B	Amounts Receivable from Directors, Officers, Employees, Related Parties and Principal Stockholders (Other than Related Parties)
C	Amounts Receivable from Related Parties which are eliminated during the consolidation of the financial statements
D	Long Term Debt
E	Indebtedness to Related Parties (Long-Term loans from Related Companies)
F	Guarantees of Securities of Other Issuers
G	Share Capital
	Schedule of Financial Soundness Indicator
	Reconciliation of Retained Earnings Available for Dividend Declaration
	A Map Showing the Relationships between and among the Parent Company and its Ultimate Parent Company, Middle Parent, Subsidiaries or Co-subsidiaries and Associates

METRO GLOBAL HOLDINGS CORPORATION AND SUBSIDIARIES
SCHEDULE A - FINANCIAL ASSETS
DECEMBER 31, 2020

Name of issuing entity and association of each issue	Number of shares	Amount shown in the Statement of Financial Position	Income received and accrued
Financial assets at amortized cost			
Cash in banks			
Union Bank of the Philippines, Inc	-	1,492,014	143
Rizal Commercial Banking Corporation	-	365,537	2,567
United Coconut Planters Bank	-	90,214	1,183
Cash on hand	-	36,201	-
Total cash and cash equivalents	-	1,983,966	3,893
Trade receivables	-	8,863,009	-
Other receivables	-		
Receivable from Monumento Rail	-	5,314,935	-
Advances to MRTHI	-	117,361	-
Advances to MRTHII	-	1,649,110	-
	-	17,928,381	3,893
Financial asset through other comprehensive income			
Unquoted equity securities	11,856,311	1,490,792,040	-
Quoted equity securities	5,781,917	3,696,926	-
Total financial assets		1,512,417,347	3,893

METRO GLOBAL HOLDINGS CORPORATION AND SUBSIDIARIES
SCHEDULE B - AMOUNTS 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	Write-offs	Current	Noncurrent	Balance at the end of the period
Due from related parties							
Metro Rail Transit Holdings I	117,361	-	-	-	-	117,361	117,361
Metro Rail Transit Holdings I	1,649,110	-	-	-	-	1,649,110	1,649,110
Total due from related parties	1,766,471	-	-	-	-	1,766,471	1,766,471

**As required by SRC Rule 68, this schedule shall be filed with respect to each person among the directors, officers and employees from whom an aggregate indebtedness of more than P1 million or one percent (1%) of total assets, whichever is less, is owed for items arising outside the ordinary course of business. There were no advances with respect to each person among the directors, officers and employees amounting to more than P1 million outside the ordinary course of business as of December 31, 2020.*

METRO GLOBAL HOLDINGS CORPORATION AND SUBSIDIARIES
SCHEDULE C - AMOUNTS RECEIVABLE FROM RELATED PARTIES WHICH ARE ELIMINATED DURING THE CONSOLIDATION OF THE FINANCIAL STATEMENTS
DECEMBER 31,2020

Name and designation of debtor	Balance at beginning of period	Additions	Amounts collected	Amounts written off	Current	Noncurrent	Balance at the end of the period
Metro Global Holdings Corporation	-	1,298,029	-	-	1,298,029	-	1,298,029
MGHC Royal Holdings Corporation	409,859	-	23,938	-	385,921	-	385,921
Metro Renewable Transport Solutions, Inc.	-	1,875,000	-	-	1,875,000	-	1,875,000
Total	409,859	3,173,029	23,938	-	3,558,950	-	3,558,950

METRO GLOBAL HOLDINGS CORPORATION AND SUBSIDIARIES
SCHEDULE D - LONG TERM DEBT
DECEMBER 31,2020

Title of Issue and type of obligation	Amount authorized by indenture	Amount shown under caption "Current portion of long-term debt" in related balance sheet	Amount shown under caption "Long-Term Debt" in related balance sheet	Notes
N/A	N/A	N/A	N/A	N/A

METRO GLOBAL HOLDINGS CORPORATION AND SUBSIDIARIES
SCHEDULE E - INDEBTEDNESS TO RELATED PARTIES (LONG-TERM LOANS FROM RELATED COMPANIES)
DECEMBER 31, 2020

Name of related party	Balance at beginning of the period	Balance at the end of the period
Fil-Estate Management, Inc	773,371,405	744,833,320
Metro Rail Transit Holdings, Inc. I	213,740,407	221,939,234
Metro Rail Transit Holdings, Inc. II	119,728,217	119,728,217
MRT Development Corporation	14,249,802	19,776,303
	1,121,089,831	1,106,277,074

METRO GLOBAL HOLDINGS CORPORATION AND SUBSIDIARIES
SCHEDULE F -GUARANTEES OF SECURITIES OF OTHER ISSUERS
DECEMBER 31,2020

Name of issuing entity of securities guaranteed by the company for which this statement is filed	Title of issue of each class of securities guaranteed	Total amount guaranteed and outstanding	Amount owned by person for which statement is filed	Nature of guarantee
N/A	N/A	N/A	N/A	N/A

METRO GLOBAL HOLDINGS CORPORATION AND SUBSIDIARIES
SCHEDULE G -SHARE CAPITAL
DECEMBER 31,2020

Title of Issue	Number of shares authorized	Number of shares issued and outstanding	Number of shares reserved for options, warrants, conversion and other rights	Number of shares held by related parties	Number of shares held by Directors, officers and employees	Number of shares held by others
Common shares	2,000,000,000	1,998,553,181	-	1,757,690,197	3,410,014	237,452,970

METRO GLOBAL HOLDINGS CORPORATION AND SUBSIDIARIES
SCHEDULE OF FINANCIAL SOUNDNESS INDICATOR
DECEMBER 31,2020

	December 31, 2020	December 31,2019
Current ratio[a]	0.03:1	0.08:1
Acid Test ratio[b]	0.03:1	0.08:1
Solvency ratio[c]	0.001:1	0.023:1
Debt-to-equity ratio[d]	84:1	93:1
Asset-to-equity ratio[e]	85:1	94:1
Interest rate coverage ratio[f]	N/A	N/A
Debt service coverage ratio[g]	N/A	N/A
Net debt/EBITDA[h]	N/A	N/A
Earnings per share (PHP)[i]	0.0004:1	0.0172:1
Book value per share[j]	0.01:1	0.01:1
Return on assets[k]	0.001:1	0.022:1
Return on equity[l]	0.05:1	-75.47:1
Net Profit Margin[m]	0.09:1	1.14:1

[a]Current assets/Current liabilities
[b]Cash and cash equivalents + Trade and other receivables, net + Due from related parties/Current liabilities
[c]Net operating profit after tax + depreciation and amortization/ Total liabilities
[d]Total liabilities/ Total equity
[e]Total assets/ Total equity
[f]Earnings before interest, taxes, depreciation and amortization / Interest expense
[g]Earnings before interest, taxes, depreciation and amortization / (Current loan payable + Interest expense + current lease liabilities)
[h]Loans payable less cash and cash equivalents/ Earnings before interest, taxes, depreciation and amortization
[i]Net income / Weighted average number of ordinary shares
[j]Total equity less Preferred Equity/ Total number of shares outstanding
[k]Net income/ Average total assets
[l]Net income / Average total equity
[m]Net income/ Depot royalty income

METRO GLOBAL HOLDINGS CORPORATION AND SUBSIDIARIES
SCHEDULE RECONCILIATION OF RETAINED EARNINGS AVAILABLE FOR DIVIDENDS DECLARATION
DECEMBER 31,2020

Metro Global Holdings Corporation

Reconciliation of Parent Company Retained Earnings Available for Dividend Declaration

As at December 31, 2020
(All amounts in Philippine Peso)

Unappropriated deficit at beginning of the year as shown in the Parent Company's separate financial statements	(2,571,898,632)
Net income during the year closed to retained earnings	2,137,903
Less: Non-actual/unrealized income net of tax	-
Equity in net income of associate/joint venture	(5,987,239)
Unrealized foreign exchange gain - (after tax) except those attributable to cash and cash equivalents)	-
Unrealized actuarial gain	-
Fair value adjustment (mark-to-market gains)	-
Fair value adjustment of Investment Property resulting to gain	-
Adjustment due to deviation from PFRS - gain	-
Other unrealized gains or adjustments to the retained earnings as a result of certain transactions accounted for under the PFRS	-
Add: Non-actual losses	-
Depreciation on revaluation increment (after tax)	-
Adjustment due to deviation from PFRS - loss	-
Loss on fair value adjustment of investment property (after tax)	-
Subtotal	(3,849,336)
Add: Release of retained earnings appropriation	-
Effects of prior period adjustments	-
Less: Treasury shares	-
Appropriation of retained earnings during the period	-
Dividend declarations during the period	-
Unappropriated deficit, as adjusted, ending	(2,575,747,968)

Metro Global Holdings Corporation and Subsidiaries

A Map Showing the Relationships between and among the company and its Ultimate Parent Company, Middle Parent, Subsidiaries OR Co-subsidiaries and Associates
December 31, 2020