

COVER SHEET

9 1 4 2 S.E.C. Registration Number

M E T R O G L O B A L H O L D I N G S
C O R P O R A T I O N
(Company's Full Name)

M E Z Z A N I N E F L O O R R E N A I S S A N C E
T O W E R M E R A L C O A V E N U E
P A S I G C I T Y
(Business Address: No. Street City/ Town/ Province)

RAMON G. JIMENEZ
Contact Person

(02) 8633 - 6205
Company Telephone Number

1 2 3 1
Month Day
2024
calendar year

SEC FORM 17Q (3rd Quarter of 2024)
FORM TYPE
Registered/ Listed
Secondary License Type, If Applicable

0 9 3 0
Month Day

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

Remarks = pls. use black ink for scanning

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-Q

QUARTERLY REPORT PURSUANT TO SECTION 17 OF THE SECURITIES
REGULATION CODE AND SRC RULE 17(2)b) THEREUNDER

1. For the quarterly period ended September 30, 2024
2. Commission identification number 9142 3. BIR Tax Identification No 000-194-408-000
4. Exact name of issuer as specified in its charter **METRO GLOBAL HOLDINGS CORPORATION**

Philippines

5. Province, country or other jurisdiction of incorporation or organization
6. Industry Classification Code: (SEC Use Only)

Mezzanine Floor Renaissance Tower,

Meralco Avenue, Pasig City

1604

7. Address of registrant's principal office Postal Code
8. (02)8633-6248
Issuer's telephone number, including area code

9. **Not applicable**

Former name, former address and former fiscal year, if changed since last report

10. Securities registered pursuant to Sections 8 n 12 of the Code, or Sections 4 and 8 of the RSA

Title of each Class	Number of shares of common stock outstanding and amount of debt outstanding
<u>Common stock - P 1 par value</u>	<u>2,750,000,000 shares</u>

11. Are any or all of the securities listed on the Philippine Stock Exchange?

Yes [] No []

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

Philippine and Makati Stock Exchange

Common shares

12. Indicate by check mark whether the registrant:

- (a) has filed all reports required to be filed by Section 17 of the SRC and SRC Rule 17 thereunder or 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 the registrant was required to file such reports)

Yes [] No []

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

Yes [] No []

Metro Global Holdings Corporation and Subsidiaries
Consolidated Statements of Financial Position
As of September 30, 2024
(With Comparative Figures as of Calendar Year Ended December 31, 2023)

	September 30, 2024	December 31, 2023
ASSETS		
Current Assets		
Cash	₱ 625,822	₱ 12,780,533
Non-trade and other receivables	62,346,749	64,064,417
Other current assets	5,689,909	4,209,606
Total current assets	68,662,480	81,054,556
Non-current Assets		
Due from related parties	892,511,001	892,803,244
Financial assets at fair value through OCI	3,061,412,774	3,060,331,336
Investment in Associates	16,230,328	6,942,791
Property, Plant & Equipment	43,898,120	39,612,914
Right-of-use-asset	339,290,414	348,090,414
Intangible asset, net	637,407	657,894
Deferred Tax Asset	2,922,672	3,110,114
Total non-current assets	4,356,902,716	4,351,548,707
TOTAL ASSETS	₱ 4,425,565,196	₱ 4,432,603,263
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current Liabilities		
Accrued expense and other current liabilities	419,182,092	₱ 418,568,125
Lease liability, current portion	₱ 58,309	227,113
Total current liabilities	419,240,401	418,795,238
Non-current Liabilities		
Due to a stockholder	264,887,305	267,424,211
Due to other related parties	245,094,561	240,357,562
Lease liability, net of current portion	13,446,158	13,446,158
Total non-current liabilities	523,428,024	521,227,931
Total Liabilities	942,668,425	940,023,169
Stockholders' Equity		
Share Capital	2,748,553,181	1,998,553,181
Additional paid-in capital	589,120,804	589,120,804
Deposit for future stock subscription	102,000,000	852,000,000
Fair value reserve	608,277	(473,162)
Retained Earnings	42,614,512	53,379,271
Total stockholders' equity	3,482,896,774	3,492,580,094
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	₱ 4,425,565,196	₱ 4,432,603,263

Metro Global Holdings Corporation and Subsidiaries
Consolidated Statements of Comprehensive Income
For the Quarter Ended September 30, 2024
(With Comparative Figures for the Nine Months Ended September 30, 2023)

	For the nine months ended September 30	
	2024	2023
REVENUES		
Depot Royalty Income	₱ 24,323,770	₱ 16,601,942
Dividend Income	-	2,871,466
Share in Net Profit of Associate	9,287,537	11,344,661
Interest Income	2,112,477	871
EXPENSES		
General & Administrative Expenses	(46,488,541)	(25,788,194)
Net Income (Loss)	₱ (10,764,759)	₱ 5,030,745
OTHER COMPREHENSIVE INCOME (LOSS)		
Fair value gain (loss) on financial assets at fair value through OCI	1,081,439	552,790
TOTAL COMPREHENSIVE INCOME (LOSS)	₱ (9,683,321)	₱ 5,583,534
INCOME/(LOSS) PER SHARE	(0.0054)	0.0025

Metro Global Holdings Corporation and Subsidiaries
Consolidated Statements of Income & Retained Earnings
For the Quarter Ended September 30, 2024

(With Comparative Figures for the Nine Months Ended September 30 and July to September 2024 & 2023)

	January to September		July to September	
	2024	2023	2024	2023
Depot Royalty Income	24,323,770	16,601,942	4,627,029	4,627,029
Dividend Income		2,871,466		2,871,466
Share in Net Profit of Associate	9,287,537	11,344,661	2,462,728	2,462,728
Interest Income	2,112,477	871	704,193	117
EXPENSES				
General & Administrative expenses	(46,488,541)	(25,788,194)	(10,186,990)	(8,631,333)
NET INCOME (LOSS)	(10,764,759)	5,030,746	(2,393,039)	1,330,008
RETAINED EARNINGS AT BEGINNING OF THE QUARTER	53,379,271	47,682,082	45,007,551	51,382,821
RETAINED EARNINGS AT END OF THE PERIOD	42,614,512	52,712,827	42,614,512	52,712,827

****Note: LOSS PER SHARE**

The computation of loss per share is as follows:

	January to September		July to September	
	2024	2023	2024	2023
(a) Net Income/loss	(10,764,759)	5,030,746	(2,393,039)	1,330,008
(b) Weighted average number of shares outstanding	2,748,553,181	1,998,553,181	2,748,553,181	1,998,553,181
	(0.0039)	0.0025	(0.0009)	0.0007

Metro Global Holdings Corporation and Subsidiaries
Aging of Receivables
For the Quarter Ended September 30, 2024

<u>RECEIVABLES FROM</u>	Less than 1 Year	1-3 years	3-5 years	5-7 years	Total
NTDCC	18,380,214				18,380,214
TOTAL	18,380,214	-	-	-	18,380,214

METRO GLOBAL HOLDINGS CORPORATION and SUBSIDIARIES
Trailing 12 Months
For the Quarter Ended September 30, 2024

Year to Date September 2024 Net Income	P	(10,764,759)
Year to Date December 2023 Net Income		3,513,335
Year to Date September 2023 Net Loss		<u>(8,258,166)</u>
Trailing 12 mos Net Income	P	1,006,742
Weighted Average Number of Shares Outstanding		2,748,553,181
Trailing 12mos Earnings/(Loss) per Share (Basic)		0.0004

Metro Global Holdings Corporation and Subsidiaries
Consolidated Statements of Changes in Equity
For the Quarter Ended September 30, 2024
(With Comparative Figures for the Nine Months Ended September 30, 2023)

	For the nine months ended September 30	
	2024	2023
Capital Stock	2,748,553,181	1,998,553,181
Additional Paid in Capital	589,120,804	589,120,804
Deposit for future Stock Subscription	102,000,000	
CUMULATIVE CHANGES IN FAIR		
VALUE OF AVAILABLE-FOR-SALE		
FINANCIAL ASSETS		
Balance at beginning of the year	(473,162)	415,580
Other Comprehensive Income	1,081,439	552,790
Balance at end of the year	608,277	968,370
DEFICIT		
Balance beginning of the Year	53,379,271	47,682,082
Net Loss	(10,764,759)	5,030,745
Balance at end of year	42,614,512	52,712,827
	3,482,896,774	2,641,355,181

Metro Global Holdings Corporation and Subsidiaries
Consolidated Statements of Cash Flows
For the Quarter Ended September 30, 2024
(With Comparative Figures for the Nine Months Ended September 30, 2023)

	Nine Months Ended September 30	
	2024	2023
CASH FLOW FROM OPERATING ACTIVITIES		
Net Income (Loss) before income tax	₱ (10,764,759)	₱ 5,030,745
Adjustment for:		
(Increase) Decrease in		
Receivables	1,717,668	1,967,486
Intangible assets, net	20,487	20,488
Other current assets	(1,480,303)	39,860
Property, plant & equipment	(4,285,206)	(746,177)
Right-of-use-asset	8,800,000	
Investment in associates	(9,287,537)	(11,344,661)
Due from related parties	292,243	(2,168,136)
Deferred Tax Asset	187,442	
Increase (Decrease) in		
Accrued expenses and other current liabilities	613,967	3,471,747
Lease liability, net of current portion	(168,804)	
Net cash used for operating activities	(14,354,802)	(3,728,646)
CASH FLOW FROM FINANCING ACTIVITIES		
Increase(Decrease) in Due to related parties	4,736,999	5,445,584
Increase(Decrease) in Due to stockholder	(2,536,906)	(646,037)
Net cash provided by financing activities	2,200,093	4,799,547
Net Increase/Decrease in Cash	(12,154,709)	1,070,901
CASH BEGINNING OF THE YEAR	12,780,533	1,343,801
End of Period	₱ 625,822	₱ 2,414,702

Metro Global Holdings Corporation and Subsidiaries
NOTES TO FINANCIAL STATEMENTS

1. Summary of Significant Accounting and Financial Reporting Policies

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 under 'Critical accounting estimates, assumptions and judgments'.

Changes in Accounting Policies and Disclosures

New standards, amendments and interpretations adopted

- PAS 1 and PFRS Practice Statement 2: Making Materiality Judgments - Disclosure of Accounting Policies

The amendments require entities to disclose their material rather than their significant accounting policies. The amendments define what is 'material accounting policy information' and explain how to identify when accounting policy information is material. They further clarify that immaterial accounting policy information does not need to be disclosed. If it is disclosed, it should not obscure material accounting information.

The amendments are effective for annual reporting periods beginning on or after January 1, 2023. The Group adopted the amendment and updated the disclosures of material accounting information.

There are no other new standards, amendments and interpretations which are effective for the financial year on or after January 1, 2023 that are relevant to and have a material impact on the Group's consolidated financial statements.

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. These are strategic investments, and the Group considers this classification to be more relevant.

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, non-trade and other receivables, and due from related parties.

The Group's does not hold financial assets at FVTPL.

Measurement

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.

Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses, which are recognized in profit or loss. When the financial assets is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from equity to profit or loss and recognized other gains/(losses). Interest income from these financial assets is included in finance income using the effective interest rate method. Foreign exchange gains and losses are presented in other gains/(losses), and impairment expenses are presented as separate line item in the consolidated statements of total comprehensive income.

Equity instruments

The Group subsequently measures all equity investments at fair value. Where the Group's management has elected to present fair value gains and losses on equity investments in OCI, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of investment. Dividends from such investments continue to be recognized in profit or loss as other income when the Group's right to receive payments is established.

Changes in the fair value of financial assets at FVPL are recognized in other gains/(losses) in the consolidated statements of total comprehensive income as applicable. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

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 non-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.

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.

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 payable to government agencies), due to a stockholder, and due to other related parties.

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 consolidated statements of total comprehensive income.

Determination of fair value

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.

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, 2023 and 2022 approximate their fair values due to their short-term maturities.

The fair values of due from related parties, due to a stockholder and due to other related parties amounted to P815,403,044 (2022 – P779,000,935), P244,240,282 (2022 – P615,424,152 and P219,520,134 (2022 – P221,604,519), determined using discounted cash flow approach by applying current market interest rates of 5.89% (2022 – 5.42%) (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.

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.

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 September 30, 2024, December 31, 2023 and 2022 considering that MGHC Royal is a dormant entity.

Asset acquisition

Asset acquisition represents an acquisition of an asset or group of assets, and the assumption of liabilities that does not meet the definition of a business. A business is defined by the Parent Company as "an integrated set of activities and assets that is capable of being conducted and managed for the purpose of providing goods or services to customers, generating investment income (such as dividends or interest) or generating other income from ordinary activities".

The Parent Company has assessed that the acquisition of Metro Solar Power Solutions, Inc. (MSPSI) shares represent an asset acquisition for purposes of consolidation, rather than a business combination, as MSPSI did not qualify as a business since still in its pre-operating stages.

Generally, the cost of the transaction is measured at the fair value of the consideration transferred. When only equity interests are issued, the value of the acquiree's equity interest might be more reliably measured than the value

of the acquirer's equity interest. If so, the acquirer should use the acquisition date fair value of the acquiree's equity interests instead of the acquisition date fair value of the equity interests transferred.

In such, cases, the acquirer shall identify and recognize the individual assets acquired and liabilities assumed. The cost of the group shall be allocated to the individual identifiable assets and liabilities on the basis of their relative fair values at the date of purchase. Such a transaction or event does not give rise to goodwill.

The Parent Company consistently applies the policy for similar transactions.
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.

Non-trade and other receivables

Non-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, such as advances, are recognized initially at fair value and subsequently measured at amortized cost using effective interest method, less any provision for impairment.

Non-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.

Other current assets

Other current assets consist of input value-added tax (VAT), creditable withholding taxes, prepaid taxes and advances. These are stated at face value less provision for impairment, if any.

Input VAT, prepaid taxes 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.

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.

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 equal or exceed 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.

Property and equipment

Property and equipment is stated at historical cost less accumulated depreciation and impairment in value, if any. Land is stated at cost less any impairment in value. The initial cost of property and equipment comprise its purchase price, including import duties and non-refundable purchase taxes

and other directly attributable cost of bringing the property and equipment to its working condition and location for its intended use.

Depreciation is computed on the straight-line method over the following estimated useful life of the property and equipment:

	In years
Transportation equipment	5
Office equipment	3-5

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

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.

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.

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.

Deposit for future stock subscription

Deposit for future stock subscriptions refer to the amount of money or property received by the Company with the purpose of applying the same as payment for future issuance of stocks which may or may not materialize. Deposit for future stock subscriptions cannot be considered as part of the capital stock of the Company until shares of stocks are actually issued in consideration thereof.

On May 11, 2017, SEC issued an amendment on SEC Bulletin No. 6 (issued in 2012) for the treatment of the deposit for future stock subscriptions. As stated, an entity shall classify a contract to deliver its own equity instruments under equity as deposit for future stock subscriptions if and only if, all of the following elements are present as of the end of the period:

- The unissued authorized capital of the entity is insufficient to cover the amounts of shares indicated in the contract;
- There is BOD approval on the proposed increase in authorized capital stock (for which a deposit was received by the corporation);
- There is stockholders' approval of said proposed increase in authorized capital stock; and
- The application for the approval of the increase in capital stock has been presented for filing or has been filed with the SEC.

If any or all of the foregoing elements are not present, the transaction should be recognized as part of liability. The amount of deposit for future stock subscriptions will be reclassified to equity account when the Company meets the foregoing elements.

Leases (where the Group is the lessee)

a) Measurement of lease liabilities

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for the Company's leases, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

To determine the incremental borrowing rate, the Company:

- where possible, uses recent third-party financing received by the individual lessee as a starting point, adjusted to reflect changes in financing conditions since third party financing was received,

- uses a build-up approach that starts with a risk-free interest rate adjusted for credit risk for leases held for entities which do not have recent third-party financing, and
- makes adjustments specific to the lease (i.e., term, currency and security).

The Company is exposed to potential future increases in variable lease payments based on an index or rate, which are not included in the lease liability until they take effect. When adjustments to lease payments based on an index or rate take effect, the lease liability is reassessed and adjusted against the right-of-use asset.

b) Measurement of right-of-use assets

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Company is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

c) Extension and termination options

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated). The lease term is reassessed if an option is actually exercised (or not exercised) or the Company becomes obliged to exercise (or not exercise) it. The assessment of reasonable certainty is revised only if a significant event or a significant change in circumstances occurs, which affects this assessment, and that is within the control of the lessee.

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.

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.

Dividend income

Dividend income is recognized at the point in time when investees have declared dividends.

Other income

Other income is recognized when earned.

Interest income

Revenue is recognized on a time-proportion basis using the effective interest method.

Cost and expense recognition

Costs and expenses in the consolidated statements of total comprehensive income are presented using the function of expense method.

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.

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.

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.

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.

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 has anti-dilutive effect, basic and diluted EPS are stated at the same amount.

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.

Subsequent events

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

2. Significant Accounting Judgment and Estimate

The Company's financial statements prepared under PFRS require management to make judgments and estimates that affect amounts reported in the financial statements and related notes. Future events may occur which will cause the judgment and assumptions used in arriving at the estimates to change. The effects of any change in judgment and estimates are reflected in the financial statements as they become reasonably determinable.

Judgments and estimates are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Judgments

In the process of applying the Company's accounting policies, management has

made the following judgments, apart from those involving estimations, which have the most significant effect on the amounts recognized in the financial statements.

Determination of Functional Currency. Based on the economic substance of the underlying circumstances relevant to the Company, the functional currency of the Company has been determined to be the Philippine Peso. The functional currency is the currency of the primary economic environment in which the Company operates.

Determination of Fair Value of Financial Assets and Financial Liabilities. Where the fair value of financial assets and financial liabilities recorded in the statement of financial position cannot be derived from active markets, they are determined using valuation techniques including the discounted cash flows model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. The judgments include considerations of inputs such as liquidity risk, credit risk and volatility.

The fair value of financial assets amounted to ₱4.02 billion as at September 30, 2024 and ₱4.03 billion as at December 31, 2023. The fair value of financial liabilities amounted ₱921 million as at September 30, 2024 and ₱936 million as at December 31, 2023.

Determination of Fair Value of Financial Assets not Quoted in an Active Market. The Company determines whether a reliable measure of fair value is available for equity investments not quoted in an active market. If a reliable measure is not available or ceases to be available, the unquoted equity investments are measured at cost.

The fair values of the Company's investments in MRTH I and MRTH II cannot be reasonably determined as the shares are unquoted nor are there any expected future cash flows in view of the sale of future distributions and that the investments, pursuant to the "Letter of Agreement", will be used to settle the Company's liability to FEMI.

Determination of Impairment of AFS Financial Assets. The Company treats quoted AFS financial assets as impaired when there has been a significant or prolonged decline in the fair value below its cost or where other objective evidence of impairment exists. The determination of what is "significant" or "prolonged" requires judgment. The Company treats "significant decline" when the difference between its cost and fair value is 20.0% or more and "prolonged decline" when the fair value of quoted equity securities is lower than its cost for more than twelve months. In making this judgment, the Company evaluates, among other factors, the normal volatility in share price for quoted equities.

There was no impairment for quoted equity securities as of September 30, 2024 and December 31, 2023 as there was no significant and prolonged decline in value. The carrying value of quoted equity securities amounted to ₱3.2 million and ₱2.1 million as at September 30, 2024 and December 31, 2023, respectively.

In the case of unquoted shares, AFS financial assets are considered impaired when management believes that future cash flows generated from the investment is expected to decline significantly. The Company's management makes significant estimates and assumptions on the future cash flows expected and the appropriate discount rate to determine impairment exists. Impairment may also be appropriate when there is evidence of deterioration in the financial health of the investee, industry and sector performance.

Unquoted equity securities as at December 31, 2023 consist of investments in MRTHI and MRTHII. The Group's ownership interests in MRTHI and MRTHII as at December 31 are as follows:

Investee	Direct interest	Indirect interest	Effective interest	Nature of Business
MRTHI	18.6%	-	18.6%	Holding Company
MRTHII	12.7%	15.8%	28.5%	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

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 P3,058,238,916 as at December 31, 2023 and 2022 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, 2023 and 2022, the Group has assessed that the cost of investments in MRTHI and MRTHII 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 MRTHII 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.

Sale of future share distributions

In 2002, the Parent Company and other participating shareholders of MRTHI and MRTHII (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 MRTHII 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.

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.

Dividend income

On December 13, 2021, MRTHII declared dividends to its shareholders, of which P2,606,190,497 pertains to the Group's share. The dividend income was recognized as part of other income in the statement of total comprehensive income for the year ended December 31, 2021 (Note 12). The dividends were discharged/settled as follows:

- P147,706,848 was offset and eliminated against the liability to MRTHII, representing outstanding cash advances received from MRTHII, presented under due to other related parties in the statement of financial position;
- P1,567,446,876 was applied against liability from sale of future share distributions shown as a reduction of investment in MRTHII. Pursuant to the Sale of future share distributions agreement entered by the Parent Company and other participating shareholders of MRTHI and MRTHII as described in (a) above, the Parent Company recognized P1,567,446,876 liability from the sale of the future share distribution from the MRTC project as a reduction of investment in MRTHI and MRTHII. The total carrying amount of investment in MRTHI and MRTHII after the dividend transaction amounted to P3,058,238,916 as at December 31, 2021; and
- The remaining amount of P891,036,773 will be settled in cash and presented as dividend receivable under due from related parties (Note 16). The amount is not expected to be collected within 12 months from the end of the reporting period, thus presented as part of non-current asset in statement of financial position.

Estimate

The key assumption concerning future and other key source of estimation at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year is discussed below.

Recognition of Deferred Tax Assets.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable income will be available to allow all or part of the deferred tax assets to be utilized. However, there is no assurance that sufficient taxable income will be generated to allow all or part of the deferred tax assets to be utilized.

Financial Risk Management Objectives and Policies

Financial Assets

Details of the Group's financial assets as at September 30, 2024 and December 31, 2023 as follows:

	2024	2023
At amortized cost		
Cash in banks	625,822	12,780,533
Non-Trade and other receivables	62,346,749	64,064,417
Due from related parties	897,825,936	898,118,179
	960,798,507	974,963,129
At FVOCI		
Unquoted equity securities	3,058,238,916	3,058,238,916
Quoted equity securities	3,173,858	2,092,420
	3,061,412,774	3,060,331,336
	4,022,211,281	4,035,294,465

Non-Trade and other receivables exclude other receivables which are subject to liquidation. Due from related parties are presented gross of allowance for impairment. Allowance for impairment as at September 30, 2024 and December 31, 2023 amounted to P5,314,935.

Financial liabilities

Details of the Group's financial liabilities, at amortized cost, as at September 30, 2024 and December 31, 2023 are as follows:

	2024	2023
Advances from MPIC	350,000,000	350,000,000
Accrued expenses	47,361,228	65,026,736
Lease liability	13,504,467	13,673,271
Due to a stockholder	264,887,305	267,424,211
Due to other related parties	245,094,561	240,357,562
	920,847,561	936,481,780

Other current liabilities excluded pertain to payables to government agencies that are non-financial liabilities.

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.

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 as at September 30, 2024 and December 31, 2023:

	Within 12 Months	More than 12 months	Total
2024			
Advances from MPIC	350,000,000	-	350,000,000
Accrued expenses	47,361,228	-	47,361,228
Lease liability	58,309	13,446,158	13,504,467
Due to a stockholder	-	264,887,305	264,887,305
Due to related parties	-	245,094,561	245,094,561
	397,419,537	523,428,024	920,847,561
2023			
Advances from MPIC	350,000,000	-	350,000,000
Accrued expenses	65,026,736	-	65,026,736
Lease liability	227,113	13,446,158	13,673,271
Due to a stockholder	-	267,424,211	267,424,211
Due to related parties	-	240,357,562	240,357,562
	415,253,849	521,227,931	936,481,780

The Group expects to settle the above financial obligations due within 12 months in accordance with their maturity of 30 to 60 days.

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 NTDC, 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 September 30, 2024 and December 31, 2023, 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
2024					
Cash in banks	625,822	-	625,822	Performing	12-month ECL
Trade and other receivables					
Group 1	62,346,749	-	62,346,749	Collective assessment	Lifetime ECL
Due from					

related parties					
Group 2	892,511,001	-	892,511,001	Performing	12-month ECL
Group 3	5,314,935	(5,314,935)	-	Credit impaired	Lifetime ECL
	960,798,507	(5,314,935)	955,483,572		
2023					
Cash in banks	12,734,332	-	12,734,332	Performing	12-month ECL
Non-trade and other receivables					
Group 1	64,064,417	-	64,064,417	Collective assessment	Lifetime ECL
Due from related parties					
Group 2	892,803,244	-	892,803,244	Performing	12-month ECL
Group 3	5,314,935	(5,314,935)	-	Credit impaired	Lifetime ECL
	974,916,928	(5,314,935)	969,601,993		

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.

None of the fully performing financial assets have been renegotiated during the years ended December 31, 2023 and 2022. The Group does not hold any collateral as security to the above financial assets.

No impairment loss was recognized as at September 30, 2024.

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's 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 and the creditworthiness of the customer.

Foreign currency exchange risk

Foreign currency exchange risk arises when future commercial transactions or recognized assets or liabilities are dominated in a currency that is not the Group's functionally currency.

The Group has transactional currency again. Such exposure is not material to the Group as this arises mainly from immaterial cash balances denominated in US Dollar.

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:

	September 30, 2024	December 31, 2023
Equity		
Share capital	2,748,553,181	1,998,553,181
Additional paid-in capital	589,120,804	589,120,804
Deposit for future stock subscription	102,000,000	852,000,000
Retained earnings	42,614,512	53,379,271
	<u>3,482,288,497</u>	<u>3,493,053,256</u>
Debt		
Due to a stockholder	264,887,305	267,424,211
Due to related parties	245,094,561	240,357,562
	<u>509,981,866</u>	<u>507,781,773</u>
	<u>3,992,270,363</u>	<u>4,000,835,029</u>

The Group continuously conducts an internal review its capital and financial risk management objective and policies.

3. Other Information

With regards to debt and equity securities, there were no issuances and/or repurchases incurred in the third quarter ended, September 30, 2024.

The Group has not made any reorganization, entered into any merger or consolidation or any business combinations. Also, the Group was not involved in

any acquisition or disposal of subsidiaries and long-term investments, restructurings and discontinuing operations since the last reporting period of December 31, 2023.

As of December 31, 2023 up to this quarter period reporting (September 30, 2024), no contingent liabilities or contingent assets have been declared.

PART 1 – FINANCIAL INFORMATION

Item 2. Management’s Discussion and Analysis of Financial Condition and Results of Operations.

Metro Global Holdings Corporation (MGHC), the Parent Company 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 Parent 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.

The Group’s main source of income has been its share in the lease rental income termed as “Depot Royalty Income” that it receives annually from North Triangle Depot Commercial Corporation (NTDCC). The Group recognized depot royalties of P 44.6 million in 2023, P 19.5 million in 2022 and P7.9 million in 2021.

During the past two years, the Group posted net operating income of P5.7 million in 2023 and P3.5 million in 2022.

The Group’s Retained earnings also posted an increase of P5.7 million in 2023, in view of the P5.7 million net income recognized by the Group in 2023.

The Group continues to recognize a Stockholders Equity balance of P3.492 billion in 2023. This had increased slightly when compared to the December 31, 2022 balance of P2.636 billion.

During the regular meeting of the Board of Directors of the Parent Company held on September 24, 2018, the Board approved to (i) increase the Authorized Capital Stock of the Parent Company from P2,000,000,000 divided into 2,000,000,000 shares with a par value of One Peso (P1.00) per share to P5,000,000,000 divided into 5,000,000,000 shares with a par value of One Peso (P1.00) per share (ii) that out of the P3,000,000,000 increase in the Authorized Capital Stock, the amount of P750,000,000 representing 750,000,000 common shares at par value of P1.00 per share shall be subscribed by FEMI and (iii) that out of the said subscription, the amount of P500,000,000 representing 500,000,000 common shares at par value of P1.00 per share shall be fully paid through offset of outstanding payables of the Parent Company to FEMI to the extent of P500,000,000.

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 P400.0 million into equity shares of the Parent Company at a par value of P1.00 per share. In view of the increase in the balance of liabilities to FEMI, the amount to be converted into equity was increased to P600.0 million as approved by the BOD on April 18, 2011. The liability amount for conversion was further increased to P800.0 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 Parent Company to FEMI amounting to P800.0 million into equity shares in the Company, equivalent to 800.0 million shares with a par value of P1.00 per share.

On May 6, 2014, the BOD approved the request of FEMI to increase its shareholdings and further reduce its receivables from the Parent Company through the conversion into equity of a portion of its receivables amounting to P200.15 million, equivalent to 200,150,000 shares at P1.00 per share par value.

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 equivalent to 200,150,000 shares at P1.00 par value.

On October 10, 2019, the Parent Company and FEMI executed a Deed of Assignment whereby FEMI assigns, transfers and conveys unto the Parent Company the advances in the aggregate amount of Five Hundred Million Pesos ((P500,000,000.00) as partial payments of the subscriptions to the new shares to be issued out of the increase in capital stock of the Parent Company.

Infusion of Certain Properties

On April 12, 2012, the Parent Company accepted the infusion by FEMI of certain properties of Mt. Zion Memorial, Inc. (MZMI) worth P500.0 million in shares of the Parent Company at P1.00 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 P2,500.0 million. A significant amount of annual income was expected to be generated from this infusion.

Consistent with the direction of the Parent 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 MGHC, 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 March 31, 2023 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 Parent 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 Parent Company, Monumento Rail assigned to the Parent Company a pro-rata interest of Monumento Rail's Depot Royalty Rights to the extent of an aggregate of 28.47%.

The cost of the Parent 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 Parent Company recognized a Depot royalty right intangible asset amounting 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.

As at December 31, 2023, 2022 and 2021, the Parent Company recognized its share in lease rental income from the Trinoma Mall, classified as depot royalty income in the financial statements, of P44,664,516, P19,546,766 and P7,887,684, respectively. This represents 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 Parent 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 Parent 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, 2014 Deed of Assignment between Monumento Rail and the Company.

Lease Agreement

On October 29, 2015, GERI and NTDCC entered into a Lease Agreement over North Avenue Lot Pads A and B in the Depot. As a condition to the signing of the Lease Agreement, GERI required NTDCC to execute an Assumption and Accession Agreement in favor of the Company, which agreement is described below.

Assumption and Accession Agreement

On October 29, 2015, as a condition for Global- Estate Resorts, Inc. (GERI) to enter into a Lease Agreement with North Triangle Depot Commercial Corporation (NTDCC) and for the latter to commence development on North Avenue Lot Pads A and B in the Depot, GERI, NTDCC and the Company entered into an Assumption and Accession Agreement. Under the agreement, NTDCC, with the consent of the Parent Company, assumed the obligation of GERI to pay the Company the latter's 28.47% share of 5% of the Depot Income from developments and improvements on North Avenue Lot Pads A and B in the Depot.

Corporate Name Change

On March 18, 2014, the BOD approved the amendment of the Articles of Incorporation and By-laws of the Parent 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 Parent 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.

New Management Plans

Proposal to Department of Transportation and Communications (DOTC).

On December 19, 2014, the Parent 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 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 September 30, 2024, the foregoing proposals remain pending with the Office of the President.

Proposed increase in Authorized Capital Stock

The Parent 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 Parent 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 Parent Company. The stockholders also approved the subscription of FEMI to Seven Hundred Fifty Million (750,000,000) common shares of the Parent 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 Parent Company's advances from FEMI. The subscription for 250,000,000 common shares at P1.00 per share or subscription price of P250,000,000.00 is intended to be paid fully or partially via assignment to the Parent Company of shares of FEMI in Metro Solar Power Solutions, Inc. (MSPSI).

On October 10, 2019, the Parent Company and FEMI executed a Deed of Assignment whereby FEMI assigns, transfers and conveys unto the Parent Company the advances in the aggregate amount of Five Hundred Million Pesos (P500,000,000.00) as partial payments of the subscriptions to the new shares to be issued out of the increase in capital stock of the Parent Company.

On August 23, 2023, the Parent Company and FEMI also executed a Deed of Assignment whereby FEMI absolutely and irrevocably assigns, transfers and conveys in favor of the Parent Company all of its rights, title, and interest over the Metro Solar shares, consisting of 250,000 common shares at par value of ₱100 per share, free from all liens and encumbrances of any nature. An independent appraiser determined that Metro Solar has an enterprise value of Three Hundred Fifty-Two Million Pesos (₱352,000,000.00) in its report issued on March 31, 2023. The Parent Company accepted the Metro Solar shares in full payment of the Two Hundred Fifty Million Pesos (₱250,000,000.00) subscription and the excess of One Hundred Two Million Pesos (₱102,000,000.00) shall be booked as a Deposit for Future Stock Subscription of FEMI to the new share issuances of the Parent Company in the future.

At the Annual Stockholder's Meeting held on October 12, 2023, the stockholders approved to further increase the authorized capital stock of the Company, from Five Billion Pesos (₱5,000,000,000.00) divided into Five Billion (5,000,000,000) shares with a par value of One Peso (₱1.00) per share to Ten Billion Pesos (₱10,000,000,000) divided into Ten Billion (10,000,000,000)

shares with a par value of One Peso (₱1.00) per share. The stockholders also approved the subscription of FEMI, to P1.25 billion, equivalent to 1.25 billion shares at P1.00 par value, which subscription is to be partially paid to the extent of P312,000,000.00 via offset of Parent Company's debt to FEMI in the amount of P186,000,000.00, the assignment of FEMI's deposit for future subscription in the amount of P102,000,000.00 and the amount of P24,000,000.00 to be paid in cash.

On February 1, 2024, the Securities and Exchange Commission approved the increase in the Capital Stock of the Parent Company from P2 billion to P5 billion, divided into 5 billion shares with par value of P1 per share.

Also on April 8, 2024, the Securities and Exchange Commission issued the Certificate of Approval of Valuation on the shares of stocks of Metro Solar in the amount of Two Hundred Fifty Million Pesos (₱250,000,000.00) which will be applied as payment for the issuance of additional 250,000,000 common shares at par value of ₱1.00 per share, which will come from the unissued portion of the present authorized capital stock of the Parent Company.

Expansion of the Company's primary purpose

The Parent 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 Parent Company.

The shares that the Parent 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 Parent Company to expand its investment into business engaged in solar, wind, and other renewable energy generation facilities.

On February 1, 2024, the Securities and Exchange Commission approved said amendment and issued the corresponding Certificate of Amended Articles of Incorporation allowing the Parent Company to invest in businesses engaged in the development of renewable energy through solar farms, wind farms, waste-to-energy and other energy projects.

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 Parent 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.

Acquisition of Metro Solar Power Solutions Inc. (MSPSI)

In line with the new business directions the Parent Company intends to pursue, with the approval of the Board, the Parent Company entered into a Deed of Assignment on August 23, 2023 with FEMI whereby the Parent Company purchased the 250,000 shares of common stock of Metro Solar Power Solutions Inc. (MSPSI) held by FEMI. MSPSI 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 MSPSI to FEMI represented 100% of the entire issued and outstanding capital stock of MSPSI. As per agreement with FEMI, the consideration for MSPSI shares was to be determined based on an appraisal report by a third-party and mutually agreed by FEMI and the Parent Company.

On March 31, 2023, an independent appraiser valued MSPSI at P352 million. Subsequently, on August 23, 2023, the Parent Company and FEMI entered into a Deed of Assignment whereby FEMI, owning 100% of the total issued and outstanding shares of MSPSI, absolutely and irrevocably assigned, transferred and conveyed in favor of the Parent Company all of the shareholder’s rights, title and interest over the shares of MSPSI, consisting of 250,000 common shares at par value of P100 per share, free from all liens and encumbrances of any nature. The Parent Company accepted the MSPSI shares in full payment of the P250 million subscription made by FEMI.

The excess in consideration received by the Company upon acceptance of the MSPSI shares amounting to P102 million was agreed to be booked as deposit in future stock subscription of FEMI to the new share issuances of the Parent Company in the future. The shares that the Parent Company will issue to FEMI in exchange for the Metro Solar shares will come from the 3.0 billion increase in authorized capital stock of the Parent Company (which was subsequently approved by the SEC on February 1, 2024).

The above-mentioned Deed of Assignment whereby FEMI, owning 100% of the total issued and outstanding shares of MSPSI, absolutely and irrevocably assigned, transferred and conveyed in favor of the Parent Company all of the shareholder’s rights, title and interest over the shares of MSPSI, consisting of 250,000 common shares at par value of P100 per share in payment for FEMI’s subscription to 250,000,000 common shares of the Parent Company was submitted to the Securities and Exchange Commission (SEC) on 24 August 2023 for Confirmation of Valuation on the value of 100% of the issued and outstanding MSPSI shares in payment for the subscription of the FEMI to 250,000,000 common shares of the Parent Company.

In the interim, while awaiting for SEC's approval of the Parent Company's application for Confirmation on Valuation on the value of 100% of the issued and outstanding MSPSI shares in payment for the subscription of the FEMI to 250,000,000 common shares of the Parent Company, on February 1, 2024, the Securities and Exchange Commission approved the P3,000,000,000.00 increase in capital stock of the Parent Company such that the capital stock now stood at Five Billion Pesos (P5,000,000,000.00) divided into Five Billion (5,000,000,000) Shares at par value of P1.00 per share from the previous Two Billion Pesos (P2,000,000,000.00) divided into Two Billion (2,000,000,000) Shares at par value of P1.00 per share. With the approval of this increase in capital stock, the Securities and Exchange Commission approved the payment on the P500,000,000.00 subscription of FEMI via assignment by FEMI to the Parent Company of advances in the amount of P500,000,000.00)

On April 8, 2024, the Securities and Exchange Commission approved the valuation of the 250,000 Metro Solar shares in the amount of P250,000,000.00 as payment by FEMI for the issuance by the Parent Company of 250,000,000 common shares at par value of P1.00 per share in favor of FEMI.

The Parent Company, and its subsidiaries, MGHC Royal, MRTSI and MSPSI, (the "Group") do not expect to purchase or sell any equipment within the ensuing twelve (12) months.

MSPSI has a long-term lease agreement with a third party for the lease of a 91.31-hectare property in Pililia, Rizal, which will be used as the site of its solar project facilities. The lease agreement will be in effect for 30 years, starting October 16, 2017.

MGHC, the Parent company, currently has eleven (11) employees.

MGHC Royal, MRTSI and MSPSI are not yet in commercial operation as of September 30, 2024. MSPSI has two (2) employees and MRTSI has one (1), while MGHC Royal has no employee as of September 30, 2024. The management of the three companies is currently being undertaken by the executive officers of MGHC.

Receivables declined by P1.7 million, or 3%, due to collections from Trinoma/NTDCC, partially offset by the recording of new receivables during the first three quarters of 2024.

Financial assets at fair value increased by P1.1 million or .04% attributed to an increase in the fair value of quoted security.

Investments in associates increased by P9.3 million, or 134%, reflecting the Group's share in MRTDC's net income of P56.6 million for the period. The Group holds a 15.8% stake in MRTDC.

Property, plant and equipment increased by P4.3 million or 11% driven by the additional development cost incurred by Metro Solar during the period.

Right-of-use asset decreased by P8.8 million or 3% primarily due to amortization. This asset is linked to the Parent Company's acquisition and control of Metro Solar.

Due to a stockholder decreased by P2.5 million or 1% following cash payments made by the Group to FEMI.

Due to other related parties increased by ₱4.7 million or 2% due to cash advances received from MTRDC.

Share capital increased by ₱750 million or 38% while Deposit for future stock subscription correspondingly decreased by ₱750 million or 88% as a result of the conversion of this deposit into capital stock.

The Group's Stockholders Equity declined by 0.28% or ₱9.7 million, mainly due to the ₱10.8 million Net Loss incurred by the Group during the first three quarters of 2024. This was primarily due to the ₱46.5 million general and administrative expenses incurred during the said period.

There are no material events, trends, commitments or uncertainties known to management that would address the past and would have an impact on the liquidity and on future operation of the company in general.

There are no any material commitments for capital expenditures, nor any events that will trigger direct or contingent financial obligation that is material to the company.

No material off-balance sheet transactions, arrangements, obligations and other relationships with unconsolidated entities or other persons created during this 1st quarter period.

FINANCIAL RISK DISCLOSURE

The significant judgments made in classifying a particular financial instrument in the fair value hierarchy.

- ***Fair value of financial instruments***
Where the fair values of financial assets and financial liabilities recorded in the statement of financial position cannot be derived from active markets, these are determined using internal valuation techniques using generally accepted market valuation models. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. These judgments may include considerations of liquidity. Due to the short-term nature of transactions, the fair value of cash in banks, accrued expenses and other current liabilities and due to a stockholder approximate the carrying values as at reporting date. Quoted equity securities are recorded at fair value. Fair value of unquoted equity securities for which no reliable basis for fair value measurement is available are carried at cost, less any accumulated impairment loss.

Fair Value Hierarchy

The Parent Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

Level 3: techniques which use inputs which have a significant effect on the recorded fair value that are not based on observable market data.

The quoted equity securities whose fair values are determined using quoted prices in active markets (Level 1) amounted to ₱3.2 million as at September 30, 2024 and ₱2.1 million as at December 31, 2023.

As at September 30, 2024 and December 31, 2023, the Parent Company does not have any financial assets and financial liabilities carried at fair value that are classified under Level 2 and 3.

On September 30, 2024 and December 31, 2023, there are no transfers among the fair value hierarchies.

A comparison of the fair values as of the date of the recent interim financial report and as of the date of the preceding interim period, and the amount of gain/loss recognized for each of the said periods, as follows:

Quoted Equity Securities

The changes in market value of quoted equity securities that were presented as “Change in fair value of available-for-sale financial assets” in other comprehensive loss amounted to ₱1.1 million gain in September 2024 and ₱889 thousand loss in December 2023.

Movement in AFS financial assets consists of:

	September 2024	December 2023
Acquisition cost	₱2,565,582	₱2,565,582
Cumulative change in fair value:		
Balance at beginning of year	(473,162)	415,580
Changes in fair value during the quarter/year	1,081,439	(888,742)
Balance at end of year	608,277	(473,162)
	<u>₱3,173,858</u>	<u>₱2,092,420</u>

The criteria used to determine whether the market for a financial instrument is active or inactive, as defined under PAS 39 – Financial instruments.

- (1) Determination of Fair Value of Financial Assets not Quoted in an Active Market. The Group classifies financial asset valuating, among others, whether the asset is quoted or not in an active market. Included in the evaluation on whether a financial asset is quoted in an active market is the determination on whether quoted prices are readily and regularly available, and whether those prices represent actual and regularly occurring market transactions on an arms' length basis.
- (2) The fair values of the Parent Company's investments in MRTHI and MRTHII cannot be reasonably determines as the shares are unquoted nor were there any expected future cash flows in view of the sale of future distributions entered into by the participated shareholders of MRTHI and MRTHII with TBS Kappitel Corporation Pte Ltd (TBS Kappitel) and that the investments, pursuant to the option agreement with FEMI will be used to settle the Parent Company's liability to FEMI. The carrying amount of unquoted investments amounted to ₱3.058 billion as at September 30, 2024 and December 31, 2023.

PART II – OTHER INFORMATION

1) Reports on SEC Form 17-C

a) Date of Report – February 5, 2024

On February 1, 2024, the Securities and Exchange Commission has approved the following amendments to the Amended Articles of Incorporation of the company:

1) Amendment of the primary purpose to allow the engagement of the Company into development of solar, wind and other renewable energy generation facilities; and

2) Amendment to increase the authorized capital stock of the Company from P2 billion consisting of Two Billion Shares @ par value of P 1.00 per share to P5 billion consisting of Five Billion Shares @ par value of P 1.00 per share.

b) Date of Report – February 22, 2024

On February 21, 2024, the shareholders of Metro Global Holdings Corporation (MGHC) approved in its Annual Meeting last 12 October 2023, the amendment of the Company's By-Laws to move from the 1st Thursday of March to last Thursday of July of each year.

The amendment is planned to be submitted to the Commission sometime next month, as the Company needed to wait for the approval of the Commission on the amendment of its Articles of its Incorporation increasing its AUTHORIZED CAPITAL STOCK before proceeding to filing of its amendment on its BY-LAWS. The Company received the Commission's approval of its Amended Articles of Incorporation last 5th Feb 2024.

With the receipt of the foregoing approval by the Commission, the company will proceed to file for the Commission's approval its amendments on its By-Laws to reflect changes in its Annual Meeting date and other amendments to align provisions in the company's By-Laws with the provisions in the Revised Code of Corporate Governance.

The stockholders meeting date as approved by the shareholders on October 12, 2023, is the last Thursday of July, which, this year, falls on July 25, 2024 (instead of March 7, 2024) this year.

c) Date of Report – July 25, 2024

Results of Annual Meeting of Stockholders and Organizational Meeting of the Board of Directors.

In compliance with the rules and regulations on disclosure of the Securities and Exchange Commission ("SEC") and Philippine Stock Exchange ("PSE"), we hereby report the results of the Annual Meeting of the Stockholders of Metro Global Holdings Corporation (the "Company") held today, July 25, 2024, 10:00 A.M. through remote communication, as follows:

1. The Corporate Secretary certified that there is a quorum for the transaction of business, there being present in person or represented by proxy a total of 91.26% of common shares of the Company.

2. The Corporate Secretary attested to the votes attained for the following matters approved and authorized by the stockholders:

2.1 The stockholders approved the Minutes of the Annual Meeting of Stockholders held on 12 October 2023. The Company received votes in person and by proxy a total of 91.26% of common shares in favor of the approval of the Minutes of the Annual Meeting of Stockholders held on 12 October 2023.

2.2 The stockholders approved the Annual Report and audited Financial Statements of the Company for the calendar year ended 31 December 2023. The Company received votes in person and by proxy a total 91.26% of common shares in favour of the approval of the Audited Financial Statements of the Company for the calendar year ended 31 December 2023.

2.3 The stockholders confirmed and ratified all acts, contracts, resolutions and proceeding made and entered into by Management and/or the Board of Directors and the various Committees constituted pursuant to the Code of Corporate Governance from October 12, 2023 up to the present. The Company received votes in person and by proxy a total of 91.26% of common shares in favour of the approval of the confirmation and ratification of all acts, contracts, resolutions and proceedings made and entered into by Management and/or Board of Directors and various Committees constituted pursuant to the Code of Corporate Governance from October 12, 2023 up to the present.

2.4 The stockholders approved the extension of the Board term of Independent Director Francisco C. Gonzalez for another year following his previous 9-year term limit.

2.5 The stockholders approved the appointment of Isla Lipana & Co. as the Company's independent external auditor. The Company received votes in person and by proxy a total of 91.26% of common shares in favour of the approval of the appointment of Isla Lipana & Co. as the Company's independent external auditor.

3. The stockholders, who voted in person and by proxy a total of 91.26% of common shares of the Company, elected the following directors of the ensuing year:

3.1 Robert John L. Sobrepena

3.2 Atty. Ferdinand T. Santos

3.3 Noel M. Carino

3.4 Rafael Perez de Tagle, Jr.

3.5 Atty. Alice Odchigue-Bondoc

3.6 Roberto S. Roco

3.7 Jaime M. Cacho

3.8 Francisco C. Gonzalez – Independent

3.9 Jose Wildrido M. Suarez – Independent

4. In the Organizational Meeting of the Board of Directors of the Company held on 25 July 2024 immediately after the Annual Meeting of Stockholders, the following matters were taken up:

The Board re-elected/re-appointed the Chairman of the Board and Officers of the Company to their respective positions:

Chairman of the Board & CEO	-	Robert John L. Sobrepena
President & Chief Risk Officer	-	Atty. Ferdinand T. Santos
EVP for Operations & Director for Investors Relations	-	Rafael Perez de Tagle, Jr.
SVP for Project Development	-	Jaime Cacho
Senior Vice President-Good Governance Compliance Officer, & Asst. Corporate Secretary	-	Atty. Alice Odchigue-Bondoc
Vice-President-Chief Finance Officer and Alternate Corporate Information Officer	-	Ramon G. Jimenez
Vice-President – Chief Audit Executive	-	Solita S. Alcantara
Vice-President-Business Dev't Special Projects	-	Sylvia M. Hondrade
VP for Records Management	-	Socorro G. Roco
VP for Human Resources	-	Khateryn M. Benitez
Corporate Secretary	-	Atty. Gilbert Raymund T. Reyes

At the same meeting of the Board, the following Board Committees have been constituted:

(1) EXECUTIVE COMMITTEE

Chairman: Robert John L. Sobrepena
Members: Noel M. Carino
Atty. Ferdinand T. Santos
Francisco C. Gonzalez (Independent Director)

(2) SALARY COMPENSATION COMMITTEE

Chairman: Robert John L. Sobrepena
Members: Atty. Ferdinand T. Santos
Francisco C. Gonzalez (Independent Director)

(3) AUDIT COMMITTEE

Chairman: Francisco C. Gonzalez (Independent Director)
Members: Jose Wilfrido M. Suarez (Independent Director)
Roberto S. Roco
Solita S. Alcantara

(4) CORPORATE GOVERNANCE COMMITTEE

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

(5) BOARD RISK OVERSIGHT COMMITTEE

Chairman: Jose Wilfrido M. Suarez (Independent Director)
Members: Francisco C. Gonzalez (Independent Director)

Atty. Ferdinand T. Santos
Atty. Alice Odchigue-Bondoc

(6) RELATED PARTY TRANSACTIONS COMMITTEE

Chairman: Francisco C. Gonzalez (Independent Director)
Members: Jose Wilfrido M. Suarez (Independent Director)
Roberto S. Roco
Ramon G. Jimenez

The Board also reappointed the Banco de Oro Unibank – Stock Transfer Services – as stock transfer agent of the Company.

d) Date of Report – September 13, 2024

Amendments of By-Laws

Approval by the Board of Directors of the following amendments to the following provisions of the By-laws of METRO GLOBAL HOLDINGS CORPORATION (the "Corporation") to change the date of the Annual Meeting of shareholders and to allow for attendance, participation and voting of shareholders via remote communication and voting in absentia:

- a. Article V, Section 2
- b. Article V, Section 3
- c. Article V, Section 4
- d. Article V, Section 6
- e. Article V, Section 7

On October 12, 2023, the stockholders of the Corporation approved the amendments to the following provisions of the Corporation to change the date of the Annual Meeting of shareholders and to allow for attendance, participation and voting of shareholders via remote communication and voting in absentia:

- a. Article V, Section 2
- b. Article V, Section 3
- c. Article V, Section 4
- d. Article V, Section 6
- e. Article V, Section 7

Amendment of Principal Office Address

Amendment of Principal Office Address in compliance to Securities & Exchange Commission's Memorandum Circular No. 16 Series of 2014 and Memorandum Circular No. 6 Series of 2014

Table A

Financial Ratios	Formula	2nd Quarter 2024	2nd Quarter 2023
a) Current Ratio	$\frac{\text{Total Current Assets}}{\text{Total Current Liabilities}}$	0.16	0.05
b) Solvency Ratio	$\frac{\text{Net Profit after Tax (or NPAT) + Depreciation and amortization}}{\text{Total Liabilities}}$		
c) Debt-to-Equity Ratio	$\frac{\text{Total Debt}}{\text{Total Stockholders' Equity}}$	0.27	0.52
d) Asset to Equity Ratio	$\frac{\text{Total Assets}}{\text{Total Stockholders' Equity}}$	1.27	1.52
e) Net Profit margin	$\frac{\text{NPAT}}{\text{Net Revenues}}$		
f) Return on asset	$\frac{\text{NPAT}}{\text{Average Total Asset}}$		
g) Return on Equity	$\frac{\text{NPAT}}{\text{Average Total Stockholders' Equity}}$		

Metro Global Holdings Corporation and Subsidiaries
NOTES TO FINANCIAL STATEMENTS

1. Summary of Significant Accounting and Financial Reporting Policies

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 under 'Critical accounting estimates, assumptions and judgments'.

Changes in Accounting Policies and Disclosures

New standards, amendments and interpretations adopted

- PAS 1 and PFRS Practice Statement 2: Making Materiality Judgments - Disclosure of Accounting Policies

The amendments require entities to disclose their material rather than their significant accounting policies. The amendments define what is 'material accounting policy information' and explain how to identify when accounting policy information is material. They further clarify that immaterial accounting policy information does not need to be disclosed. If it is disclosed, it should not obscure material accounting information.

The amendments are effective for annual reporting periods beginning on or after January 1, 2023. The Group adopted the amendment and updated the disclosures of material accounting information.

There are no other new standards, amendments and interpretations which are effective for the financial year on or after January 1, 2023 that are relevant to and have a material impact on the Group's consolidated financial statements.

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. These are strategic investments, and the Group considers this classification to be more relevant.

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, non-trade and other receivables, and due from related parties.

The Group's does not hold financial assets at FVTPL.

Measurement

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.

Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses, which are recognized in profit or loss. When the financial assets is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from equity to profit or loss and recognized other gains/(losses). Interest income from these financial assets is included in finance income using the effective interest rate method. Foreign exchange gains and losses are presented in other gains/(losses), and impairment expenses are presented as separate line item in the consolidated statements of total comprehensive income.

Equity instruments

The Group subsequently measures all equity investments at fair value. Where the Group's management has elected to present fair value gains and losses on equity investments in OCI, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of investment. Dividends from such investments continue to be recognized in profit or loss as other income when the Group's right to receive payments is established.

Changes in the fair value of financial assets at FVPL are recognized in other gains/(losses) in the consolidated statements of total comprehensive income as applicable. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

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 non-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.

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.

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 payable to government agencies), due to a stockholder, and due to other related parties.

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 consolidated statements of total comprehensive income.

Determination of fair value

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.

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, 2023 and 2022 approximate their fair values due to their short-term maturities.

The fair values of due from related parties, due to a stockholder and due to other related parties amounted to P815,403,044 (2022 – P779,000,935), P244,240,282 (2022 – P615,424,152 and P219,520,134 (2022 – P221,604,519), determined using discounted cash flow approach by applying current market interest rates of 5.89% (2022 – 5.42%) (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.

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.

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 September 30, 2024, December 31, 2023 and 2022 considering that MGHC Royal is a dormant entity.

Asset acquisition

Asset acquisition represents an acquisition of an asset or group of assets, and the assumption of liabilities that does not meet the definition of a business. A business is defined by the Parent Company as "an integrated set of activities and assets that is capable of being conducted and managed for the purpose of providing goods or services to customers, generating investment income (such as dividends or interest) or generating other income from ordinary activities".

The Parent Company has assessed that the acquisition of Metro Solar Power Solutions, Inc. (MSPSI) shares represent an asset acquisition for purposes of consolidation, rather than a business combination, as MSPSI did not qualify as a business since still in its pre-operating stages.

Generally, the cost of the transaction is measured at the fair value of the consideration transferred. When only equity interests are issued, the value of the acquiree's equity interest might be more reliably measured than the value

of the acquirer's equity interest. If so, the acquirer should use the acquisition date fair value of the acquiree's equity interests instead of the acquisition date fair value of the equity interests transferred.

In such, cases, the acquirer shall identify and recognize the individual assets acquired and liabilities assumed. The cost of the group shall be allocated to the individual identifiable assets and liabilities on the basis of their relative fair values at the date of purchase. Such a transaction or event does not give rise to goodwill.

The Parent Company consistently applies the policy for similar transactions.
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.

Non-trade and other receivables

Non-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, such as advances, are recognized initially at fair value and subsequently measured at amortized cost using effective interest method, less any provision for impairment.

Non-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.

Other current assets

Other current assets consist of input value-added tax (VAT), creditable withholding taxes, prepaid taxes and advances. These are stated at face value less provision for impairment, if any.

Input VAT, prepaid taxes 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.

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.

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 equal or exceed 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.

Property and equipment

Property and equipment is stated at historical cost less accumulated depreciation and impairment in value, if any. Land is stated at cost less any impairment in value. The initial cost of property and equipment comprise its purchase price, including import duties and non-refundable purchase taxes

and other directly attributable cost of bringing the property and equipment to its working condition and location for its intended use.

Depreciation is computed on the straight-line method over the following estimated useful life of the property and equipment:

	In years
Transportation equipment	5
Office equipment	3-5

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

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.

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.

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.

Deposit for future stock subscription

Deposit for future stock subscriptions refer to the amount of money or property received by the Company with the purpose of applying the same as payment for future issuance of stocks which may or may not materialize. Deposit for future stock subscriptions cannot be considered as part of the capital stock of the Company until shares of stocks are actually issued in consideration thereof.

On May 11, 2017, SEC issued an amendment on SEC Bulletin No. 6 (issued in 2012) for the treatment of the deposit for future stock subscriptions. As stated, an entity shall classify a contract to deliver its own equity instruments under equity as deposit for future stock subscriptions if and only if, all of the following elements are present as of the end of the period:

- The unissued authorized capital of the entity is insufficient to cover the amounts of shares indicated in the contract;
- There is BOD approval on the proposed increase in authorized capital stock (for which a deposit was received by the corporation);
- There is stockholders' approval of said proposed increase in authorized capital stock; and
- The application for the approval of the increase in capital stock has been presented for filing or has been filed with the SEC.

If any or all of the foregoing elements are not present, the transaction should be recognized as part of liability. The amount of deposit for future stock subscriptions will be reclassified to equity account when the Company meets the foregoing elements.

Leases (where the Group is the lessee)

a) Measurement of lease liabilities

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for the Company's leases, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

To determine the incremental borrowing rate, the Company:

- where possible, uses recent third-party financing received by the individual lessee as a starting point, adjusted to reflect changes in financing conditions since third party financing was received,

- uses a build-up approach that starts with a risk-free interest rate adjusted for credit risk for leases held for entities which do not have recent third-party financing, and
- makes adjustments specific to the lease (i.e., term, currency and security).

The Company is exposed to potential future increases in variable lease payments based on an index or rate, which are not included in the lease liability until they take effect. When adjustments to lease payments based on an index or rate take effect, the lease liability is reassessed and adjusted against the right-of-use asset.

b) Measurement of right-of-use assets

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Company is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

c) Extension and termination options

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated). The lease term is reassessed if an option is actually exercised (or not exercised) or the Company becomes obliged to exercise (or not exercise) it. The assessment of reasonable certainty is revised only if a significant event or a significant change in circumstances occurs, which affects this assessment, and that is within the control of the lessee.

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.

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.

Dividend income

Dividend income is recognized at the point in time when investees have declared dividends.

Other income

Other income is recognized when earned.

Interest income

Revenue is recognized on a time-proportion basis using the effective interest method.

Cost and expense recognition

Costs and expenses in the consolidated statements of total comprehensive income are presented using the function of expense method.

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.

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.

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.

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.

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 has anti-dilutive effect, basic and diluted EPS are stated at the same amount.

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.

Subsequent events

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

2. Significant Accounting Judgment and Estimate

The Company's financial statements prepared under PFRS require management to make judgments and estimates that affect amounts reported in the financial statements and related notes. Future events may occur which will cause the judgment and assumptions used in arriving at the estimates to change. The effects of any change in judgment and estimates are reflected in the financial statements as they become reasonably determinable.

Judgments and estimates are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Judgments

In the process of applying the Company's accounting policies, management has

made the following judgments, apart from those involving estimations, which have the most significant effect on the amounts recognized in the financial statements.

Determination of Functional Currency. Based on the economic substance of the underlying circumstances relevant to the Company, the functional currency of the Company has been determined to be the Philippine Peso. The functional currency is the currency of the primary economic environment in which the Company operates.

Determination of Fair Value of Financial Assets and Financial Liabilities. Where the fair value of financial assets and financial liabilities recorded in the statement of financial position cannot be derived from active markets, they are determined using valuation techniques including the discounted cash flows model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. The judgments include considerations of inputs such as liquidity risk, credit risk and volatility.

The fair value of financial assets amounted to ₱4.02 billion as at September 30, 2024 and ₱4.03 billion as at December 31, 2023. The fair value of financial liabilities amounted ₱921 million as at September 30, 2024 and ₱936 million as at December 31, 2023.

Determination of Fair Value of Financial Assets not Quoted in an Active Market. The Company determines whether a reliable measure of fair value is available for equity investments not quoted in an active market. If a reliable measure is not available or ceases to be available, the unquoted equity investments are measured at cost.

The fair values of the Company's investments in MRTH I and MRTH II cannot be reasonably determined as the shares are unquoted nor are there any expected future cash flows in view of the sale of future distributions and that the investments, pursuant to the "Letter of Agreement", will be used to settle the Company's liability to FEMI.

Determination of Impairment of AFS Financial Assets. The Company treats quoted AFS financial assets as impaired when there has been a significant or prolonged decline in the fair value below its cost or where other objective evidence of impairment exists. The determination of what is "significant" or "prolonged" requires judgment. The Company treats "significant decline" when the difference between its cost and fair value is 20.0% or more and "prolonged decline" when the fair value of quoted equity securities is lower than its cost for more than twelve months. In making this judgment, the Company evaluates, among other factors, the normal volatility in share price for quoted equities.

There was no impairment for quoted equity securities as of September 30, 2024 and December 31, 2023 as there was no significant and prolonged decline in value. The carrying value of quoted equity securities amounted to ₱3.2 million and ₱2.1 million as at September 30, 2024 and December 31, 2023, respectively.

In the case of unquoted shares, AFS financial assets are considered impaired when management believes that future cash flows generated from the investment is expected to decline significantly. The Company's management makes significant estimates and assumptions on the future cash flows expected and the appropriate discount rate to determine impairment exists. Impairment may also be appropriate when there is evidence of deterioration in the financial health of the investee, industry and sector performance.

Unquoted equity securities as at December 31, 2023 consist of investments in MRTHI and MRTHII. The Group's ownership interests in MRTHI and MRTHII as at December 31 are as follows:

Investee	Direct interest	Indirect interest	Effective interest	Nature of Business
MRTHI	18.6%	-	18.6%	Holding Company
MRTHII	12.7%	15.8%	28.5%	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

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 P3,058,238,916 as at December 31, 2023 and 2022 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, 2023 and 2022, the Group has assessed that the cost of investments in MRTHI and MRTHII 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 MRTHII 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.

Sale of future share distributions

In 2002, the Parent Company and other participating shareholders of MRTHI and MRTHII (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 MRTHII 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.

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.

Dividend income

On December 13, 2021, MRTHII declared dividends to its shareholders, of which P2,606,190,497 pertains to the Group's share. The dividend income was recognized as part of other income in the statement of total comprehensive income for the year ended December 31, 2021 (Note 12). The dividends were discharged/settled as follows:

- P147,706,848 was offset and eliminated against the liability to MRTHII, representing outstanding cash advances received from MRTHII, presented under due to other related parties in the statement of financial position;
- P1,567,446,876 was applied against liability from sale of future share distributions shown as a reduction of investment in MRTHII. Pursuant to the Sale of future share distributions agreement entered by the Parent Company and other participating shareholders of MRTHI and MRTHII as described in (a) above, the Parent Company recognized P1,567,446,876 liability from the sale of the future share distribution from the MRTC project as a reduction of investment in MRTHI and MRTHII. The total carrying amount of investment in MRTHI and MRTHII after the dividend transaction amounted to P3,058,238,916 as at December 31, 2021; and
- The remaining amount of P891,036,773 will be settled in cash and presented as dividend receivable under due from related parties (Note 16). The amount is not expected to be collected within 12 months from the end of the reporting period, thus presented as part of non-current asset in statement of financial position.

Estimate

The key assumption concerning future and other key source of estimation at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year is discussed below.

Recognition of Deferred Tax Assets.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable income will be available to allow all or part of the deferred tax assets to be utilized. However, there is no assurance that sufficient taxable income will be generated to allow all or part of the deferred tax assets to be utilized.

Financial Risk Management Objectives and Policies

Financial Assets

Details of the Group's financial assets as at September 30, 2024 and December 31, 2023 as follows:

	2024	2023
At amortized cost		
Cash in banks	625,822	12,780,533
Non-Trade and other receivables	62,346,749	64,064,417
Due from related parties	897,825,936	898,118,179
	960,798,507	974,963,129
At FVOCI		
Unquoted equity securities	3,058,238,916	3,058,238,916
Quoted equity securities	3,173,858	2,092,420
	3,061,412,774	3,060,331,336
	4,022,211,281	4,035,294,465

Non-Trade and other receivables exclude other receivables which are subject to liquidation. Due from related parties are presented gross of allowance for impairment. Allowance for impairment as at September 30, 2024 and December 31, 2023 amounted to P5,314,935.

Financial liabilities

Details of the Group's financial liabilities, at amortized cost, as at September 30, 2024 and December 31, 2023 are as follows:

	2024	2023
Advances from MPIC	350,000,000	350,000,000
Accrued expenses	47,361,228	65,026,736
Lease liability	13,504,467	13,673,271
Due to a stockholder	264,887,305	267,424,211
Due to other related parties	245,094,561	240,357,562
	920,847,561	936,481,780

Other current liabilities excluded pertain to payables to government agencies that are non-financial liabilities.

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.

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 as at September 30, 2024 and December 31, 2023:

	Within 12 Months	More than 12 months	Total
2024			
Advances from MPIC	350,000,000	-	350,000,000
Accrued expenses	47,361,228	-	47,361,228
Lease liability	58,309	13,446,158	13,504,467
Due to a stockholder	-	264,887,305	264,887,305
Due to related parties	-	245,094,561	245,094,561
	397,419,537	523,428,024	920,847,561
2023			
Advances from MPIC	350,000,000	-	350,000,000
Accrued expenses	65,026,736	-	65,026,736
Lease liability	227,113	13,446,158	13,673,271
Due to a stockholder	-	267,424,211	267,424,211
Due to related parties	-	240,357,562	240,357,562
	415,253,849	521,227,931	936,481,780

The Group expects to settle the above financial obligations due within 12 months in accordance with their maturity of 30 to 60 days.

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 NTDC, 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 September 30, 2024 and December 31, 2023, 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
2024					
Cash in banks	625,822	-	625,822	Performing	12-month ECL
Trade and other receivables					
Group 1	62,346,749	-	62,346,749	Collective assessment	Lifetime ECL
Due from					

related parties					
Group 2	892,511,001	-	892,511,001	Performing	12-month ECL
Group 3	5,314,935	(5,314,935)	-	Credit impaired	Lifetime ECL
	960,798,507	(5,314,935)	955,483,572		
2023					
Cash in banks	12,734,332	-	12,734,332	Performing	12-month ECL
Non-trade and other receivables					
Group 1	64,064,417	-	64,064,417	Collective assessment	Lifetime ECL
Due from related parties					
Group 2	892,803,244	-	892,803,244	Performing	12-month ECL
Group 3	5,314,935	(5,314,935)	-	Credit impaired	Lifetime ECL
	974,916,928	(5,314,935)	969,601,993		

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.

None of the fully performing financial assets have been renegotiated during the years ended December 31, 2023 and 2022. The Group does not hold any collateral as security to the above financial assets.

No impairment loss was recognized as at September 30, 2024.

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's 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 and the creditworthiness of the customer.

Foreign currency exchange risk

Foreign currency exchange risk arises when future commercial transactions or recognized assets or liabilities are dominated in a currency that is not the Group's functionally currency.

The Group has transactional currency again. Such exposure is not material to the Group as this arises mainly from immaterial cash balances denominated in US Dollar.

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:

	September 30, 2024	December 31, 2023
Equity		
Share capital	2,748,553,181	1,998,553,181
Additional paid-in capital	589,120,804	589,120,804
Deposit for future stock subscription	102,000,000	852,000,000
Retained earnings	42,614,512	53,379,271
	3,482,288,497	3,493,053,256
Debt		
Due to a stockholder	264,887,305	267,424,211
Due to related parties	245,094,561	240,357,562
	509,981,866	507,781,773
	3,992,270,363	4,000,835,029

The Group continuously conducts an internal review its capital and financial risk management objective and policies.

3. Other Information

With regards to debt and equity securities, there were no issuances and/or repurchases incurred in the third quarter ended, September 30, 2024.

The Group has not made any reorganization, entered into any merger or consolidation or any business combinations. Also, the Group was not involved in

any acquisition or disposal of subsidiaries and long-term investments, restructurings and discontinuing operations since the last reporting period of December 31, 2023.

As of December 31, 2023 up to this quarter period reporting (September 30, 2024), no contingent liabilities or contingent assets have been declared.

PART 1 – FINANCIAL INFORMATION

Item 2. Management’s Discussion and Analysis of Financial Condition and Results of Operations.

Metro Global Holdings Corporation (MGHC), the Parent Company 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 Parent 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.

The Group’s main source of income has been its share in the lease rental income termed as “Depot Royalty Income” that it receives annually from North Triangle Depot Commercial Corporation (NTDCC). The Group recognized depot royalties of P 44.6 million in 2023, P 19.5 million in 2022 and P7.9 million in 2021.

During the past two years, the Group posted net operating income of P5.7 million in 2023 and P3.5 million in 2022.

The Group’s Retained earnings also posted an increase of P5.7 million in 2023, in view of the P5.7 million net income recognized by the Group in 2023.

The Group continues to recognize a Stockholders Equity balance of P3.492 billion in 2023. This had increased slightly when compared to the December 31, 2022 balance of P2.636 billion.

During the regular meeting of the Board of Directors of the Parent Company held on September 24, 2018, the Board approved to (i) increase the Authorized Capital Stock of the Parent Company from P2,000,000,000 divided into 2,000,000,000 shares with a par value of One Peso (P1.00) per share to P5,000,000,000 divided into 5,000,000,000 shares with a par value of One Peso (P1.00) per share (ii) that out of the P3,000,000,000 increase in the Authorized Capital Stock, the amount of P750,000,000 representing 750,000,000 common shares at par value of P1.00 per share shall be subscribed by FEMI and (iii) that out of the said subscription, the amount of P500,000,000 representing 500,000,000 common shares at par value of P1.00 per share shall be fully paid through offset of outstanding payables of the Parent Company to FEMI to the extent of P500,000,000.

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 P400.0 million into equity shares of the Parent Company at a par value of P1.00 per share. In view of the increase in the balance of liabilities to FEMI, the amount to be converted into equity was increased to P600.0 million as approved by the BOD on April 18, 2011. The liability amount for conversion was further increased to P800.0 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 Parent Company to FEMI amounting to P800.0 million into equity shares in the Company, equivalent to 800.0 million shares with a par value of P1.00 per share.

On May 6, 2014, the BOD approved the request of FEMI to increase its shareholdings and further reduce its receivables from the Parent Company through the conversion into equity of a portion of its receivables amounting to P200.15 million, equivalent to 200,150,000 shares at P1.00 per share par value.

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 equivalent to 200,150,000 shares at P1.00 par value.

On October 10, 2019, the Parent Company and FEMI executed a Deed of Assignment whereby FEMI assigns, transfers and conveys unto the Parent Company the advances in the aggregate amount of Five Hundred Million Pesos ((P500,000,000.00) as partial payments of the subscriptions to the new shares to be issued out of the increase in capital stock of the Parent Company.

Infusion of Certain Properties

On April 12, 2012, the Parent Company accepted the infusion by FEMI of certain properties of Mt. Zion Memorial, Inc. (MZMI) worth P500.0 million in shares of the Parent Company at P1.00 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 P2,500.0 million. A significant amount of annual income was expected to be generated from this infusion.

Consistent with the direction of the Parent 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 MGHC, 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 March 31, 2023 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 Parent 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 Parent Company, Monumento Rail assigned to the Parent Company a pro-rata interest of Monumento Rail's Depot Royalty Rights to the extent of an aggregate of 28.47%.

The cost of the Parent 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 Parent Company recognized a Depot royalty right intangible asset amounting 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.

As at December 31, 2023, 2022 and 2021, the Parent Company recognized its share in lease rental income from the Trinoma Mall, classified as depot royalty income in the financial statements, of P44,664,516, P19,546,766 and P7,887,684, respectively. This represents 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 Parent 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 Parent 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, 2014 Deed of Assignment between Monumento Rail and the Company.

Lease Agreement

On October 29, 2015, GERI and NTDCC entered into a Lease Agreement over North Avenue Lot Pads A and B in the Depot. As a condition to the signing of the Lease Agreement, GERI required NTDCC to execute an Assumption and Accession Agreement in favor of the Company, which agreement is described below.

Assumption and Accession Agreement

On October 29, 2015, as a condition for Global- Estate Resorts, Inc. (GERI) to enter into a Lease Agreement with North Triangle Depot Commercial Corporation (NTDCC) and for the latter to commence development on North Avenue Lot Pads A and B in the Depot, GERI, NTDCC and the Company entered into an Assumption and Accession Agreement. Under the agreement, NTDCC, with the consent of the Parent Company, assumed the obligation of GERI to pay the Company the latter's 28.47% share of 5% of the Depot Income from developments and improvements on North Avenue Lot Pads A and B in the Depot.

Corporate Name Change

On March 18, 2014, the BOD approved the amendment of the Articles of Incorporation and By-laws of the Parent 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 Parent 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.

New Management Plans

Proposal to Department of Transportation and Communications (DOTC).

On December 19, 2014, the Parent 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 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 September 30, 2024, the foregoing proposals remain pending with the Office of the President.

Proposed increase in Authorized Capital Stock

The Parent 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 Parent 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 Parent Company. The stockholders also approved the subscription of FEMI to Seven Hundred Fifty Million (750,000,000) common shares of the Parent 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 Parent Company's advances from FEMI. The subscription for 250,000,000 common shares at P1.00 per share or subscription price of P250,000,000.00 is intended to be paid fully or partially via assignment to the Parent Company of shares of FEMI in Metro Solar Power Solutions, Inc. (MSPSI).

On October 10, 2019, the Parent Company and FEMI executed a Deed of Assignment whereby FEMI assigns, transfers and conveys unto the Parent Company the advances in the aggregate amount of Five Hundred Million Pesos (P500,000,000.00) as partial payments of the subscriptions to the new shares to be issued out of the increase in capital stock of the Parent Company.

On August 23, 2023, the Parent Company and FEMI also executed a Deed of Assignment whereby FEMI absolutely and irrevocably assigns, transfers and conveys in favor of the Parent Company all of its rights, title, and interest over the Metro Solar shares, consisting of 250,000 common shares at par value of ₱100 per share, free from all liens and encumbrances of any nature. An independent appraiser determined that Metro Solar has an enterprise value of Three Hundred Fifty-Two Million Pesos (₱352,000,000.00) in its report issued on March 31, 2023. The Parent Company accepted the Metro Solar shares in full payment of the Two Hundred Fifty Million Pesos (₱250,000,000.00) subscription and the excess of One Hundred Two Million Pesos (₱102,000,000.00) shall be booked as a Deposit for Future Stock Subscription of FEMI to the new share issuances of the Parent Company in the future.

At the Annual Stockholder's Meeting held on October 12, 2023, the stockholders approved to further increase the authorized capital stock of the Company, from Five Billion Pesos (₱5,000,000,000.00) divided into Five Billion (5,000,000,000) shares with a par value of One Peso (₱1.00) per share to Ten Billion Pesos (₱10,000,000,000) divided into Ten Billion (10,000,000,000)

shares with a par value of One Peso (₱1.00) per share. The stockholders also approved the subscription of FEMI, to P1.25 billion, equivalent to 1.25 billion shares at P1.00 par value, which subscription is to be partially paid to the extent of P312,000,000.00 via offset of Parent Company's debt to FEMI in the amount of P186,000,000.00, the assignment of FEMI's deposit for future subscription in the amount of P102,000,000.00 and the amount of P24,000,000.00 to be paid in cash.

On February 1, 2024, the Securities and Exchange Commission approved the increase in the Capital Stock of the Parent Company from P2 billion to P5 billion, divided into 5 billion shares with par value of P1 per share.

Also on April 8, 2024, the Securities and Exchange Commission issued the Certificate of Approval of Valuation on the shares of stocks of Metro Solar in the amount of Two Hundred Fifty Million Pesos (₱250,000,000.00) which will be applied as payment for the issuance of additional 250,000,000 common shares at par value of ₱1.00 per share, which will come from the unissued portion of the present authorized capital stock of the Parent Company.

Expansion of the Company's primary purpose

The Parent 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 Parent Company.

The shares that the Parent 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 Parent Company to expand its investment into business engaged in solar, wind, and other renewable energy generation facilities.

On February 1, 2024, the Securities and Exchange Commission approved said amendment and issued the corresponding Certificate of Amended Articles of Incorporation allowing the Parent Company to invest in businesses engaged in the development of renewable energy through solar farms, wind farms, waste-to-energy and other energy projects.

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 Parent 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.

Acquisition of Metro Solar Power Solutions Inc. (MSPSI)

In line with the new business directions the Parent Company intends to pursue, with the approval of the Board, the Parent Company entered into a Deed of Assignment on August 23, 2023 with FEMI whereby the Parent Company purchased the 250,000 shares of common stock of Metro Solar Power Solutions Inc. (MSPSI) held by FEMI. MSPSI 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 MSPSI to FEMI represented 100% of the entire issued and outstanding capital stock of MSPSI. As per agreement with FEMI, the consideration for MSPSI shares was to be determined based on an appraisal report by a third-party and mutually agreed by FEMI and the Parent Company.

On March 31, 2023, an independent appraiser valued MSPSI at P352 million. Subsequently, on August 23, 2023, the Parent Company and FEMI entered into a Deed of Assignment whereby FEMI, owning 100% of the total issued and outstanding shares of MSPSI, absolutely and irrevocably assigned, transferred and conveyed in favor of the Parent Company all of the shareholder’s rights, title and interest over the shares of MSPSI, consisting of 250,000 common shares at par value of P100 per share, free from all liens and encumbrances of any nature. The Parent Company accepted the MSPSI shares in full payment of the P250 million subscription made by FEMI.

The excess in consideration received by the Company upon acceptance of the MSPSI shares amounting to P102 million was agreed to be booked as deposit in future stock subscription of FEMI to the new share issuances of the Parent Company in the future. The shares that the Parent Company will issue to FEMI in exchange for the Metro Solar shares will come from the 3.0 billion increase in authorized capital stock of the Parent Company (which was subsequently approved by the SEC on February 1, 2024).

The above-mentioned Deed of Assignment whereby FEMI, owning 100% of the total issued and outstanding shares of MSPSI, absolutely and irrevocably assigned, transferred and conveyed in favor of the Parent Company all of the shareholder’s rights, title and interest over the shares of MSPSI, consisting of 250,000 common shares at par value of P100 per share in payment for FEMI’s subscription to 250,000,000 common shares of the Parent Company was submitted to the Securities and Exchange Commission (SEC) on 24 August 2023 for Confirmation of Valuation on the value of 100% of the issued and outstanding MSPSI shares in payment for the subscription of the FEMI to 250,000,000 common shares of the Parent Company.

In the interim, while awaiting for SEC's approval of the Parent Company's application for Confirmation on Valuation on the value of 100% of the issued and outstanding MSPSI shares in payment for the subscription of the FEMI to 250,000,000 common shares of the Parent Company, on February 1, 2024, the Securities and Exchange Commission approved the P3,000,000,000.00 increase in capital stock of the Parent Company such that the capital stock now stood at Five Billion Pesos (P5,000,000,000.00) divided into Five Billion (5,000,000,000) Shares at par value of P1.00 per share from the previous Two Billion Pesos (P2,000,000,000.00) divided into Two Billion (2,000,000,000) Shares at par value of P1.00 per share. With the approval of this increase in capital stock, the Securities and Exchange Commission approved the payment on the P500,000,000.00 subscription of FEMI via assignment by FEMI to the Parent Company of advances in the amount of P500,000,000.00)

On April 8, 2024, the Securities and Exchange Commission approved the valuation of the 250,000 Metro Solar shares in the amount of P250,000,000.00 as payment by FEMI for the issuance by the Parent Company of 250,000,000 common shares at par value of P1.00 per share in favor of FEMI.

The Parent Company, and its subsidiaries, MGHC Royal, MRTSI and MSPSI, (the "Group") do not expect to purchase or sell any equipment within the ensuing twelve (12) months.

MSPSI has a long-term lease agreement with a third party for the lease of a 91.31-hectare property in Pililia, Rizal, which will be used as the site of its solar project facilities. The lease agreement will be in effect for 30 years, starting October 16, 2017.

MGHC, the Parent company, currently has eleven (11) employees.

MGHC Royal, MRTSI and MSPSI are not yet in commercial operation as of September 30, 2024. MSPSI has two (2) employees and MRTSI has one (1), while MGHC Royal has no employee as of September 30, 2024. The management of the three companies is currently being undertaken by the executive officers of MGHC.

Receivables declined by ₱1.7 million, or 3%, due to collections from Trinoma/NTDCC, partially offset by the recording of new receivables during the first three quarters of 2024.

Financial assets at fair value increased by ₱1.1 million or .04% attributed to an increase in the fair value of quoted security.

Investments in associates increased by by ₱9.3 million, or 134%, reflecting the Group's share in MRTDC's net income of ₱56.6 million for the period. The Group holds a 15.8% stake in MRTDC.

Property, plant and equipment increased by ₱4.3 million or 11% driven by the additional development cost incurred by Metro Solar during the period.

Right-of-use asset decreased by ₱8.8 million or 3% primarily due to amortization. This asset is linked to the Parent Company's acquisition and control of Metro Solar.

Due to a stockholder decreased by ₱2.5 million or 1% following cash payments made by the Group to FEMI.

Due to other related parties increased by ₱4.7 million or 2% due to cash advances received from MTRDC.

Share capital increased by ₱750 million or 38% while Deposit for future stock subscription correspondingly decreased by ₱750 million or 88% as a result of the conversion of this deposit into capital stock.

The Group's Stockholders Equity declined by 0.28% or ₱9.7 million, mainly due to the ₱10.8 million Net Loss incurred by the Group during the first three quarters of 2024. This was primarily due to the ₱46.5 million general and administrative expenses incurred during the said period.

There are no material events, trends, commitments or uncertainties known to management that would address the past and would have an impact on the liquidity and on future operation of the company in general.

There are no any material commitments for capital expenditures, nor any events that will trigger direct or contingent financial obligation that is material to the company.

No material off-balance sheet transactions, arrangements, obligations and other relationships with unconsolidated entities or other persons created during this 1st quarter period.

FINANCIAL RISK DISCLOSURE

The significant judgments made in classifying a particular financial instrument in the fair value hierarchy.

- ***Fair value of financial instruments***
Where the fair values of financial assets and financial liabilities recorded in the statement of financial position cannot be derived from active markets, these are determined using internal valuation techniques using generally accepted market valuation models. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. These judgments may include considerations of liquidity. Due to the short-term nature of transactions, the fair value of cash in banks, accrued expenses and other current liabilities and due to a stockholder approximate the carrying values as at reporting date. Quoted equity securities are recorded at fair value. Fair value of unquoted equity securities for which no reliable basis for fair value measurement is available are carried at cost, less any accumulated impairment loss.

Fair Value Hierarchy

The Parent Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

Level 3: techniques which use inputs which have a significant effect on the recorded fair value that are not based on observable market data.

The quoted equity securities whose fair values are determined using quoted prices in active markets (Level 1) amounted to ₱3.2 million as at September 30, 2024 and ₱2.1 million as at December 31, 2023.

As at September 30, 2024 and December 31, 2023, the Parent Company does not have any financial assets and financial liabilities carried at fair value that are classified under Level 2 and 3.

On September 30, 2024 and December 31, 2023, there are no transfers among the fair value hierarchies.

A comparison of the fair values as of the date of the recent interim financial report and as of the date of the preceding interim period, and the amount of gain/loss recognized for each of the said periods, as follows:

Quoted Equity Securities

The changes in market value of quoted equity securities that were presented as “Change in fair value of available-for-sale financial assets” in other comprehensive loss amounted to ₱1.1 million gain in September 2024 and ₱889 thousand loss in December 2023.

Movement in AFS financial assets consists of:

	September 2024	December 2023
Acquisition cost	₱2,565,582	₱2,565,582
Cumulative change in fair value:		
Balance at beginning of year	(473,162)	415,580
Changes in fair value during the quarter/year	1,081,439	(888,742)
Balance at end of year	608,277	(473,162)
	<u>₱3,173,858</u>	<u>₱2,092,420</u>

The criteria used to determine whether the market for a financial instrument is active or inactive, as defined under PAS 39 – Financial instruments.

- (1) Determination of Fair Value of Financial Assets not Quoted in an Active Market. The Group classifies financial asset valuating, among others, whether the asset is quoted or not in an active market. Included in the evaluation on whether a financial asset is quoted in an active market is the determination on whether quoted prices are readily and regularly available, and whether those prices represent actual and regularly occurring market transactions on an arms' length basis.
- (2) The fair values of the Parent Company's investments in MRTHI and MRTHII cannot be reasonably determines as the shares are unquoted nor were there any expected future cash flows in view of the sale of future distributions entered into by the participated shareholders of MRTHI and MRTHII with TBS Kappitel Corporation Pte Ltd (TBS Kappitel) and that the investments, pursuant to the option agreement with FEMI will be used to settle the Parent Company's liability to FEMI. The carrying amount of unquoted investments amounted to ₱3.058 billion as at September 30, 2024 and December 31, 2023.

PART II – OTHER INFORMATION

1) Reports on SEC Form 17-C

a) Date of Report – February 5, 2024

On February 1, 2024, the Securities and Exchange Commission has approved the following amendments to the Amended Articles of Incorporation of the company:

1) Amendment of the primary purpose to allow the engagement of the Company into development of solar, wind and other renewable energy generation facilities; and

2) Amendment to increase the authorized capital stock of the Company from P2 billion consisting of Two Billion Shares @ par value of P 1.00 per share to P5 billion consisting of Five Billion Shares @ par value of P 1.00 per share.

b) Date of Report – February 22, 2024

On February 21, 2024, the shareholders of Metro Global Holdings Corporation (MGHC) approved in its Annual Meeting last 12 October 2023, the amendment of the Company's By-Laws to move from the 1st Thursday of March to last Thursday of July of each year.

The amendment is planned to be submitted to the Commission sometime next month, as the Company needed to wait for the approval of the Commission on the amendment of its Articles of its Incorporation increasing its AUTHORIZED CAPITAL STOCK before proceeding to filing of its amendment on its BY-LAWS. The Company received the Commission's approval of its Amended Articles of Incorporation last 5th Feb 2024.

With the receipt of the foregoing approval by the Commission, the company will proceed to file for the Commission's approval its amendments on its By-Laws to reflect changes in its Annual Meeting date and other amendments to align provisions in the company's By-Laws with the provisions in the Revised Code of Corporate Governance.

The stockholders meeting date as approved by the shareholders on October 12, 2023, is the last Thursday of July, which, this year, falls on July 25, 2024 (instead of March 7, 2024) this year.

c) Date of Report – July 25, 2024

Results of Annual Meeting of Stockholders and Organizational Meeting of the Board of Directors.

In compliance with the rules and regulations on disclosure of the Securities and Exchange Commission ("SEC") and Philippine Stock Exchange ("PSE"), we hereby report the results of the Annual Meeting of the Stockholders of Metro Global Holdings Corporation (the "Company") held today, July 25, 2024, 10:00 A.M. through remote communication, as follows:

1. The Corporate Secretary certified that there is a quorum for the transaction of business, there being present in person or represented by proxy a total of 91.26% of common shares of the Company.

2. The Corporate Secretary attested to the votes attained for the following matters approved and authorized by the stockholders:

2.1 The stockholders approved the Minutes of the Annual Meeting of Stockholders held on 12 October 2023. The Company received votes in person and by proxy a total of 91.26% of common shares in favor of the approval of the Minutes of the Annual Meeting of Stockholders held on 12 October 2023.

2.2 The stockholders approved the Annual Report and audited Financial Statements of the Company for the calendar year ended 31 December 2023. The Company received votes in person and by proxy a total 91.26% of common shares in favour of the approval of the Audited Financial Statements of the Company for the calendar year ended 31 December 2023.

2.3 The stockholders confirmed and ratified all acts, contracts, resolutions and proceeding made and entered into by Management and/or the Board of Directors and the various Committees constituted pursuant to the Code of Corporate Governance from October 12, 2023 up to the present. The Company received votes in person and by proxy a total of 91.26% of common shares in favour of the approval of the confirmation and ratification of all acts, contracts, resolutions and proceedings made and entered into by Management and/or Board of Directors and various Committees constituted pursuant to the Code of Corporate Governance from October 12, 2023 up to the present.

2.4 The stockholders approved the extension of the Board term of Independent Director Francisco C. Gonzalez for another year following his previous 9-year term limit.

2.5 The stockholders approved the appointment of Isla Lipana & Co. as the Company's independent external auditor. The Company received votes in person and by proxy a total of 91.26% of common shares in favour of the approval of the appointment of Isla Lipana & Co. as the Company's independent external auditor.

3. The stockholders, who voted in person and by proxy a total of 91.26% of common shares of the Company, elected the following directors of the ensuing year:

3.1 Robert John L. Sobrepena

3.2 Atty. Ferdinand T. Santos

3.3 Noel M. Carino

3.4 Rafael Perez de Tagle, Jr.

3.5 Atty. Alice Odchigue-Bondoc

3.6 Roberto S. Roco

3.7 Jaime M. Cacho

3.8 Francisco C. Gonzalez – Independent

3.9 Jose Wildrido M. Suarez – Independent

4. In the Organizational Meeting of the Board of Directors of the Company held on 25 July 2024 immediately after the Annual Meeting of Stockholders, the following matters were taken up:

The Board re-elected/re-appointed the Chairman of the Board and Officers of the Company to their respective positions:

Chairman of the Board & CEO	-	Robert John L. Sobrepena
President & Chief Risk Officer	-	Atty. Ferdinand T. Santos
EVP for Operations & Director for Investors Relations	-	Rafael Perez de Tagle, Jr.
SVP for Project Development	-	Jaime Cacho
Senior Vice President-Good Governance Compliance Officer, & Asst. Corporate Secretary	-	Atty. Alice Odchigue-Bondoc
Vice-President-Chief Finance Officer and Alternate Corporate Information Officer	-	Ramon G. Jimenez
Vice-President – Chief Audit Executive	-	Solita S. Alcantara
Vice-President-Business Dev't Special Projects	-	Sylvia M. Hondrade
VP for Records Management	-	Socorro G. Roco
VP for Human Resources	-	Khateryn M. Benitez
Corporate Secretary	-	Atty. Gilbert Raymund T. Reyes

At the same meeting of the Board, the following Board Committees have been constituted:

(1) EXECUTIVE COMMITTEE

Chairman: Robert John L. Sobrepena
Members: Noel M. Carino
Atty. Ferdinand T. Santos
Francisco C. Gonzalez (Independent Director)

(2) SALARY COMPENSATION COMMITTEE

Chairman: Robert John L. Sobrepena
Members: Atty. Ferdinand T. Santos
Francisco C. Gonzalez (Independent Director)

(3) AUDIT COMMITTEE

Chairman: Francisco C. Gonzalez (Independent Director)
Members: Jose Wilfrido M. Suarez (Independent Director)
Roberto S. Roco
Solita S. Alcantara

(4) CORPORATE GOVERNANCE COMMITTEE

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

(5) BOARD RISK OVERSIGHT COMMITTEE

Chairman: Jose Wilfrido M. Suarez (Independent Director)
Members: Francisco C. Gonzalez (Independent Director)

Atty. Ferdinand T. Santos
Atty. Alice Odchigue-Bondoc

(6) RELATED PARTY TRANSACTIONS COMMITTEE

Chairman: Francisco C. Gonzalez (Independent Director)
Members: Jose Wilfrido M. Suarez (Independent Director)
Roberto S. Roco
Ramon G. Jimenez

The Board also reappointed the Banco de Oro Unibank – Stock Transfer Services – as stock transfer agent of the Company.

d) Date of Report – September 13, 2024

Amendments of By-Laws

Approval by the Board of Directors of the following amendments to the following provisions of the By-laws of METRO GLOBAL HOLDINGS CORPORATION (the "Corporation") to change the date of the Annual Meeting of shareholders and to allow for attendance, participation and voting of shareholders via remote communication and voting in absentia:

- a. Article V, Section 2
- b. Article V, Section 3
- c. Article V, Section 4
- d. Article V, Section 6
- e. Article V, Section 7

On October 12, 2023, the stockholders of the Corporation approved the amendments to the following provisions of the Corporation to change the date of the Annual Meeting of shareholders and to allow for attendance, participation and voting of shareholders via remote communication and voting in absentia:

- a. Article V, Section 2
- b. Article V, Section 3
- c. Article V, Section 4
- d. Article V, Section 6
- e. Article V, Section 7

Amendment of Principal Office Address

Amendment of Principal Office Address in compliance to Securities & Exchange Commission's Memorandum Circular No. 16 Series of 2014 and Memorandum Circular No. 6 Series of 2014

Table A

Financial Ratios	Formula	2nd Quarter 2024	2nd Quarter 2023
a) Current Ratio	$\frac{\text{Total Current Assets}}{\text{Total Current Liabilities}}$	0.16	0.05
b) Solvency Ratio	$\frac{\text{Net Profit after Tax (or NPAT) +Depreciation and amortization}}{\text{Total Liabilities}}$		
c) Debt-to-Equity Ratio	$\frac{\text{Total Debt}}{\text{Total Stockholders' Equity}}$	0.27	0.52
d) Asset to Equity Ratio	$\frac{\text{Total Assets}}{\text{Total Stockholders' Equity}}$	1.27	1.52
e) Net Profit margin	$\frac{\text{NPAT}}{\text{Net Revenues}}$		
f) Return on asset	$\frac{\text{NPAT}}{\text{Average Total Asset}}$		
g) Return on Equity	$\frac{\text{NPAT}}{\text{Average Total Stockholders'Equity}}$		

COVER SHEET

9 1 4 2

S.E.C. Registration Number

M E T R O G L O B A L H O L D I N G S

C O R P O R A T I O N

(Company's Full Name)

M E Z Z A N I N E F L O O R R E N A I S S A N C E

T O W E R M E R A L C O A V E N U E

P A S I G C I T Y

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

ATTY. ALICE ODCHIGUE-BONDOC

Contact Person

28633 - 6205 Loc. 113

Company Telephone Number

Month Day

SEC FORM

1 7 - C

FORM TYPE

Month Day

calendar year

Registered/Listed
Secondary License Type, If Applicable

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

Remarks = pls. use black ink for scanning

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. **February 5, 2024**
Date of Report (Date of earliest event reported)
2. SEC Identification Number: **9124** 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** (SEC Use Only)
Province, country or other jurisdiction of incorporation Industry Classification Code:
7. **Mezzanine Renaissance Towers, Meralco Ave., Pasig City** **1604**
Address of principal office Postal Code
8. **(632) 8633-6205**
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 and Amount of Debt Outstanding
Common Shares	5,000,000,000 share

11. Indicate the item numbers reported herein: Item 9

Please be advised that on 1 February 2024, the Securities and Exchange Commission has approved the following amendments to the Amended Articles of Incorporation of the Company:

1. Amendment of the primary purpose to allow the engagement of the Company into development of solar, wind and other renewable energy generation facilities; and

2. Amendment to increase the authorized capital stock of the Company from P2 billion consisting of Two Billion Shares at par value of P1.00 per share to P5 billion consisting of Five Billion shares at par value of P1.00 per share.

Attached are copies of the Certificate of Filing of Amended Articles of Incorporation and Certificate of Approval of Increase in Capital Stock issued by the Securities and Exchange Commission.

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: February 5, 2024

By:



ALICE ODCHIGUE-BONDOC
SVP-Good Governance & Compliance Officer



REPUBLIC OF THE PHILIPPINES
SECURITIES AND EXCHANGE COMMISSION

The SEC Headquarters
7907 Makati Avenue, Salcedo Village,
Barangay Bel-Air, Makati City, 1209, Metro Manila

COMPANY REG. NO. 9142

CERTIFICATE OF FILING
OF
AMENDED ARTICLES OF INCORPORATION

KNOW ALL PERSONS BY THESE PRESENTS:

THIS IS TO CERTIFY that the amended articles of incorporation of the

METRO GLOBAL HOLDINGS CORPORATION
(Amending Articles II Primary Purpose and VII thereof)

copy annexed, adopted on September 24, 2018 by a majority vote of the Board of Directors and on November 22, 2018 by the vote of the stockholders owning or representing at least two-thirds of the outstanding capital stock, and certified under oath by the Assistant Secretary and a majority of the Board of Directors of the corporation was approved by the Commission on this date pursuant to the provision of Section 15 of the Revised Corporation Code of the Philippines, Republic Act No. 11232, which took effect on February 23, 2019 and copies thereof are filed with the Commission.

Unless this corporation obtains or already has obtained the appropriate Secondary License from this Commission, this Certificate does not authorize it to undertake business activities requiring a Secondary License from this Commission such as, but not limited to acting as: broker or dealer in securities, government securities eligible dealer (GSED), investment adviser of an investment company, close-end or open-end investment company, investment house, transfer agent, commodity/financial futures exchange/broker/merchant, financing company, pre-need plan issuer, general agent in pre-need plans and time shares/club shares/membership certificates issuers or selling agents thereof. Neither does this Certificate constitute as permit to undertake activities for which other government agencies require a license or permit.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the seal of this Commission to be affixed to this Certificate at The SEC Headquarters, 7907 Makati Avenue, Salcedo Village, Barangay Bel-Air, Makati City, 1209, Metro Manila, Philippines, this 1st day of February, Twenty Twenty-Four.

GERARDO F. DEL ROSARIO

Director

Company Registration and Monitoring Department

COVER SHEET

9 1 4 2

SEC Registration No.

M E T R O G L O B A L H O L D I N G S

C O R P O R A T I O N

(Company's Full Name)

M E Z Z A N I N E F L O O R , R E N A I S S A N C E

T O W E R , M E R A L C O A V E , P A S I G

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

A L I C E O D C H I G U E - B O N D O C

Contact Person

6336205 loc. 113

Company Telephone Number

APPLICATION FOR AMENDMENT OF ARTICLES OF INCORPORATION

1 2 3 1

Month Day fiscal year

FORM TYPE

1st Thursday of March

Month Day annual meeting

Listed

Secondary License Type, If Applicable

Dept. Requiring this Doc.

Amended Articles Number/ Section

Total Amount of Borrowings

Domestic

Foreign

To be accomplished by SEC Personnel concerned

File Number

Dociment I.D.

Cashier

STAMPS

1-10-2010

Chorance

from MSRD
CCFD
ANUN

**AMENDED
ARTICLES OF INCORPORATION
of
METRO GLOBAL HOLDINGS CORPORATION**

KNOW ALL MEN BY THESE PRESENTS:

That we, a majority of whom are residents of Philippines, have this day voluntarily associated ourselves together for the purpose of forming a corporation under the laws of the Philippines :

AND WE DO HEREBY CERTIFY :

FIRST: That the name of the Corporation shall be :

"METRO GLOBAL HOLDINGS CORPORATION"

SECOND: That the purposes for which the said Corporation is formed are the following:

PRIMARY PURPOSE

To, acquire by purchase, exchange, assignment, gift or otherwise, and to hold, own and use for investment or otherwise, and to sell, assign, transfer, exchange, lease, let, develop, mortgage, pledge, traffic, deal in, and with, and otherwise operate, manage, enjoy and dispose of any and all properties of every kind and description and wherever situated, as and to the extent permitted by law, including but not limited to, buildings, solar, wind and other renewable energy generation facilities, tenements, warehouses, factories, edifices, and structures and other improvements; to acquire by purchase or lease, or otherwise, lands and interest in lands, and to own, hold, improve, develop, manage any real property so acquired and to erect or cause to be erected on any lands owned, held or occupied by the corporation, buildings or other structures now or after erected on any lands so owned held or occupied; to acquire or otherwise deal in bonds, debentures, promissory notes, shares of capital stock, or other securities or other securities or obligations, created, negotiated or issued by any corporation, association, or other entity, foreign or domestic and while the owner, holder, or possessor thereof, to

exercise all the rights, powers, and privileges of ownership or any other interest therein, including the right to receive, collect and dispose of, any and all rentals, dividends, interests and income, derived therefrom, and the right to vote on any proprietary or other interests, on any shares of the capital stock, and upon any bonds, debentures, or other securities having voting power, so owned or held; and provided that it shall not engage in the business of an open-end or close-end investment company as defined in the Investment Company Act (Republic Act No. 2629) or act as securities broker or dealer. *(As Amended on 22 November 2018).*

SECONDARY PURPOSE

Subject to the provisions of the Corporation Code and other applicable laws, to invest its funds in any other corporation or business or for any other purpose other than the above-stated primary purpose.

And in pursuance of above stated purposes, the Corporation shall have the power:

- (a) To prospect for mine extract, dig for, or otherwise obtain from earth, petroleum and rocks or carbon oils, natural gas, and other volatile minerals, chemicals substances and salts, as well as others minerals of whatever nature whether similar or dissimilar to these listed herein, and to manufacture, refine, prepare for market, buy, sell and transport and otherwise deal with petroleum and other minerals of whatever nature similar or dissimilar to these listed herein, and to manufacture, refine, prepare for market, buy, sell and transport and otherwise deal with petroleum and other minerals of whatever nature whether similar or dissimilar thereto, their products, compounds, and derivatives and other mineral and chemical substances, in crude or refined condition.
- (b) To acquire petroleum, gas and oil lands, leaseholds, franchises, privileges, concessions and other interests in real estate and gas, oil and other rights.
- (c) To construct and maintain conduits, pipelines, and lines of tubing for the public generally as well as for the use of said Corporation, and to lay, rig, buy, lease, sell and otherwise contract for, and operate said

conduits, pipelines and lines to tubings, as well as storage tanks, railways, tramways, roadways and tracks, for the purpose of transporting and storing oil and gas, and of operating a general pipeline and storage business.

- (d) To buy, sell, charter, operate and maintain tank steamers and other vessel of all kinds for the transportation of merchandise dealt in by the Corporation.
- (e) To construct and maintain telegraph and telephone lines necessary or convenient in the operation of the business of the Company.
- (f) To extract and otherwise obtain and prepare for market such other valuable minerals, chemicals or other materials as may be discovered in the course of developing the lands of the Company.
- (g) To construct, maintain, and operate gas wells, oil wells, and refineries, and to buy, sell, and otherwise deal in gas, oils, and salts and their derivatives or products.
- (h) To carry on in connection with any or all of the aforementioned purposes the business of importing, buying, selling, and otherwise dealing with equipment, machinery, supplies and accessories and to transact all business properly connected with or incidental to any or all of said objects and purposes.
- (i) To purchase, lease, or otherwise acquire such real and personal property in any part of the Philippines or elsewhere, as the purposes for which the Corporation is formed may permit, and as may be reasonably required for the transaction of its lawful business; and to hold, maintain, conduct, use and operate and to lease, sell, mortgage, or otherwise dispose of any such real or personal property of any character owned in any manner held it, upon any terms.
- (j) To purchase or otherwise acquire the whole or any part of the goodwill, property and assets, and to undertake all or any part of the

business, property and liabilities of any person, partnership, corporation or other associations, carrying on any business similar to that for which this Corporation is authorized to carry on, or possessed of property suitable for the purpose of the Corporation, and to pay for the same in cash, or in stock, bonds or other securities of the Corporation or otherwise.

- (k) To buy or otherwise acquire any inventions, improvements and processes relating to the refining of petroleum or the processing of its products, secured under letters, patents or licenses in respect to the same, and to use, exercise, develop and sell such inventions, improvements and processes and to grant licenses of the things respecting the same.
- (l) to borrow or raise money for the purpose of the Corporation by making, issuing, accepting, indorsing and executing promissory notes, bills of exchange, bonds, debentures, certificates of indebtedness and other negotiable instrument but not exclusive of such other means or manner as the Corporation's Board of Directors shall think fit; and to secure the payment of said obligations or any of them by mortgage, pledge, letter of hypothecation, or other liens or charges upon all or any part of the undertakings, revenues, rights and property of the Corporation, and to exchange or vary from time to time any of such securities and to redeem, on any terms, the debts or obligations secured by them before the same shall fall due, if it shall see fit so to do.
- (m) To purchase, invest in, purchase or otherwise acquire the stocks, bonds and other securities or evidences of indebtedness of any other association or corporation, domestic or foreign, owning property necessary for its business and to issue in exchange therefor in cash, or otherwise, to hold for investment or otherwise, own, use, sell,

deal-in, dispose of, and turn to account any such stocks, bonds or other securities, and while the owner or holder thereof to exercise all the rights and power of ownership, including the right to vote thereon for any purposes; to do any acts or things necessary or proper for the protection or development of any such association or corporation or for the preservation, improvement or enhancement of the value of any such stock, bonds or other securities, or any acts or things designed for any such purpose; and to control and manage the affairs, and take over and carry on all or any part of the business or property of any such association or corporation provided that they are such as may be lawfully acquired and conducted by a corporation organized under the laws of the Philippines.

- (n) To sell all or part of the rights, property, or undertakings of the Corporation for such consideration as the Corporation may deem fit and in particular for shares, debentures or securities of any other corporation.
- (o) To make and enter into contracts and arrangements of every name and nature in furtherance of the purposes of the Corporation with the Government of the Republic of the Philippines or with any foreign corporation or with any other corporation or association, public or private.
- (p) To register the Corporation, or to secure a license to do business, in any foreign country or place.
- (q) To do all such the other things as are incidental or conducive to the attainment of the above objects or any of them, or which may be conveniently carried on and done in connection therewith, or which may be calculated directly indirectly to enhance the value of, or render profitable any business or property of the Corporation, always provided that nothing shall be done in connection with any of the

above objects which are prohibited by any laws of the Philippines now or hereafter existing.

- (i) Without in any particular limiting the powers and provided that the Corporation shall have the power to make and perform contracts of any kind and description with any person, firm or corporation, whether public or private, without limit as to amount, and particularly, but not by way of limitation, to make and perform contracts creating rights, easements and other privileges respecting any of the property, real or personal, or any kind owned by the Corporation; to have one or more office out of the Philippines, and to conduct its business and exercise its powers in any part of the Philippines, or in any other country; and in carrying on its business and for the purpose of attaining or furthering its purpose or powers to do any and all other powers which a natural person could do and exercise and which now or hereafter may be authorized by law.

The foregoing clauses shall be construed both as objects and powers of the Corporation, and it is hereby expressly provided that the foregoing enumeration of specific powers shall not be held to limit or restrict in any manner the general powers of the Corporation.

THIRD: That the place where the principal office of the Corporation is to be established or located in Mandaluyong, Metro Manila.

FOURTH: That the term for which said Corporation is to exist is fifty (50) years from and after the date of incorporation, which is hereby extended for another fifty (50) years or up to September 17, 2054. (As amended on September 30, 2002; August 19, 2004)

FIFTH: That the names and residences of the incorporators of said Corporation are as follows:



Name	Residence
1. Chester A. Baird	Manila
2. Vicente J. Francisco	Quezon City
3. Baroness Anna J. Vom Hagen	Manila
4. Bethea A. Martin	Manila
5. Proceso Sebastian	Manila

SIXTH: That the number of said Corporation shall be NINE (9) and that the names and residences of the directors of the Corporation who are to serve until their successors are elected and qualified as provided by the by-laws, are as follows:

Name	Nationality	Residence
1. John W. Buckley	American	New York, New York, USA
2. Louis W. Storms	- do -	Houston, Texas, USA
3. Chester A. Baird	- do -	Manila
4. Vicente J. Francisco	Filipino	Quezon City
5. Baroness Anna J. Vom Hagen	American	Manila
6. Bethea A. Martin	American	Manila
7. Proceso Sebastian	Filipino	Manila

SEVENTH: That the capital stock of the said Corporation is FIVE BILLION PESOS (5,000,000,000.00), Philippine Currency, divided into FIVE BILLION (5,000,000,000) shares with a par value of One Peso (1.00), Philippine Currency, per share. (As Amended on 22 November 2018).

Unless otherwise determined by the Board of Directors, no holder of the capital stock of this Corporation shall be entitled, as a matter of right, to purchase or subscribe for any stock of any class which the Corporation may issue or sell,

whether out of the capital stock now or hereafter authorized to be issued by the Corporation or out of the shares of the Corporation acquired by it after the issue thereof.

No transfer of shares of stock of the Corporation which will reduce the stock ownership of Filipino citizens to less than the minimum percentage of the outstanding capital stock required by law to be owned by Filipino citizens shall be allowed or permitted to be recorded in the books of the Corporation. Any transfer made in violation hereof shall be null and void and shall not be registrable in the books of the Corporation.

These restrictions shall be indicated in all stock certificates to be issued by the Corporation.

EIGHT: That the amount of said capital stock which has been actually subscribed is EIGHTY ONE THOUSAND FIVE HUNDRED (81,500,000) PESOS, and the following persons have subscribed for the number of shares and amount of capital stock set out after their respective names:

Name	Residence	No. of Shares	Amount of Capital Stock Subscribed
1. John W. Buckley	New York, N.Y., USA	80,000	80,000.00
2. Louis W. Storms	Houston, Texas, USA	1,000	1,000.00
3. Chester A. Baird	Manila	100	100.00
4. Vicente J. Francisco	Quezon City	100	100.00
5. Baroness Anna J. Vom Hagen	Manila	100	100.00
6. Bethea A. Martin	Manila	100	100.00
7. Proceso Sebastian	Manila	100	100.00
		<hr/> 81,000	<hr/> 81,500.00

NINTH: That the following persons have paid on the shares of capital stock for which they have subscribed in the amounts set out after their respective names:

Name	Residence	Amount Paid on Subscription
1. John W. Buckley	New York, N.Y., USA	20,000.00
2. Louis W. Storms	Houston, Texas, USA	1,000.00
3. Chester A. Baird	Manila	100.00
4. Vicente J. Francisco	Quezon City	100.00
5. Baroness Anna J. Vom Hagen	Manila	100.00
6. Bethea A. Martin	Manila	100.00
7. Proceso Sebastian	Manila	100.00
	TOTAL	21,500.00

TENTH: That BETHEA A. MARTIN has been elected by the subscribers as Treasurer of the Corporation to act as such until his successor is duly elected and qualified, in accordance with the by-laws, and that as such Treasurer he has been authorized to receive for the Corporation and to receipt in its name for all subscriptions paid in by said subscribers.

IN WITNESS WHEREOF, we have hereunto set out hands this 9th day of September, 1954, in the City of Manila, Philippines

(Sgd.) Chester A. Baird
Chester A. Baird

(Sgd.) Vicente J. Francisco
Vicente J. Francisco

(Sgd.) Baroness Anna J. Vom Hagen
Baroness Anna J. Vom Hagen

(Sgd.) Bethea A. Martin
Bethea A. martin

(Sgd.) Proceso Sebastian
Proceso Sebastian

In the presence of:

(Sgd.) Abraham Briones

(Sgd.) Herminio B. Banico



Republic of the Philippines)
City of Manila)s.s.

BETHEA A. MARTIN, being first duly sworn, deposes and says that on the 9th day of September, A.D. Nineteen Hundred and Fifty Four, he was duly elected by the subscribers named in the foregoing Articles of Incorporation as Treasurer of the corporation to act as such until his successor has been duly elected and qualified in accordance with the by-laws of the corporation and that as such Treasurer he has been authorized by the subscribers to receive for the corporation all subscriptions paid in by the subscribers for the capital stock; that Eighty-One Thousand Five Hundred (81,500) shares of stock has been actually subscribed and that of said subscriptions Twenty-One Thousand Five Hundred (21,500.00) pesos has been paid to him in cash and received by him for the benefit and to the credit of the corporation; and that at least twenty per centum of the entire capital stock has been subscribed and twenty-five per centum of the subscription has been actually paid to him in cash and has been received by him for the benefit and to the credit of the corporation.

(Sgd.) BETHEA A. MARTIN
Bethea A. Martin.

SUBSCRIBED AND SWORN, to before me this 9th day of September 1954 in the City of Manila, affiant exhibiting his Residence Certificate No. A-0364302, issued at Manila, on August 16, 1954.

(Sgd.) Ricardo J. Francisco
Notary Public
Until December 31, 1954

Doc. No. 290
Page No. 60
Book No. I
Series of 1954

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DIRECTORS' CERTIFICATE

KNOW ALL MEN BY THESE PRESENTS:

WE, the undersigned, being a majority of the members of the Board of Directors and the Corporate Secretary of **METRO GLOBAL HOLDINGS CORPORATION** (the "Corporation"), do hereby certify that:

At the special meeting of the Board of Directors duly held on 24 September 2018 at the Mezzanine Floor, Renaissance Tower, Meralco Avenue, Pasig City, wherein majority of the members of the Board of Directors were present, and the vote of the stockholders representing at least two-thirds (2/3) of the issued and outstanding capital stock of the Corporation on 22 November 2018 at Batanes Room, Edsa Shangri-la Manila, 1 Garden Way, Ortigas Center, Mandaluyong, the amendment of the Primary Purpose and the amendment to Increase the Authorized Capital Stock of the Corporation were considered and approved, thereby amending the Article Second and Seventh of the Corporation's Amended Articles of Incorporation to read as follows:

ARTICLE SECOND

"SECOND: That the purposes for which said Corporation is formed are the following:

To, acquire by purchase, exchange, assignment, gift or otherwise, and to hold, own and use for investment or otherwise, and to sell, assign, transfer, exchange, lease, let, develop, mortgage, pledge, traffic, deal in, and with, and otherwise operate, manage, enjoy and dispose of any and all properties of every kind and description and wherever situated, as and to the extent permitted by law, including but not limited to, buildings, solar, wind and other renewable energy generation facilities, tenements, warehouses, factories, edifices, and structures and other improvements; to acquire by purchase or lease, or otherwise, lands and interest in lands, and to own, hold, improve, develop, manage any real property so acquired and to erect or cause to be erected on any lands owned, held or occupied by the corporation, buildings or other structures including solar, wind and other renewable power generation facilities now or after erected on any lands so owned, held or occupied; to acquire or otherwise deal in bonds, debentures, promissory notes, shares of capital stock, or other securities or obligations, created, negotiated or issued by any corporation, association, or other entity, foreign or domestic and while the owner, holder, or possessor thereof, to exercise all the rights, powers and privileges of ownership or any other interest therein, including the right to receive, collect and dispose of, any and all rentals, dividends, interests and income, derived therefrom, and the right to vote on any proprietary or other interests, on any shares of the capital stock, and upon any bonds, debentures, or other securities having voting power, so owned or held; and provided that it shall not engaged in the business of an open-end or close-end investment company as defined in the Investment Company Act (Republic Act No.

2629) or act as securities broker or dealer (as amended on 22 November 2018)."

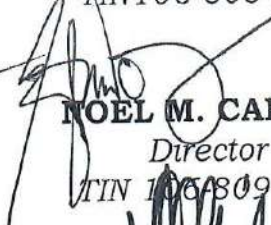
ARTICLE SEVENTH

"That the capital stock of the said Corporation is FIVE BILLION PESOS (P5,000,000,000.00) Philippine Currency divided into FIVE BILLION (5,000,000,000) shares with a par value of One Peso (P1.00) Philippine Currency per share (as amended on 22 November 2018)."

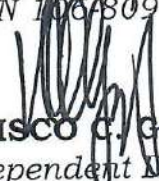
IN WITNESS WHEREOF, we have hereunto affixed our signatures this DEC 13 2013 in PASIG CITY.


ROBERT JOHN L. SOBREPENA
Chairman/ Director
TIN 106-808-899


ATTY. FERDINAND T. SANTOS
Director
TIN 106-807-161

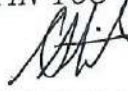

NOEL M. CARIÑO
Director
TIN 106-809-774


JAIME M. CACHO
Director
TIN 104-592-872


FRANCISCO C. GONZALEZ
Independent Director
TIN 122-930-742


ROBERTO S. ROCO
Director
TIN 105-744-632


RAFAEL R. PEREZ DE TAGLE, JR.
Director
TIN 106-808-530


EDUARDO R. SANTOS
Independent Director
TIN 111-082-202


ATTY. ALICE ODCHIGUE-BONDOC
Director & Asst. Corporate Secretary
TIN 165-723-045

SUBSCRIBED AND SWORN to before me this DEC 13 2013 at PASIG CITY, affiants exhibiting to me their valid identifications, to wit:

Name

Valid ID

Robert John L. Sobrepeña	TIN 106-808-899
Atty. Ferdinand T. Santos	TIN 106-807-161
Noel M. Cariño	TIN 106-809-774
Jaime M. Cacho	TIN 104-592-872
Francisco C. Gonzalez	TIN 122-930-742
Roberto S. Roco	TIN 105-744-632
Eduardo R. Santos	TIN 111-082-202
Rafael Perez De Tagle, Jr.	TIN 106-808-530
Atty. Alice Odchigue-Bondoc	TIN 165-723-045

Doc. No. 469;
Page No. 97;
Book No. 104
Series of 2018.

~~FERDINAND T. SANTOS~~

~~PHILIPPINE BAR EXAMINER~~

~~EXPIRES 02/19~~



MARKETS AND SECURITIES REGULATION DEPARTMENT

MEMORANDUM

TO : Company Registration and Monitoring Department

FROM : Markets and Securities Regulation Department

SUBJECT : **METRO GLOBAL HOLDINGS CORPORATION**

DATE : 9 August 2023

This refers to your Memo dated 3 August 2023, which was received by our Department on 7 August 2023, requesting for comments and/or recommendations regarding the proposed amendments of the Amended Articles of Incorporation ("AOI") of **METRO GLOBAL HOLDINGS CORPORATION** (the "Company"), to wit:

FROM	TO
<p><i>SECOND : To, acquire by purchase, exchange, assignment, gift or otherwise, and to hold, own and use for investment or otherwise, and to sell, assign, transfer, exchange, lease, let, develop, mortgage, pledge, traffic, deal in, and with, and otherwise operate, manage, enjoy and dispose of any and all properties of every kind and description and wherever situated, as and to the extent permitted by law, including but not limited to, buildings, tenements, warehouses, factories, edifices, and structures and other improvements; to acquire by purchase or lease, or otherwise, lands and interest in lands, and to own, hold, improve, develop, manage any real property so acquired and to erect or cause to be erected on any lands owned, held or occupied by the corporation, buildings or other structures now or after erected on any lands so owned held or occupied; to acquire or otherwise deal in bonds, debentures, promissory notes, shares of capital stock, or other securities or obligations, created, negotiated or issued by any corporation, association, or other entity, foreign or domestic and while the owner, holder, or possessor thereof, to exercise all the rights, powers, and privileges of ownership or any other interest therein, including the right to receive, collect and other securities or obligations, created, negotiated or issued by any corporation, association, or other entity, foreign or domestic and while the owner, holder, or possessor thereof, to exercise all the rights, powers, and privileges of ownership or any other interest therein, including the right to receive, collect and dispose of, any and all rentals, dividends, interests and income, derived</i></p>	<p><i>SECOND : To, acquire by purchase, exchange, assignment, gift or otherwise, and to hold, own and use for investment or otherwise, and to sell, assign, transfer, exchange, lease, let, develop, mortgage, pledge, traffic, deal in, and with, and otherwise operate, manage, enjoy and dispose of any and all properties of every kind and description and wherever situated, as and to the extent permitted by law, including but not limited to, buildings, <u>solar, wind and other renewable energy generation facilities</u>, tenements, warehouses, factories, edifices, and structures and other improvements; to acquire by purchase or lease, or otherwise, lands and interest in lands, and to own, hold, improve, develop, manage any real property so acquired and to erect or cause to be erected on any lands owned, held or occupied by the corporation, buildings or other structures now or after erected on any lands so owned held or occupied; to acquire or otherwise deal in bonds, debentures, promissory notes, shares of capital stock, or other securities or other securities or obligations, created, negotiated or issued by any corporation, association, or other entity, foreign or domestic and while the owner, holder, or possessor thereof, to exercise all the rights, powers, and privileges of ownership or any other interest therein, including the right to receive, collect and other securities or obligations, created, negotiated or issued by any corporation, association, or other entity, foreign or domestic and while the owner, holder, or possessor thereof, to exercise all the rights, powers, and privileges of ownership or any other interest therein, including the right to receive, collect</i></p>

<p>therefrom, and the right to vote on any proprietary or other interests, on any shares of lie, capital stock, and upon any bonds, debentures, or other se securities having voting power, so owned or held; and provided that it shall not engage in the business of an open-end or close-end investment company as defined in the Investment Company Act (Republic Act No. 2629) or act as securities broker or dealer.</p>	<p>and dispose of, any and aii rentals, dividends, interests and income, derived therefrom, and the right to vote on any proprietary or other interests, on any shares of lie, capital stock, and upon any bonds, debentures, or other se securities having voting power, so owned or held; and provided that it shall not engage in the business of an open-end or close-end investment company as defined in the Investment Company Act (Republic Act No. 2629) or act as securities broker or dealer.</p>
<p>SEVENTH : That the capital stock of the said Corporation is TWO BILLION (P2,000,000,000.00) Philippine Currency, divided into TWO BILLION (2,000,000,000) shares with par value of One Peso (1.00) Philippine Currency per share (As Amended on 22 November 2018)*</p>	<p>SEVENTH : That the capital stock of the said Corporation is <u>FIVE BILLION (P5,000,000,000.00) Philippine Currency, divided into FIVE BILLION (5,000,000,000) shares</u> with par value of One Peso (1.00) Philippine Currency per share (As Amended on 22 November 2018)*</p>

Upon review of the request and documents annexed thereto, and the Company records, it appears that the proposed amendments are consistent with the disclosures made by the Company; hence, on this basis, the Department does not interpose any objection to the application for amendment of the AOI. Thus, within five (5) days from the approval of the application, the Company shall:

1. **FILE a duly accomplished Current Report (SEC Form 17-C)**, disclosing the Commission's approval of said amendment; and
2. **FILE a duly accomplished General Information Sheet (GIS)** that reflects the new information, together with a cover letter signed by the Corporate Secretary (if applicable).

However, we noted that the proposed amendment was approved by the Board of Directors where a quorum was present and by the stockholders representing at least two-thirds (2/3) of the outstanding capital stock of the Company in its meeting held on 24 September 2018 and 22 November 2022, respectively.

In this regard, since the stockholders' approval of the amendment took place on 22 November 2022, as a rule, the Company is no longer allowed to file the application in view of the six (6) months period limitation of filing the application from stockholders' approval as prescribed under the last sentence of paragraph 3, Section 37 of the Revised Corporation Code of the Philippines, which provides:

"SEC. 37. Power to Increase or Decrease Capital Stock; Incur, Create or Increase Bonded Indebtedness.

X X X

The application with the Commission shall be made within six (6) months from the date of approval of the board of directors and stockholders, which period may be extended for justifiable reason. x x x" (emphasis supplied)

In the light of the foregoing, our Department nonetheless defers to the discretion of the Company Registration and Monitoring Department (CRMD) considering that it has primary jurisdiction over registration of corporations and partnerships in general, as well as amendments to the Articles of Incorporation and to By-laws. Furthermore, our comment or recommendation is limited merely to this Department's regulatory requirements and does not cover the substance of the application with respect to compliance with the Revised Corporation Code of the Philippines.

Finally, it should be understood that the foregoing comment is without prejudice to the prerogative of this Department to impose the necessary penalty and initiate the appropriate proceeding against the Company and its Directors/Officers, Associated Person, and Salesman upon a proper finding of a violation of the relevant provisions of the Securities Regulation Code, its implementing Rules and Regulations, and other pertinent laws, rules and regulations, as may be necessary and applicable under the circumstances.

Very truly yours,


VICENTE GRACIANO P. FELIZMENIO, JR.
Director

TRANSMITTAL SLIP

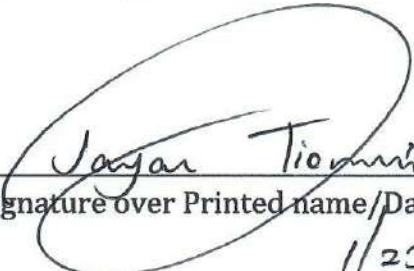
TO: **MS. BLESS ARCEO**
Securities and Exchange Commission

FROM: **ATTY. ALICE O. BONDOC**
Assistant Corporate Secretary
Metro Global Holdings Corporation

DATE: 23 JANUARY 2024

Received **3 ORIGINAL** copies of Request for Confirmation of Valuation

Received by:


Signature over Printed name/Date
1/23/2024

**(MSRD FORM for Request for Comments/Recommendations
for CRMD Applications filed by MSRD regulated entities)**

1/10/19

Date

JAN 10 2019

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

MARKETS REGULATION DEPT
Eye TIME: *5:30 pm*

Attention: **MARKETS AND SECURITIES REGULATION DEPARTMENT**

Subject: **REQUEST FOR COMMENTS/RECOMMENDATION**

Gentlemen:

This is to respectfully request your Department's comment and/or recommendation on the proposed application of our corporation/partnership to be filed with the Company Registration and Monitoring Department (CRMD), details of which are as follows:

NAME OF REQUESTING CORPORATION/PARTNERSHIP	METRO GLOBAL HOLDINGS CORP.
ADDRESS OF REQUESTING CORPORATION/PARTNERSHIP	Mezzanine Flr. Renaissance Town, Unasdas Ave. Pasay.
SEC REGISTRATION NO. (if applicable)	9142
TYPE OF SEC-ISSUED SECONDARY LICENSE (if applicable)	Amended Articles
TYPE OF PROPOSED CRMD APPLICATION	
CONTACT PERSON	<i>/</i> Eloyer S. Garcia
CONTACT NUMBERS	<i>/</i> 09096964065

Moreover, we also request that you furnish the CRMD a copy of your reply to our request. We have attached a copy of the aforesaid application for your review/evaluation only and for the purpose of the issuance of the Markets and Securities Regulation Department's (MSRD) comment and/or recommendation thereto. It is further understood that the MSRD is not responsible for the actual processing of the above-mentioned application of the corporation/partnership.

Finally, should there be any violation of any existing laws, rules and regulations implemented by the MSRD, the company undertakes to: (1) submit all the required report/s within seven (7) days from notification of approval of the application/s; and (2) pay the corresponding penalty.

Thank you.

Very truly yours,

Eloyer S. Garcia

(Name of Requesting Corporation/Partnership)

By:

[Signature]

(Signature over Printed Name of Authorized Representative)

Cathy / Byrne

8187164 / 8186080



REPUBLIC OF THE PHILIPPINES
SECURITIES AND EXCHANGE COMMISSION
The SEC Headquarters
7907 Makati Avenue, Salcedo Village,
Barangay Bel-Air, Makati City, 1209, Metro Manila

COMPANY REG. NO. 9142

CERTIFICATE OF APPROVAL OF INCREASE OF CAPITAL STOCK

KNOW ALL PERSONS BY THESE PRESENTS:

This is to certify that the increase of capital stock of the

METRO GLOBAL HOLDINGS CORPORATION

from P2,000,000,000.00 divided into 2,000,000,000 shares of the par value of P1.00 each, to P5,000,000,000.00 divided into 5,000,000,000 shares of the par value of P1.00 each, approved by majority of the Board of Directors on September 24, 2018 and by the vote of the stockholders owning or representing at least two-thirds of the outstanding capital stock at a meeting held on November 22, 2018 certified to by the Chairman and the Assistant Secretary of the stockholders meeting and a majority of the Board of Directors of the corporation, was approved by the Commission on the date indicated hereunder in accordance with the provision of Section 37 of the Revised Corporation Code of the Philippines, Republic Act No. 11232, which took effect on February 23, 2019. A copy of the Certificate of Increase of Capital Stock filed with the Commission is attached hereto.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the seal of this Commission to be affixed to this Certificate at The SEC Headquarters, 7907 Makati Avenue, Salcedo Village, Barangay Bel-Air, Makati City, 1209, Metro Manila, Philippines, this 1st day of February, Twenty Twenty-Four.

GERARDO E. DEL ROSARIO
Director

Company Registration and Monitoring Department

ONCOLL PAYMENT SLIP

ONCOLL PAYMENT SLIP

This is your receipt when machine validated.

Please check the appropriate mode of payment. <input type="checkbox"/> CASH <input checked="" type="checkbox"/> CHECK <input type="checkbox"/> DEBIT FROM ACCOUNT		DATE Dec. 19, 2023
MERCHANT / AGENCY DEPOSIT ACCOUNT NUMBER 3752 2220 44	MERCHANT / AGENCY NAME SEC RCC	
Reference Number 1 20230925-8826654	Printed Name and Signature of Payor / Depositor / Representative KRISTON A. ALCO	
Reference Number 2 MEMO GLOBAL HOLDINGS CORPORATION	Validation T2(JOJIE R GAMAY) 09:25 Trxn. Seq. #: 22500 LOCAL CHECK Payment	
Reference Number 3 (Numeric) 8633 6248	Acct. No. 3752-2220-44	
Amount P6,001,000.00	Check No. 202309258826654 METRO GLOBAL 326480 Amount 6,001,000.00	

ONCOLL PAYMENT SLIP

This is your receipt when machine validated.

Please check the appropriate mode of payment. <input type="checkbox"/> CASH <input checked="" type="checkbox"/> CHECK <input type="checkbox"/> DEBIT FROM ACCOUNT		DATE Dec. 19, 2023
MERCHANT / AGENCY DEPOSIT ACCOUNT NUMBER 3402 2319 20	MERCHANT / AGENCY NAME SEC BTR	
Reference Number 1 20230925-8826654	Printed Name and Signature of Payor / Depositor / Representative KRISTON A. ALCO	
Reference Number 2 MEMO GLOBAL HOLDINGS CORPORATION	Validation T2(JOJIE R GAMAY) 09:23 Trxn. Seq. #: 20700 LOCAL CHECK Payment	
Reference Number 3 (Numeric) 8633 6248	Acct. No. 3402-2319-20	
Amount P60,010.00	Check No. 202309258826654 METRO GLOBAL 326475 Amount 60,010.00	

ONCOLL PAYMENT SLIP

This is your receipt when machine validated.

Please check the appropriate mode of payment. <input checked="" type="checkbox"/> CASH <input type="checkbox"/> CHECK <input type="checkbox"/> DEBIT FROM ACCOUNT		DATE Dec 19, 2023
MERCHANT / AGENCY DEPOSIT ACCOUNT NUMBER 3752 2220 60	MERCHANT / AGENCY NAME SEC BTR DST	
Reference Number 1 20230925-8826654	Printed Name and Signature of Payor / Depositor / Representative KRISTON A. ALCO	
Reference Number 2 METRO GLOBAL HOLDINGS CORPORATION	Validation T2(JOJIE R GAMAY) 09:19 Trxn. Seq. #: 10260 CASH Payment	
Reference Number 3 (Numeric) 8633 6248	Acct. No. 3752-2220-60	
Amount P60.00	Check No. 202309258826654 METRO GLOBAL 326480 Amount 60.00	

COVER SHEET

9 1 4 2
SEC Registration No.

METRO GLOBAL HOLDINGS
CORPORATION

(Company's Full Name)

MEZZANINE FLOOR, RENAISSANCE
TOWER, MERALCO AVE., PASIG

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

ALICE ODCHIGUE-BONDOC
Contact Person

6336205 loc. 113
Company Telephone Number

1 2 3 1
Month Day
fiscal year

APPLICATION FOR INCREASE IN
AUTHORIZE CAPITAL STOCK &
AMENDMENT OF ARTICLES OF
INCORPORATION
FORM TYPE

1st Thursday of March
Month Day
annual meeting

Listed
Secondary License Type, If Applicable

Dept. Requiring this Doc.

Amended Articles Number/ Section

Total Amount of Borrowings
Domestic Foreign

To be accomplished by SEC Personnel concerned

File Number

Document I.D.

LCU
Cashier

STAMPS

1-10-2019

Clearance
from MSRD
& CGFD

[Signature]
CRMD

plus from

RECEIVED

1/10/2019
5:25

**CERTIFICATE OF INCREASE OF CAPITAL STOCK AND
AMENDED ARTICLES OF INCORPORATION OF
METRO GLOBAL HOLDINGS CORPORATION**

KNOW ALL MEN BY THESE PRESENTS:

WE, the undersigned, being the majority members of the Board of Directors and Corporate Secretary of Metro Global Holdings Corporation (the "Corporation"), organized and existing under and by virtue of the laws of the Republic of the Philippines, with principal office address at Mezzanine Floor, Renaissance Tower, Barangay Ugong, Meralco Avenue, Pasig City;

DO HEREBY CERTIFY THAT;

1. At the meeting of the Board of Directors held on 24 September 2018 wherein a quorum was present, majority of the Board of Directors approved and adopted by resolution the amendment of Article Second of the Articles of Incorporation to expand the Primary Purpose to include investment in businesses engaged in solar, wind and other renewable energy generation facilities such that the Article Second shall read as follows:

"SECOND"

"SECOND: That the purposes for which said Corporation is formed are the following:

To, ~~acquire by purchase, exchange, assignment, gift or otherwise, and to hold, own and use for investment or otherwise, and to sell, assign, transfer, exchange, lease, let, develop, mortgage, pledge, traffic, deal in, and with, and otherwise operate, manage, enjoy and dispose of any and all properties of every kind and description and wherever situated, as and to the extent permitted by law, including but not limited to, buildings, solar, wind and other renewable energy generation facilities, tenements, warehouses, factories, edifices, and structures and other improvements; to acquire by purchase or lease, or otherwise, lands and interest in lands, and to own, hold, improve, develop, manage any real property so acquired and to erect or cause to be erected on any lands owned, held or occupied by the corporation, buildings or other structures including solar, wind and other renewable power generation facilities now or after erected on any lands so owned, held or occupied; to acquire or otherwise deal in bonds, debentures, promissory notes, shares of capital stock, or other securities or obligations, created, negotiated or issued by any corporation, association, or other entity, foreign or domestic and while the owner, holder, or possessor thereof, to exercise all the rights, powers and privileges of ownership or any other interest therein, including the right to receive, collect and dispose of, any and all rentals, dividends, interests and income, derived therefrom, and the right to vote on any proprietary or other interests, on any shares of the capital stock, and upon any bonds, debentures, or other securities having voting power, so owned or held; and provided that it shall not engaged in the~~

1
business of an open-end or close-end investment company as defined in the Investment Company Act (Republic Act No. 2629) or act as securities broker or dealer (as amended on 22 November 2018)."

2. At the meeting of the Board of Directors held on 24 September 2018 wherein a quorum was present, majority of the Board of Directors approved and adopted by resolution the amendment of the Article Seventh of the Articles of Incorporation of the Corporation to increase the authorized capital stock of the Corporation from Two Billion Pesos (P2,000,000,000.00) divided into Two Billion (2,000,000,000) shares at par value of One Peso (P1.00) per share to Five Billion Pesos (P5,000,000,000.00) divided into Five Billion (5,000,000,000) shares at par value of One Peso (P1.00) per share such that the Article Seventh shall read as follows:

SEVENTH

"That the capital stock of the said Corporation is FIVE BILLION PESOS (P5,000,000,000.00) Philippine Currency divided into FIVE BILLION (5,000,000,000) shares with a par value of One Peso (P1.00) Philippine Currency per share (as amended on 22 November 2018).

3. The amendment of the Article Second of the Articles of Incorporation and the amendment of Article Seventh to increase the authorized capital stock were likewise ratified by the stockholders representing at least two-thirds ($\frac{2}{3}$) of the outstanding capital stock of the Corporation at their meeting held on 22 November 2018 at Batanes Room, Edsa Plaza Hotel, Mandaluyong City.

4. Out of the increase in the authorized capital stock of Three Billion Pesos (P3,000,000,000.00) representing Three Billion (3,000,000,000) shares at par value of One Peso (P1.00) per share, Seven Hundred Fifty Million Pesos (P750,000,000.00) has been subscribed by Fil-Estate Management, Inc. (FEMI) corresponding to Seven Hundred Fifty Million (750,000,000) shares at par value of One Peso (P1.00) per share out of which subscriptions, Five Hundred Million Pesos (P500,000,000.00) corresponding to Five Hundred Million (500,000,000) shares at par value of One Peso (P1.00) per share have been partially paid via offset of debt of the Corporation to FEMI in the aggregate amount of Five Hundred Million Pesos (P500,000,000.00). This subscription was approved and ratified by the stockholders representing at least two-thirds ($\frac{2}{3}$) of the outstanding capital stock of the Corporation at their meeting held on 22 November 2018.

5. The actual indebtedness of the corporation as of 22 November 2018 amounts to Eight Hundred Million Two Hundred Seventy-Five Thousand One Hundred Forty-Eight Pesos (P800,275,148.00) only.

6. No bonded indebtedness has been incurred, created or increased as of date of the stockholders meeting.

7. The requirements of Section 16 and 38 of the Corporation Code of the Philippines has been complied with.

8. Attached is the true and correct copy of the Amended Articles of Incorporation.

IN WITNESS WHEREOF, we have hereunto affixed our signatures this

DEC 13 2018 at PASIG CITY

ROBERT JOHN L. SOBREPEÑA
Chairman/Director
TIN 106-808-899

ATTY. FERDINAND T. SANTOS
Director
TIN 106-807-161

NOEL M. CARIÑO
Director
TIN 106-809-774

JAIME M. CACHO
Director
TIN 104-592-872

FRANCISCO C. GONZALEZ
Independent Director
TIN 122-930-742

ROBERTO S. ROCO
Director
TIN 105-744-632

RAFAEL R. PEREZ DE TAGLE, JR.
Director
TIN 106-808-530

EDUARDO R. SANTOS
Independent Director
TIN 111-082-202

ATTY. ALICE ODCHIGUE-BONDOC
Director & Asst. Corporate Secretary
TIN 165-723-045

DEC 13 2018

SUBSCRIBED AND SWORN to before me this _____ at _____

PASIG CITY, affiants exhibiting to me their valid identifications, to wit:

<u>Name</u>	<u>Valid ID</u>
Robert John L. Sobrepeña	TIN 106-808-899
Atty. Ferdinand T. Santos	TIN 106-807-161
Noel M. Cariño	TIN 106-809-774
Jaime M. Cacho	TIN 104-592-872
Francisco C. Gonzalez	TIN 122-930-742
Roberto S. Roco	TIN 105-744-632
Eduardo R. Santos	TIN 111-082-202
Rafael Perez De Tagle, Jr.	TIN 106-808-530
Atty. Alice Odchigue-Bondoc	TIN 165-723-045

Doc. No. 477 ;
Page No. 95 ;
Book No. 104 ;
Series of 2018.

REPUBLIC OF THE PHILIPPINES)
CITY OF MAKATI)S.S.

**TREASURER'S AFFIDAVIT OF
METRO GLOBAL HOLDINGS CORPORATION**

I, RAMON G. JIMENEZ, Filipino, of legal age, with residential address at 233 Bacood Street, Sta. Mesa, Manila, after being duly sworn in accordance with law, hereby depose and state that;

1. I am the duly elected and incumbent Treasurer of Metro Global Holdings Corporation (the "Corporation"), a corporation duly organized and existing under and by virtue of the laws of the Republic of the Philippines, with principal office at Mezzanine Floor, Renaissance Tower, Meralco Avenue, Pasig City, to act as such in accordance with the by-laws of the Corporation, and that I have been authorized to receive for the Corporation all subscriptions paid in by the subscribers for the capital;
2. As Treasurer, I have been authorized to receive, for and in behalf of the Corporation, all payments for the subscriptions in the increase in the authorized capital stock of the Corporation;
3. At the meeting of the Board of Directors held on 24 September 2018, wherein a quorum was present, a majority of the Board of Directors approved and adopted by resolution the increase in the authorized capital stock of the Corporation from Two Billion Pesos (P2,000,000,000.00) divided into Two Billion (2,000,000,000) shares at par value of One Peso (P1.00) each share to Five Billion Pesos (P5,000,000,000.00) divided into Five Billion (5,000,000,000) Common Shares at par value of One Peso (P1.00) each share;
4. The increase was likewise ratified by the stockholders representing at least two-thirds (2/3) of the outstanding capital stock of the Corporation in their meeting held on 22 November 2018 at the Batanes Room, Edsa Shangri-la Manila, 1 Garden Way, Ortigas Center, Mandaluyong;
5. Out of the net increase in the authorized capital stock of Three Billion Pesos (P3,000,000,000.00) representing Three Billion (3,000,000,000) shares at par value of One Peso (P1.00) per share, Seven Hundred Fifty Million Pesos (750,000,000.00) have been subscribed and partially paid by Fil-Estate Management, Inc., a corporation duly organized and existing under and by virtue of the laws of the Republic of the Philippines ("FEMI"), by way of conversion of FEMI's advances to the Corporation in the amount of P500,000,000.000 into equity representing Five Hundred Million

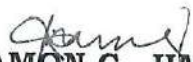
(500,000,000) shares at par value of One Peso (P1.00) per share, in the following manner:

	No. of Shares Subscribed	Payment made on Subscription
Tranche 1	425,000,000	P418,750,000.00
Tranche 2	325,000,000	P 81,250,000.00
	-----	-----
	750,000,000	P500,000,000.00

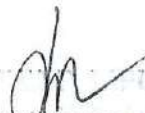
6. That at least 25% of the increase in authorized capital stock has been subscribed and fully paid for.

IN WITNESS WHEREOF, I have hereunto set my hand this
Oct 10 2019 at _____.

CITY OF MAKATI


RAMON G. JIMENEZ
Treasurer

SUBSCRIBED AND SWORN to before me this OCT 10 2019,
affiant exhibiting to me his Social Security Systems ID No. 03-6347637-1.


NOTARY PUBLIC
City of Makati

Doc. No. 2666
Page No. 11;
Book No. 256
Series of 2019.

**DEED OF ASSIGNMENT
(of Advances)**

KNOW ALL MEN BY THESE PRESENTS:

This Deed of Assignment is executed this OCT 10 2019 at CITY OF MAKATI, Philippines by and between:

FIL-ESTATE MANAGEMENT, INC, a corporation duly organized and existing under and by virtue of the laws of the Republic of the Philippines, with principal office at Mezzanine Floor, Renaissance Towers, Meralco Avenue, Pasig City, represented herein by its President, FERDINAND T. SANTOS, hereinafter referred to as "FEMI";

- and -

METRO GLOBAL HOLDINGS CORPORATION, a corporation duly organized and existing under and by virtue of the laws of the Republic of the Philippines, with principal office at Mezzanine Floor, Renaissance Towers, Meralco Avenue, Pasig City, and represented herein by its Chief Financial Officer, RAMON G. JIMENEZ, hereinafter referred to as "MGH";

WITNESSETH: That -

WHEREAS, MGH is indebted to FEMI in the principal amount of P800,275,148.00 (the "Debt") arising from several advances made by FEMI to MGH as shown in Schedule "A" herein;

WHEREAS, the Board of Directors and stockholders of MGH have approved the increase in the authorized capital stock of MGH from P2 billion to P5 billion and out of the said increase, FEMI has agreed to subscribe to 750,000,000.00 shares to be paid by the assignment to MGH of FEMI's advances to the extent of P500,000,000.00 for the following subscriptions to MGH shares:

	No. of Shares Subscribed	Payment made on Subscription
Tranche 1	425,000,000	P418,750,000.00
Tranche 2	325,000,000	P 81,250,000.00
	----- 750,000,000	----- P500,000,000.00

WHEREAS, pursuant to the terms and conditions set forth herein, MGH has approved the subscriptions of FEMI to a portion of the increase in capital stock of MGH to be made in the manner provided herein;

NOW, THEREFORE, for and in consideration of the foregoing premises and the terms and conditions hereinafter set forth, the Parties hereby agree as follows:



1. FEMI hereby assigns, transfers and conveys unto MGH the Advances shown in Annex "B" hereof in the aggregate amount of P500,000,000.00 (the "Advances") in:
 - a. partial payment of FEMI's subscription to 425,000,000 shares to the extent of P418,750,000.00 representing 98.53% paid up of the subscription; and
 - b. partial payment of FEMI's subscription to 325,000,000 shares to the extent of P81,250,000.00 representing 25% paid up of the subscription.

which subscriptions shall be at par value of P1.00 per share to be issued out of the increase in capital stock of MGH to wit:

	No. of Shares Subscribed	Payment made on Subscription
Tranche 1	425,000,000	P418,750,000.00
Tranche 2	325,000,000	P 81,250,000.00
	----- 750,000,000	----- P500,000,000.00

2. MGH hereby accepts the assignment by FEMI of the Advances shown in Annex "B" hereof in the aggregate amount of P500,000,000.00 as partial payments of the subscriptions to the new shares described above to be issued out of the increase in capital stock of MGH and in consideration thereof, MGH agrees to issue new shares to FEMI from its capital stock increase in accordance with the payments of the subscriptions described above.

3. The issuance of the new shares shall be conditioned on the (i) issuance of the new shares being exempt from the registration requirements under applicable securities laws and the Securities Regulation Code, (ii) MGH receiving approval from the Securities and Exchange Commission for the issuance of the new shares, and (iii) MGH receiving final approval from the Philippine Stock Exchange for the listing of the new shares.

4. All taxes and expenses to be paid by reason of the assignment of the new shares in favor of FEMI shall be for the account of MGH.

5. MGH hereby represents and warrants in favor of FEMI as follows:

- (a) The new shares shall be issued from the planned increase in the authorized capital stock of MGH from P2 billion pesos divided into 2 billion shares with a par value of P1.00 per share to P5 billion pesos divided into 5 billion shares with a par value of P1.00 per share (the "Increase").
- (b) Upon approval of the Increase by the Securities and Exchange Commission (SEC), MGH will have full legal right and capacity to

ACKNOWLEDGMENT

REPUBLIC OF THE PHILIPPINES)
CITY OF MAKATI) S.S.

OCT 10 2019

BEFORE ME, a Notary Public for and in Pasig City this _____ day of _____, 2019 personally appeared the following:

<u>Name</u>	<u>Competent Evidence of Identity</u>	<u>Expiration</u>
FERDINAND T. SANTOS	TIN 106-807-161	N/A
RAMON G. JIMENEZ	TIN 136-736-502	N/A

known to me to be the same persons who executed the foregoing instrument and acknowledged to me that the same is their free voluntary act and deed as well as of the Corporations they herein represent.

This instrument refers to a Deed of Assignment of Advances consisting of 4 pages including this page wherein the acknowledgment is written and signed by the parties and their instrumental witnesses.

WITNESS MY HAND AND SEAL on the date and at the place first above written.

Doc. No. 267-2
Page No. 54
Book No. 256
Series of 2019.

ATTY. JOSEPH D. LAPUZ
Notary Public for Makati City
Appointment # N-92 until 12/31/2019
PTR No. 7333896-Jan 3, 2019, Makati City
Roll No. 45790, IDP Lifetime Roll #04897
MCLE No. V-0019692/April 15, 2016
G/F Fedman Suites, 199 Salcedo Street
Legaspi Village, Makati City

femi.deedofassignmenttomghofadvances.kingston.joel

COVER SHEET

SEC Registration No. [9][1][4][2]

METRO GLOBAL HOLDINGS CORPORATION

(Company's Full Name)

MEZZANINE FLOOR, RENAISSANCE TOWER, MERALCO AVE., PASIG

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

ALICE ODCHIGUE-BONDOC Contact Person

(02)86336205 loc. 113 Company Telephone Number

SEC FORM 17-C (Results of 2024 Annual Shareholders Meeting and Organizational Meeting of the Board of Directors)

1 2 3 1 Month Day fiscal year

FORM TYPE

1st Thursday of March Month Day annual meeting

Listed

Secondary License Type, If Applicable

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 July 2024**
Date of Report (Date of earliest event reported)
2. SEC Identification Number: **9124** 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** (SEC Use Only)
Province, country or other jurisdiction of incorporation Industry Classification Code:
7. **Mezzanine Renaissance Towers, Meralco Ave., Pasig City** **1604**
Address of principal office Postal Code
8. **(632) 8633-6205**
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 and Amount of Debt Outstanding
Common Shares	2,750,000,000 share

11. Indicate the item numbers reported herein: Item 9
Please see attached letter.

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: July 25, 2024

By:



ALICE ODCHIGUE-BONDOC
SVP-Good Governance & Compliance Officer



METRO GLOBAL HOLDINGS CORP.

25 July 2024

SECURITIES AND EXCHANGE COMMISSION

SEC Headquarters
Makati Avenue, Makati City

Attention: **ATTY. OLIVER O. LEONARDO**
Director, Markets and Securities Regulation Department

THE PHILIPPINE STOCK EXCHANGE

6th to 10th Floors, PSE Tower
28th Street corner 5th Avenue
Bonifacio Global City, Taguig City

Attention: **MS. ALEXANDRA D. TOM WONG**
Head, Disclosure Department

Subject: RESULTS OF ANNUAL MEETING OF STOCKHOLDERS AND
ORGANIZATIONAL MEETING OF THE BOARD OF DIRECTORS

Gentlemen:

In compliance with the rules and regulations on disclosure of the Securities and Exchange Commission (“SEC”) and Philippine Stock Exchange (“PSE”), we hereby report the results of the Annual Meeting of the Stockholders of Metro Global Holdings Corporation (the “Company”) held today, July 25, 2024, 10:00 A.M. through remote communication, as follows:

1. The Corporate Secretary certified that there is a quorum for the transaction of business, there being present in person or represented by proxy a total of 91.26% of common shares of the Company.
2. The Corporate Secretary attested to the votes attained for the following matters approved and authorized by the stockholders:
 - 2.1 The stockholders approved the Minutes of the Annual Meeting of Stockholders held on 12 October 2023. The Company received votes in person and by proxy a total of 91.26% of common shares in favor of the approval of the Minutes of the Annual Meeting of Stockholders held on 12 October 2023.
 - 2.2 The stockholders approved the Annual Report and Audited Financial Statements of the Company for the calendar year ended 31 December 2023. The Company received votes in person and by proxy a total of 91.26% of common shares in favor of the approval of the Audited Financial Statements of the Company for the calendar year ended 31 December 2023.

- 2.3 The stockholders confirmed and ratified all acts, contracts, resolutions and proceeding made and entered into by Management and/or the Board of Directors and the various Committees constituted pursuant to the Code of Corporate Governance from October 12, 2023 up to the present. The Company received votes in person and by proxy a total of 91.26% of common shares in favor of the approval of the confirmation and ratification of all acts, contracts, resolutions and proceedings made and entered into by Management and/or Board of Directors and various Committees constituted pursuant to the Code of Corporate Governance from October 12, 2023 up to the present.
 - 2.4 The stockholders approved the extension of the Board term of Independent Director Francisco C. Gonzalez for another year following his previous 9-year term limit.
 - 2.5 The stockholders approved the appointment of Isla Lipana & Co. as the Company's independent external auditor. The Company received votes in person and by proxy a total of 91.26% of common shares in favor of the approval of the appointment of Isla Lipana & Co. as the Company's independent external auditor.
3. The stockholders, who voted in person and by proxy a total of 91.26% of common shares of the Company, elected the following directors for the ensuing year:
 - 3.1 Robert John L. Sobrepeña
 - 3.2 Atty. Ferdinand T. Santos
 - 3.3 Noel M. Cariño
 - 3.4 Rafael Perez de Tagle, Jr.
 - 3.5 Atty. Alice Odchigue-Bondoc
 - 3.6 Roberto S. Roco
 - 3.7 Jaime M. Cacho
 - 3.8 Francisco C. Gonzalez - Independent
 - 3.9 Jose Wilfrido M. Suarez – Independent

4. **In the Organizational Meeting of the Board of Directors of the Company held on 25 July 2024 immediately after the Annual Meeting of Stockholders**, the following matters were taken up:

The Board re-elected/re-appointed the Chairman of the Board and Officers of the Company to their respective positions:

Chairman of the Board & CEO	-	Robert John L. Sobrepeña
President & Chief Risk Officer	-	Atty. Ferdinand T. Santos

EVP for Operations & Director for Investor Relations	-	Rafael Perez de Tagle, Jr.
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SVP for Project Development	-	Jaime M. Cacho
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Senior Vice President-Good Governance	-	Atty. Alice Odchigue-Bondoc
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Compliance Officer, Corporate
Information Officer & Asst. Corporate
Secretary

Vice-President – Chief Finance Officer and Alternate Corporate Information Officer	-	Ramon G. Jimenez
Vice-President – Chief Audit Executive	-	Solita S. Alcantara
Vice-President – Business Dev't. & Special Projects	-	Sylvia M. Hondrade
VP for Records Management	-	Socorro G. Roco
VP for Human Resources	-	Khateryn M. Benitez
Corporate Secretary	-	Atty. Gilbert Raymund T. Reyes

5. The Board approved the constitution of the following Board Committees:

(1) EXECUTIVE COMMITTEE

Chairman: Robert John L. Sobrepeña
Members: Noel M. Cariño
Atty. Ferdinand T. Santos
Francisco C. Gonzalez (Independent Director)

(2) SALARY COMPENSATION COMMITTEE

Chairman: Robert John L. Sobrepeña
Members: Atty. Ferdinand T. Santos
Francisco C. Gonzalez (Independent Director)

(3) AUDIT COMMITTEE

Chairman: Francisco C. Gonzalez (Independent Director)
Members: Jose Wilfrido M. Suarez (Independent Director)
Roberto S. Roco
Solita S. Alcantara

(4) CORPORATE GOVERNANCE COMMITTEE

Chairman: Jose Wilfrido M. Suarez (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

(5) BOARD RISK OVERSIGHT COMMITTEE

Chairman: Jose Wilfrido M. Suarez (Independent Director)
Members: Francisco C. Gonzalez (Independent Director)
Atty. Ferdinand T. Santos
Atty. Alice Odchigue-Bondoc

(6) RELATED PARTY TRANSACTIONS COMMITTEE

Chairman: Francisco C. Gonzalez (Independent Director)
Members: Jose Wilfrido M. Suarez (Independent Director)
Roberto S. Roco
Ramon G. Jimenez

6. The Board approved the appointment of Banco de Oro- Stock Transfer Services as stock transfer agent.

Very truly yours,

METRO GLOBAL HOLDINGS CORPORATION

By:


ATTY. ALICE ODCHIGUE-BONDOC
Senior Vice President-Good Governance
Compliance Officer, Corporate
Information Officer & Asst. Corporate
Secretary



REPUBLIC OF THE PHILIPPINES
SECURITIES AND EXCHANGE COMMISSION
The SEC Headquarters
7907 Makati Avenue, Salcedo Village,
Barangay Bel-Air, Makati City, 1209, Metro Manila

COMPANY REG. NO. 9142

CERTIFICATE OF FILING OF AMENDED BY-LAWS

KNOW ALL PERSONS BY THESE PRESENTS:

THIS IS TO CERTIFY that the Amended By-Laws of

METRO GLOBAL HOLDINGS CORPORATION

copy annexed, adopted on August 4, 2023 by majority vote of the Board of Directors and on October 12, 2023 by the vote of the stockholders owning or representing at least two-thirds of the outstanding capital stock, and certified under oath by the Corporate Secretary and majority of the said Board was approved by the Commission on this date pursuant to the provisions of Section 47 of the Revised Corporation Code of the Philippines, Republic Act No. 11232, which took effect on February 23, 2019, and copies thereof are filed with the Commission.

IN WITNESS WHEREOF, I have set my hand and caused the seal of this Commission to be affixed to this Certificate at The SEC Headquarters, 7907 Makati Avenue, Salcedo Village, Barangay Bel-Air, Makati City, 1209, Metro Manila, Philippines, this 11th day of September, Twenty Twenty Four.



DANIEL P. GABUYO
Assistant Director

SO Order 1188 Series of 2018

BA/bds

REPUBLIC OF THE PHILIPPINES)

Pasig City

**CERTIFICATE OF AMENDMENT
OF THE
AMENDED BY-LAWS
OF
METRO GLOBAL HOLDINGS CORPORATION**

WE, the undersigned members of the Board of Directors of **METRO GLOBAL HOLDINGS CORPORATION** (the "Corporation") and the Chairman and Assistant Corporate Secretary of the Corporation,

DO HEREBY CERTIFY THAT:

1. At the Special Meeting of the Board of Directors of the Corporation held on 4 August 2023 at the Corporation's principal office at Mezzanine Floor, Renaissance Tower, Meralco Avenue, Pasig City, at least a majority of the members of the Board of Directors approved and adopted the following amendments to the BY-LAWS of the Corporation:

"RESOLVED, AS IT IS HEREBY RESOLVED, that the Corporation amend Article V, Sections 2, 3, 4, 6, & 7 of the By-Laws of the Corporation to read as follows:

ARTICLE V

MEETINGS

Section 2. Meetings of stockholder may be regular or special, and shall be held at the office of the Corporation in Metro Manila. Annual regular meetings shall be held on the last Thursday of July of each year, if such day be not a holiday, otherwise, they shall be on the first working day after such date. Special meetings of stockholders may be held at any time by resolution of the Board of Directors or at the request of stockholders representing at least one-third (1/3) of the subscribed and outstanding capital, setting forth the purpose of such meeting in the notice.

Section 3. Regular or Special Meetings of Stockholders shall be called by written notice sent thru electronic email, the post office, or messengerial services, addressed to each stockholder at the latter's address appearing in the registry book of the Corporation, not less than twenty-eight (28) days prior to the date of such meeting; provided, however, that this requisite may be waived in writing by the stockholders. The requirement for notice to the meeting shall be deemed waived if the stockholder shall be present thereat, whether in person, by proxy or via remote communication, or shall have participated in

voting in absentia. Publication of notice of meeting in the newspapers in lieu of the written notice shall be allowed when necessary.

Notices of regular or special meeting shall contain, in addition to the date, hour and place of meeting, a statement of the matters to be taken up at such meeting.

Section 4. A majority of the subscribed capital, present in person or represented by proxy, **or participating in the meeting via remote communication,** shall be required at every meeting to constitute a quorum for the election of directors and for the transaction of any business whatsoever except in those cases in which the **Revised** Corporation Code requires the affirmative vote of a greater proportion. **Stockholders casting their votes in absentia, as may be provided for by the Board of Directors, shall also be deemed present for purposes of determining the existence of a quorum. Meetings of the stockholders may be conducted via remote communication, such as by teleconferencing or videoconferencing, subject to such guidelines as may be promulgated by the Securities and Exchange Commission.**

In the absence of quorum, any officer entitled to preside or act as Secretary of such meeting, shall have the power to adjourn the meeting from time to time, until stockholders holding the requisite number of stock shall be present or represented. At such adjourned meeting at which a quorum may be present, any business may be transacted which might have been transacted at the meeting as originally called.

Section 6. **At each meeting of the stockholders, every stockholder shall be entitled to vote in person, by proxy or via remote communication or in absentia, electronically or otherwise, as may be provided for by the Board of Directors.** Each share of stock entitles the person in whose name it is registered in the books of the Corporation to one vote, provided that shares have not been declared delinquent.

Section 7. The election of Directors shall be by ballot when requested by a voting stockholder, and each stockholder entitled to vote may cast, **in person or by proxy or via remote communication or in absentia, electronically or otherwise, as may be provided for by the Board of Directors,** such number of votes to which the number of Directors to be elected, multiplied by the number of his shares shall equal, or he may distribute them on the same principle among as many candidates as he may see fit, provided that the whole number of votes cast by him shall not exceed the number of shares owned by him multiplied by the total number of Directors to be elected. (As amended on 23 September 2004)

The Chairman shall appoint two tellers to supervise the election of Directors who shall hold office during the year following the date of their election. No candidate for the office of Director may hold office of the teller.

Only nominees whose names appear in the Final List of Candidates issued by the Nomination and Election Committee shall be eligible for election as directors and independent directors. Nominations made after the issuance of the Final List of Candidates, or during the annual stockholders' meeting, shall not be allowed. (As amended on 23 September 2004)

"RESOLVED, FURTHER, that any of the directors or officers of the Corporation be, as each of them is hereby authorized and directed to execute and deliver the necessary certificates and other documents with the Securities and Exchange Commission and other government agencies and perform all actions as may be necessary to fully implement the foregoing resolutions."

2. The foregoing resolutions amending the By-Laws of the Corporation were subsequently approved by the stockholders representing more than two-thirds (2/3) of the subscribed and outstanding capital stock of the Corporation at the Special Stockholders Meeting held on 12 October 2023 at the Corporation's principal office at Renaissance Tower, Meralco Avenue, Pasig City.
3. The amendment to Article V, Section 2, 3, 4, 6 & 7 of the By-Laws have been duly incorporated in the proposed Amended By-Laws of the Corporation, a true and correct copy of which is hereto attached.
4. All requirements of Section 15 of the Revised Corporation Code were complied.


IN WITNESS WHEREOF, we have hereunto signed these presents on
AUG 08 2024 at Pasig City.


ROBERT JOHN L. SOBREPENA
Chairman & CEO


ALICE ODCHIGUE BONDOC
Assistant Corporate Secretary



FERDINAND T. SANTOS
Director



NOEL M. CARINO
Director


JAIME M. CACHO
Director


RAFAEL R. PEREZ DE TAGLE, JR.
Director


ROBERTO S. ROCO
Director


FRANCISCO C. GONZALEZ
Director


JOSE WILFRIDO M. SUAREZ
Director

SUBSCRIBED AND SWORN to before me this
AUG 08 2024, affiants exhibiting to me competent proofs of their
identity, to wit:

Name	Competent Evidence of Identity	Date/Place of Issue
Robert John Sobrepena		
Ferdinand T. Santos		
Noel M. Carino		
Rafael Perez de Tagle Jr.		
Jaime M. Cacho		
Roberto S. Roco		
Rafael Perez de Tagle Jr.		
Francisco C. Gonzalez		
Alice Odchigue-Bondoc		
Jose Wilfrido M. Suarez		

NOTARY PUBLIC


ATTY. JOMAR M. HIZOLA
NOTARY PUBLIC

Cities of Parig, San Juan and Pateros, Metro Manila
21k Strata 100 Bldg., Don F. Ortigas St., Pasig City
Appointment No. 150; Until Dec. 31, 2024
SC. Roll No. 21022/ 05-21-2022
IBP No. 423716 / 01/16/2024; IBP Manila I
PTD No. 1716816 / 01/16/2024; Pasig City
MCLE No. VIII-0006903 02/20/2024-04/14/2028

Doc. No. 374
Page No. 76
Book No. 5;
Series of 2024.

AMENDED BY-LAWS

OF

METRO GLOBAL HOLDINGS CORPORATION

(As amended on 6 May 2014)

(Formerly: Fil-Estate Corporation)

Section 1. Each stockholder who has fully paid his subscription shall be entitled to one or more certificates setting forth the number of shares of stock in the Corporation registered in his name in the books thereof. The certificates, which must be issued in consecutive order, shall bear the signature of the Chairman of the Board countersigned by the Secretary or Assistant Secretary, and sealed with the corporate seal; Provided, however that where any such certificate is signed by a transfer agent and/or by a registrar duly designated by the Board of Directors, the signatures of the Chairman of the Board, Secretary or Assistant Secretary and the seal of the Corporation upon such certificates may be facsimiles, printed or engraved; provided, further, that the Board of Directors may authorize the transfer agent and/or registrar to use facsimile signatures, whether printed or engraved, notwithstanding that the signatures of the officers of the Corporation enumerated herein shall likewise be facsimiles, upon such terms and conditions as the Board may impose. No certificate shall be issued for fractional shares.

Section 2. A stock certificate may be transferred, sold, assigned or pledged by written endorsement on the back and the delivery thereof by the transferor to the transferee, but the Corporation shall continue to consider the person in whose name the certificate was issued as owner thereof until such certificate shall have been surrendered to the Secretary for cancellation and replaced by a new certificate in the name of the transferee and until the transfer is recorded in the books of the Corporation so as to show the names of the parties to the transaction, the date of the transfer, the number of certificates or certificates and the number of the shares transferred.

No shares of stock against the which the Corporation holds any unpaid claim shall be transferable in the books of the Corporation.

Section 3. All certificates so surrendered to the Secretary shall marked by him with the word "CANCELLED".

Section 4. Duplicate of lost or destroyed certificate or lost certificates to replace said lost or destroyed certificates may be issued in accordance with the requirements of Section 73 of the Corporation Code.

Section 5. For the purpose of determining the stockholders entitled to notice of or to vote at any meeting of stockholders or any adjournment thereof, or to receive payment of any dividend, or of making a determination of stockholders for any other purpose, the Board of Directors may provide that the stock and transfer books be closed for a stated period, which shall not be more than sixty (60) days nor less than thirty (30) days before the date of such meeting. In the event that the Board of Directors fails to specify a date for the closing of the stock and transfer books, the closing date shall be deemed to be the thirtieth (30th) calendar day prior to the intended date of the meeting. In lieu of closing the stock and transfer books, the Board of Directors may fix in advance a date as the record date for any such determination of stockholders, which shall not be less than twenty (20) days prior to the date on which the particular action requiring such determination of stockholders is to be taken. The provisions of this section shall apply to any adjournment of the meeting provided, however, that the Board of Directors may fix a new record date for the adjourned meeting.

ARTICLE II

INVESTMENT OF CORPORATE FUNDS

Section 1. The funds of the Corporation other than the sums necessary for current expenses shall be invested as may be directed by the Board of Directors in accordance with the Articles of Incorporation and subject to the limitations provided by existing laws.

Section 2. All funds of the Corporation shall be deposited in its name in such banks and credit institutions as the Board of Directors may designate.

ARTICLE III

BOARD OF DIRECTORS

Section 1. Number, Election and Term. The business and property of the Corporation shall be managed by a Board of nine (9) Directors who shall be stockholders and who shall be elected at each

annual meeting of the stockholders in the manner provided in these By-Laws for a term of one (1) year and shall serve until their successors are elected and duly qualified. At all times, at least two (2) Directors shall be independent directors, as the term is defined by law or regulation, as such number of independent directors as to constitute at least twenty percent (20%) of the members of the Board, whichever is lesser. As amended on 23 September 2004.

Section 2 - Qualifications - Each director shall own in his own right at least one (1) share of the capital stock of the corporation.

No person shall qualify or be eligible for nomination or election to the Board of Directors if he is engaged in any business which competes with or is antagonistic to that of this Corporation. Without limiting the generality of the foregoing, a person shall be deemed to be so engaged:

- a. If he is an officer, manager or controlling person of, or the owner (either of record or beneficiary) of 10% or more of any outstanding class of shares of any corporation engaged in a business which the Board by at least a majority vote determines to be competitive or antagonistic to that of this Corporation.

The immediately preceding paragraph shall not apply to cases where such competing corporation is a parent, subsidiary or affiliate of this Corporation. For purposes of this provision, a parent, subsidiary or affiliate is:

- i. a corporation at least 30% of the capital stock issued and outstanding is owned by this Corporation; or
 - ii. a shareholder, corporate or otherwise owning at least 30% of the capital stock issued and outstanding of this Corporation; or
 - iii. a corporation which has a shareholder in common with this Corporation where such shareholder owns at least 30% of the capital stock issued and outstanding of both such other corporation and this Corporation, respectively.
- b. If he is an officer, manager or controlling person of, or the owner (either of record or beneficiary) of 10% or more of any outstanding class of shares of any other company or entity engaged in any line of business of the corporation, when it



the judgment of the Board, by at least a majority vote, the laws against combinations in restraint of trade shall be violated by such person's membership in the Board of Directors, or

- (c) If the Board, in the exercise of its judgment in good faith, determines by at least a majority vote that he is the nominee of any person set forth in the first paragraph of (a) or (b).

In determining whether or not a person is controlling person, beneficial owner, or the nominee of another, the Board shall take into account such factors as business and family relationship.

Nomination of directors, including independent directors, shall be conducted by the Nomination Committee at least thirty (30) days prior to the date of the annual stockholders meeting. All recommendations shall be signed by the stockholders making the nomination and should list the reasons acceptable and conformity of the nominees.

The Nomination and Election Committee shall pre-screen the qualifications and prepare a final list of candidates for directors, including the nominated independent directors. For this purpose, the Nomination and Election Committee shall promulgate such screening policies and parameters to enable it to effectively review the qualifications of the nominees.

The Nomination and Election Committee shall prepare a Final List of Candidates in accordance with Part IV(A), and (C) of SEC Rule 12 and other applicable rules, or any subsequent amendments thereof. The Final List of Candidates shall be made available to the Securities and Exchange Commission and to all stockholders through the filing and distribution of the information statement or proxy statement in accordance with applicable rules. The name of the stockholder who nominated the candidate for director or independent director shall be identified in such report. Only nominees whose names appear on the Final List of Candidates shall be eligible for election as directors and independent directors. Nominations made after the issuance of the Final List of Candidates, or during the annual stockholders' meeting, shall not be allowed. (As amended on 23 September 2004)

Section 3. Vacancies Any vacancies occurring in the Board of Directors other than by removal by the stockholders or by expiration of term, may be filled by the vote of at least a majority of the remaining directors, if still constituting a quorum; otherwise, the vacancy must be filled by the stockholders at a regular or at any special meeting of stockholders called for the purpose. A director so elected to fill a vacancy shall be elected only for the unexpired term of his predecessor in office.

Any directorship to be filled by reason of an increase in the number of directors shall be filled only by an election at a regular or at a special meeting of stockholders duly called for the purpose, or in the same meeting authorizing the increase of directors if so stated in the notice of the meeting.

The vacancy resulting from the removal of a director by the stockholders in the manner provided by law may be filled by election at the same meeting of stockholders without further notice, or at any regular or at any special meeting of stockholders called for the purpose, after giving notice as prescribed in these By-Laws.

Section 4. Meetings - Regular meetings of the Board of Directors shall be held once every quarter of the year on such dates and at such times and places as the Chairman of the Board, or in his absence the Vice Chairman or President, may require, or upon the request of a majority of the directors, and shall be held at such places as may be designated in the notice.

Section 5. Notice - Notice of the regular or special meeting of the Board, specifying the date, time and place of the meeting, shall be communicated by the Secretary to each director personally or by telephone, telex, telegram, or by written or oral message. A director may waive this requirement, either expressly or impliedly.

Section 6. Quorum - A majority of the number of directors as fixed in the Articles of Incorporation shall constitute a quorum for the transaction of corporate business. Every decision of at least a majority of the directors present at a meeting at which there is a quorum shall be valid as a corporate act, except for the election of officers which shall require the vote of a majority of all the members of the Board.

Section 7. Conduct of the Meetings - Meetings of the Board of Directors shall be presided over by the Chairman of the Board, or in his absence, by the Vice Chairman, or in his absence, by the President or if none of the foregoing is in office and present and acting, by any other director chosen by the Board. The Secretary shall act as secretary of

every meeting, and if not present, the Chairman of the meeting shall appoint a secretary of the meeting.

Section 8. Compensation - By resolution of the Board, each director shall receive a reasonable per diem allowance for his attendance at each meeting of the board. As compensation, the Board 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.

ARTICLE IV

OFFICERS

Section 1. Election/Appointment - Immediately after their election, the Board of Directors shall formally organize by electing the Chairman, the Vice-Chairman, the President, the Treasurer, and the Secretary, at said meeting. The Board may also appoint an Executive Vice President, one or more Vice Presidents, an Assistant Treasurer, and an Assistant Secretary, all of whom need not be directors of the corporation, and who shall be referred to as the by-laws officers.

The Board may, from time to time, appoint such other officers as it may determine to be necessary or proper.

Any two (2) or more positions may be held concurrently by the same person, except that no one shall act as President and Treasurer or Secretary at the same time.

Section 2. Chairman of the Board - The Chairman of the Board of Directors shall establish operating policies, guide the Board in formulating company objectives, and assist the corporation in developing the means for attaining those objectives. He shall assist and/or take part in the day-to-day operations of the Corporation. He shall preside at the meetings of the directors and the stockholders. As presiding officer at annual meetings of stockholders, he shall inform all stockholders in attendance of the mandatory requirement of electing independent directors and ensure that independent directors are elected during the meeting. In case of failure to elect independent directors, he shall call a separate election during the same meeting to fill up the vacancy. He shall sign certificates of stock of the Corporation. He shall also exercise such powers and perform such duties as the Board of Directors may assign to him. (As amended on 23 September 2004)

Section 3. Vice-Chairman. The Vice-Chairman, who shall be a director, shall preside at the meetings of the directors and stockholders in the absence of the Chairman. He shall also exercise such powers and perform such duties as the Board of Directors may assign to him.

Section 4. President. The President, who shall be a director, shall be the Chief Executive Officer of the Corporation and shall have administration and direction of the day-to-day business affairs of the Corporation. He shall be directly accountable to the Board of Directors for the overall operations of the business, its current profitability and long term growth. He shall exercise the following functions:

- a) To preside at the meetings of the Board of Directors and of the stockholders in the absence of the Chairman of the Board of Directors,
- b) to initiate and develop corporate objectives and policies and formulate long range projects, plans and programs for the approval of the Board of Directors, including those for executive training, development and compensation;
- c) to have general supervision and management of the business affairs and property of the Corporation,
- d) to ensure that the administrative and operational policies of the Corporation are carried out under his supervision and control,
- e) subject to guidelines prescribed by law, to appoint, remove, suspend or discipline employees of the Corporation, prescribe their duties and determine their salaries,
- f) to oversee the preparation of the budgets and the statements of accounts of the Corporation;
- g) to prepare such statements and reports of the Corporation, as may be required of him by law,
- h) to represent the Corporation at all functions and proceedings,
- i) to execute on behalf of the Corporation all contracts, agreements and other instruments affecting the interests of the Corporation which require the approval of the Board of

Directors, except as otherwise directed by the Board of Directors;

- a) to make reports to the Board of Directors and stockholders and
- b) to perform such other duties as are incident to his office or are entrusted to him by the Board of Directors.

The President may assign the exercise or performance of any of the foregoing powers, duties and functions to any other officials of the Corporation subject always to his supervision and control.

The President shall preside over the meetings of the directors and stockholders in the absence of both the Chairman and the Vice Chairman.

Section 5. The Executive Vice President - In the absence of the President, and if an Executive Vice President is appointed and is qualified, the Executive Vice President shall act in his place, exercise his powers and perform such duties as the by-laws provide. The Executive Vice President shall also exercise such powers and perform such duties as the Board of Directors or the President may assign.

Section 6. The Vice-President(s) - If one or more Vice-Presidents are appointed, he they shall have such powers and shall perform such duties as may from time to time be assigned to him/them by the Board of Directors or by the President. Any Vice-President authorized for the purpose may also sign with the Secretary or Assistant Secretary and on all certificates of stocks of the Corporation.

Section 7. The Secretary - The Secretary must be a resident and a citizen of the Philippines. He shall be the custodian of and shall maintain the corporate books and records, and shall be the recorder of the corporation's formal actions and transactions. He shall have the following specific powers and duties:

- a) To record or see to the proper recording of the minutes and transactions of all meetings of the directors and the stockholders and to maintain minute books of such meetings in the form and manner required by law;
- b) to keep or cause to be kept record books showing the details required by law with respect to the stock certificates of the Corporation, including ledgers and transfer books showing

all shares of the Corporation subscribed, issued and transferred;

- c) to keep the corporate seal and affix it to all papers and documents requiring a seal, and to attest by his signature all corporate documents requiring the same;
- d) to attend to the giving and serving of all notices of the Corporation required by law or those by laws to be given;
- e) to certify to such corporate acts, countersign corporate documents or certificates, and make reports or statements as may be required of him by law or by government rules and regulations;
- f) to act as inspector at the election of directors and, as well, to determine the number of shares of stocks representing and entitled to vote, the shares of stock represented at the meeting, the existence of a quorum, the validity and effect of proxies, and to receive votes, ballots or consents, hear and determine all challenges and questions arising in connection with the right to vote, count and tabulate all votes, ballots or consents, determine the result, and to do such acts as are proper to conduct the election or vote. The Secretary may assign the exercise or performance of any or all of the foregoing duties, powers and functions to any other person or persons, subject always to his supervision and control;
- g) to sign certificates of stock; and
- h) to perform such other duties as are incident to his office or as may be assigned to him by the Board of Directors or the President.

Section 5. The Assistant Secretary - In the absence or disability of the Secretary, and if an Assistant Secretary is appointed and is qualified, the Assistant Secretary shall act in his place and perform his duties. The Secretary may, subject always to his supervision and control, delegate any or all of his powers, duties and functions to the Assistant Secretary. The Assistant Secretary shall also perform such other duties as may, from time to time, be assigned to him by the Board of Directors or the President.

Section 9. The Treasurer - The Treasurer of the Corporation shall be its chief fiscal officer and the custodian of its funds, securities and property. The Treasurer shall have the following duties:

- a) To keep full and accurate accounts of receipts and disbursement in the books of the Corporation;
- b) to have custody of, and be responsible for, all the funds, securities and books of the Corporation;
- c) to deposit in the name and to the credit of the Corporation, in such bank as may be designated from time to time by the Board of Directors, all the moneys, funds, securities, bonds, and similar valuable effects belonging to the Corporation which may come under his control;
- d) to render an annual statement showing the financial condition of the Corporation and such other financial reports as the Board of Directors, the Chairman, or the President may, from time to time require;
- e) to prepare such financial reports, statements, certificates and other documents which may, from time to time, be required by government rules and regulations and to submit the same to the proper government agencies;
- f) to exercise such powers and perform such duties and functions as may be assigned to him by the President.

Section 10. The Assistant Treasurer - In the absence of the Treasurer, and if an Assistant Treasurer is appointed and is qualified, the Assistant Treasurer shall act in his place and perform his duties. The Treasurer may, at his request or in his disability, delegate any or all of his powers, duties and functions to the Assistant Treasurer. The Assistant Treasurer shall also perform such other duties as may from time to time be assigned to him by the President.

Section 11. Term of Office - The term of office of all officers shall be for a period of one (1) year and until their successors are duly elected and qualified. Such officers may, however, be sooner removed, either with or without cause, by the vote of a majority of the whole Board of Directors.

Section 12. Vacancies - If any position of the officers becomes vacant by reason of death, disqualification or for any other cause, the Board of Directors, by majority vote, may elect a successor who shall hold office for the unexpired term.

Section 13. Compensation - The by-laws officers shall receive such remuneration as the Board of Directors may determine. All other officers shall receive such remuneration as the Board of Directors may determine upon recommendation of the President. A director shall not be precluded from serving the Corporation in any other capacity as an officer, agent or otherwise, and receiving compensation therefor, or from voting in any resolution fixing the same.

ARTICLE V

MEETINGS

Section 1. The meeting of stockholders duly constituted shall be competent to transact any business for which it was called. It shall be deemed to represent the entire body of stockholders and shall bind absenting or dissenting stockholders.

Section 2. Meetings of stockholder may be regular or special, and shall be held at the office of the Corporation in Metro Manila. Annual regular meetings shall be held on the **last** Thursday of **July** of each year, if such day be not a holiday, otherwise, they shall be on the first working day after such date. Special meetings of stockholders may be held at any time by resolution of the Board of Directors or at the request of stockholders representing at least one-third (1/3) of the subscribed and outstanding capital, setting forth the purpose of such meeting in the notice. (As amended on 12 October 2023)

Section 3. Regular or Special Meetings of Stockholders shall be called by written notice sent thru **electronic email**, the post office, or messengerial services, addressed to each stockholder at the latter's address appearing in the registry book of the Corporation, not less than **twenty-eight (28)** days prior to the date of such meeting; provided, however, that this requisite may be waived in writing by the stockholders. **The requirement for notice to the meeting shall be deemed waived if the stockholder shall be present thereat, whether in person, by proxy or via remote communication, or shall have participated in voting in absentia.** Publication of notice of meeting in the newspapers in lieu of the written notice shall be allowed when necessary. (As amended on 12 October 2023)

Notices of regular or special meeting shall contain, in addition to the date, hour and place of meeting, a statement of the matters to be taken up at such meeting.

Section 4. A majority of the subscribed capital, present in person or represented by proxy, or participating in the meeting via remote communication, shall be required at every meeting to constitute a quorum for the election of directors and for the transaction of any business whatsoever except in those cases in which the Revised Corporation Code requires the affirmative vote of a greater proportion. **Stockholders casting their votes in absentia, as may be provided for by the Board of Directors, shall also be deemed present for purposes of determining the existence of a quorum. Meetings of the stockholders may be conducted via remote communication, such as by teleconferencing or videoconferencing, subject to such guidelines as may be promulgated by the Securities and Exchange Commission.** (As amended on 12 October 2023)

In the absence of quorum, any officer entitled to preside or act as Secretary of such meeting, shall have the power to adjourn the meeting from time to time, until stockholders holding the requisite number of stock shall be present or represented. At such adjourned meeting at which a quorum may be present, any business may be transacted which might have been transacted at the meeting as originally called.

Section 5. Any stockholder entitled to vote may be represented by proxy at any regular or special stockholders' meeting. Proxies shall be in writing and signed by the stockholders, but no other formality is required. Proxies for any annual meetings shall be filed and submitted to the Secretary of the Corporation at least five (5) business days prior to the date of such meeting. Unless otherwise provided in the proxy, it shall be valid only for the meeting for which is it intended.

Section 6. **At each meeting of the stockholders, every stockholder shall be entitled to vote in person, by proxy or via remote communication or in absentia, electronically or otherwise, as may be provided for by the Board of Directors.** Each share of stock entitles the person in whose name it is registered in the books of the Corporation to one vote, provided that shares have not been declared delinquent. (As amended on 12 October 2023)

Section 7. The election of Directors shall be by ballot when requested by a voting stockholder, and each stockholder entitled to vote may cast, **in person or by proxy or via remote communication or in absentia, electronically or otherwise, as may be provided for by the Board of Directors, such number of votes to which the number of Directors to be elected, multiplied by the number of his shares shall equal, or he may distribute them on the same principle among as many candidates as he may see fit, provided that the whole number of votes cast by him shall not exceed the number of shares owned by him multiplied by the total number of Directors to be elected.** (As amended on 23 September 2004) (As amended on 12 October 2023)

The Chairman shall appoint two tellers to supervise the election of Directors who shall hold office during the year following the date of their election. No candidate for the office of Director may hold office of the teller.

Only nominees whose names appear in the Final List of Candidates issued by the Nomination and Election Committee shall be eligible for election as directors and independent directors. Nominations made after the issuance of the Final List of Candidates, or during the annual stockholders' meeting, shall not be allowed. (As amended on 23 September 2004)

Section 8. All stockholders meetings shall be presided by the Chairman of the Board, or in his absence by the President.

The minutes of the stockholders meetings shall be signed by the Secretary, with the approval of the Chairman of the meeting.

Section 9. For the transaction of business at the annual stockholders meeting and as far as possible at all other meetings of the stockholders, the following order shall be observed:

1. Secretary's proof of due notice of the meeting and the determination of quorum;
2. Reading and approval of any unapproved minutes;
3. Reports of officers, annual and otherwise;
4. Financial Report and approval of Financial Statements for the preceding year;
5. New business
 - a. Ratification of all the acts and resolutions of the Executive Committee and the Board of Directors;
 - b. Any other new business
6. Transaction of such other matters as may properly come before the meeting;
7. Election of Directors;
8. Election of Auditor;
9. Adjournment.

ARTICLE VI**THE AUDIT**

Section 1. At each annual meeting held the stockholders shall elect the External Auditor who shall audit the accounts of the Corporation until the next Annual Meeting (As amended on 23 September 2004)

Section 2. It shall be the duty of the External Auditor to meet and examine the books of account of the Corporation, and shall certify to the Board of Directors and shareholders the annual balance of said books which shall be prepared at the close of the said year under the direction of the Treasurer. The External Auditor shall also perform same functions provided in the Corporation's Manual or Corporate Governance or any amendments or supplements thereto. No director or officer of the Corporation, and no firm or corporation of which said officer or director is a member, shall be eligible to discharge the duties of External Auditor. The compensation of the External Auditor shall be fixed by the Board of Directors (As amended on 23 September 2004)

Section 3. A copy of the balance sheet and the report shall be filed in the offices of the Corporation ten (10) days in advance of the date on which the Annual Meeting of stockholders is held and shall be open for inspection by the stockholders

Section 4. The auditor shall receive such remuneration as the Board of Directors may determine

ARTICLE VII**MISCELLANEOUS AND TRANSITORY PROVISIONS**

Section 1. The seal of the Corporation shall contain the name, principal place of business of the Corporation, and the words "INCORPORATED IN 1954" and said seal is hereby adopted as a corporate seal

Section 2. These By Laws may be amended, repealed or modified by the affirmative vote of the stockholders owning or representing a majority of the outstanding capital stock and majority of the Board of Directors at any regular meeting or at any special meeting duly called for the purpose, provided, however, that by the affirmative vote of the stockholders owning or representing at least two-thirds (2/3) of the outstanding capital stock, the power and authority to amend or repeal

these By-Laws or adopt new By-Laws may be delegated to the Board of Directors. Provided, finally that the delegation of such powers and authority to the Board shall be considered as revoked whenever stockholders owning or representing a majority of the outstanding capital stock shall so vote at a regular or special meeting called for the purpose.

Section 3. The fiscal year of the Corporation shall commence with the opening of the business on the first day of each January and end at the 31st day of December of each calendar year (As amended on 23 September 2004)

Section 4. In the event of any conflict between the provisions of these By-Laws and the terms and conditions of the Corporation's Memorandum of Corporate Governance, or any amendments or supplements thereto, these By-Laws shall prevail. (As amended on 23 September 2004)

ARTICLE VIII

DISTRIBUTION OF PROFITS

Section 1. The Board of Directors shall have the discretion, by way of an executive incentive bonus plan to be given during any year, to distribute a portion of the surplus profits under such terms it may deem appropriate and in an amount not exceeding five (5%) percent of the net profits after tax of the Corporation and before bonus of the calendar year immediately preceding the year in which bonus is to be paid.

Section 2. Twenty-five (25%) percent of the net profits after tax of the Corporation shall be made for distribution as dividends to stockholders, subject to the discretion of the Board of Directors to reduce said amount when, in its judgment, said action may be deemed necessary and/or convenient for the business of the Corporation or in direct contingencies that might arise in the course of its business.

ARTICLE IX

INDEMNIFICATION OF DIRECTORS AND OFFICERS

The Corporation shall indemnify every director, officer, his heirs, executors and administrators against all costs and expenses reasonably incurred by such person in connection with any civil, criminal, administrative or investigative action, suit or proceeding to which he may be or is made a party by reason of his being or having been a director or officer, except in relation to matters as to which he shall be found

adjudged in such action, suit or proceeding to be liable for negligence or misconduct. In the event of a settlement or a compromise, indemnification shall be provided only in connection with such matters covered by the settlement as to which the Corporation is advised by counsel that the person to be indemnified did not commit such a breach of duty.

The costs and expenses incurred in defending the aforementioned action, suit or proceeding may be paid by the Corporation in advance of the final disposition of such action, suit or proceeding as authorized in the manner provided for in the preceding paragraph upon receipt of an undertaking by or in behalf of the director or officer to repay such amount unless it shall be ultimately be determined that he is to be indemnified by the Corporation as authorized in these By-Laws.

**ARTICLE X
ADOPTION CLAUSE**

That, the stockholders of **METRO GLOBAL HOLDINGS CORPORATION**, a corporation organized and existing under the laws of the Philippines, representing a majority of all the subscribed capital stock of said corporation have voted for the foregoing new by-laws of said corporation in a meeting of stockholders of said corporation duly held, whereby said new by-laws were duly adopted by said corporation as delegated to the Board of Directors.

IN WITNESS WHEREOF, and in compliance with the requirements of the corporation law of the Philippines, we, a majority of the members of the Board of Directors of the corporation, sign these presents at Pasig, Philippines, this 31st day of July 1996.

[Signed]
ROBERT JOHN L. SOBREPENA
Chairman of the Board

[Signed]
FERDINAND T. SANTOS
Director

[Signed]
NOEL M. CARIÑO
Director

[Signed]
LAURITO SERRANO
Director

[Signed]
SABRINA T. SANTOS
Director

SW16-01
04-2013
KSC (unclassified release)

DIRECTORS' CERTIFICATE



KNOW ALL MEN BY THESE PRESENTS:

WE, the undersigned, being a majority of the Board of Directors and the Corporate Secretary of **METRO GLOBAL HOLDINGS CORPORATION** (the "Corporation"), do hereby certify that:

At the special meeting of the Board of Directors duly held on 24 September 2018 at the Mezzanine Floor, Renaissance Tower, Meralco Avenue, Pasig City, wherein majority of the members of the Board of Directors were present, and the vote of the stockholders representing at least two-thirds (2/3) of the issued and outstanding capital stock of the Corporation on 22 November 2018 at Batanes Room, Edsa Shangri-la Manila, 1 Garden Way, Ortigas Center, Mandaluyong, the amendment of the Primary Purpose and the amendment to Increase the Authorized Capital Stock of the Corporation were considered and approved, thereby amending the Article Second and Seventh of the Corporation's Amended Articles of Incorporation to read as follows:

ARTICLE SECOND

"SECOND: That the purposes for which said Corporation is formed are the following:

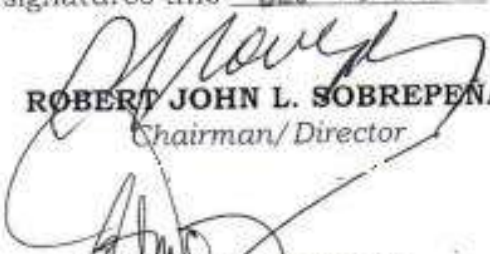
To, acquire by purchase, exchange, assignment, gift or otherwise, and to hold, own and use for investment or otherwise, and to sell, assign, transfer, exchange, lease, let, develop, mortgage, pledge, traffic, deal in, and with, and otherwise operate, manage, enjoy and dispose of any and all properties of every kind and description and wherever situated, as and to the extent permitted by law, including but not limited to, buildings, solar, wind and other renewable energy generation facilities, tenements, warehouses, factories, edifices, and structures and other improvements; to acquire by purchase or lease, or otherwise, lands and interest in lands, and to own, hold, improve, develop, manage any real property so acquired and to erect or cause to be erected on any lands owned, held or occupied by the corporation, buildings or other structures including solar, wind and other renewable power generation facilities now or after erected on any lands so owned, held or occupied; to acquire or otherwise deal in bonds, debentures, promissory notes, shares of capital stock, or other securities or obligations, created, negotiated or issued by any corporation, association, or other entity, foreign or domestic and while the owner, holder, or possessor thereof, to exercise all the rights, powers and privileges of ownership or any other interest therein, including the right to receive, collect and dispose of, any and all rentals, dividends, interests and income, derived therefrom, and the right to vote on any proprietary or other interests, on any shares of the capital stock, and upon any bonds, debentures, or other securities having voting power, so owned or held; and provided that it shall not engaged in the business of an open-end or close-end investment company as defined in the Investment Company Act (Republic Act No.

2629) or act as securities broker or dealer (as amended on 22 November 2018)."

ARTICLE SEVENTH

"That the capital stock of the said Corporation is FIVE BILLION PESOS (P5,000,000,000.00) Philippine Currency divided into FIVE BILLION (5,000,000,000) shares with a par value of One Peso (P1.00) Philippine Currency per share *(as amended on 22 November 2018).*"


IN WITNESS WHEREOF, we have hereunto affixed our signatures this DEC 13 2017 in PASIG



ROBERT JOHN L. SOBREPENA
Chairman/ Director


ATTY. FERDINAND T. SANTOS
Director

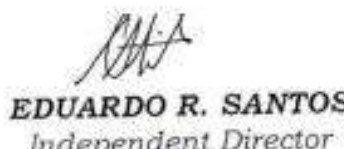

NOEL M. CARIÑO
Director



JAIME M. CACHO
Director


FRANCISCO C. GONZALEZ
Independent Director


ROBERTO S. ROCO
Director


RAFAEL R. PEREZ DE TAGLE, JR.
Director


EDUARDO R. SANTOS
Independent Director


ATTY. ALICE ODCHIGUE-BONDOC
Director & Asst. Corporate Secretary

SUBSCRIBED AND SWORN to before me this DEC 13 2017 at PASIG, affiants exhibiting to me their valid identifications, to wit:

Name

Valid ID

Robert John L. Sobrepeña
Atty. Ferdinand T. Santos
Noel M. Cariño
Jaime M. Cacho
Francisco C. Gonzalez
Roberto S. Roco
Eduardo R. Santos
Rafael Perez De Tagle, Jr.
Atty. Alice Odchigue-Bondoc

Doc. No. 459;
Page No. 97;
Book No. 104;
Series of 2018.



REPUBLIC OF THE PHILIPPINES
SECURITIES AND EXCHANGE COMMISSION
The SEC Headquarters
7907 Makati Avenue, Salcedo Village,
Barangay Bel-Air, Makati City, 1209, Metro Manila

COMPANY REG. NO. 9142

CERTIFICATE OF FILING
OF
AMENDED ARTICLES OF INCORPORATION

KNOW ALL PERSONS BY THESE PRESENTS:

THIS IS TO CERTIFY that the Amended Articles of Incorporation of the

METRO GLOBAL HOLDINGS CORPORATION
(Amending Article III thereof)

copy annexed, adopted on October 31, 2019 by majority vote of the Board of Directors and on December 6, 2019 by the vote of the stockholders owning or representing at least two-thirds of the outstanding capital stock, and certified under oath by the Corporate Secretary and a majority of the Board of Directors of the corporation was approved by the Commission on this date pursuant to the provision of Section 15 of the Revised Corporation Code of the Philippines, Republic Act No. 11232, which took effect on February 23, 2019, and copies thereof are filed with the Commission.

Unless this corporation obtains or already has obtained the appropriate Secondary License from this Commission, this Certificate does not authorize it to undertake business activities requiring a Secondary License from this Commission such as, but not limited to acting as: broker or dealer in securities, government securities eligible dealer (GSED), investment adviser of an investment company, close-end or open-end investment company, investment house, transfer agent, commodity/financial futures exchange/broker/merchant, financing/lending company and time shares/club shares/membership certificates issuers or selling agents thereof; nor to operate a fiat money to virtual currency exchange. Neither does this Certificate constitute as permit to undertake activities for which other government agencies require a license or permit.

IN WITNESS WHEREOF, I have set my hand and caused the seal of this Commission to be affixed to this Certificate at The SEC Headquarters, 7907 Makati Avenue, Salcedo Village, Barangay Bel-Air, Makati City, 1209, Metro Manila, Philippines, this 11th day of September, Twenty Twenty Four.


DANIEL P. GABUYO
Assistant Director
SO No. 1188 Series of 2018

BA/bds



SEC Main Office
The SEC Headquarters
7907 Makati Avenue, Salcedo Village, Barangay Bel-Air, Makati City , 1209

electronic Official Receipt

Transaction Details

eOR Number	20240910-PM-0116803-87
Transaction Number	20240910121212800110170758492455085
Payment Date	September 10, 2024 01:09 PM
Payment Scheme	gcash
Status	COMPLETED
Payment Status	PAYMENT_SUCCESS

Payment Assessment Details

PAF No.	20240910-11326936
PAF Date	2024-09-10 11:07:36
Payor Name	METRO GLOBAL HOLDINGS CORP.
Payor Address	PASIG CITY

#	Nature of Collection	Account Code	Amount
1	Amended Articles of Incorporation	4020102000(606)	1,000.00
2	Amended By Laws	4020102000(606)	1,000.00
3	Documentary Stamp Tax	4010401000(4010401)	60.00
4	Legal Research Fee (A0823)	2020105000(131)	20.00
TOTAL			2,080.00

Total amount indicated herein does not include the convenience/service fee of the selected payment channel.



Machine Validation:

VALID UNTIL: OCTOBER 25, 2024



Republic of the Philippines
 DEPARTMENT OF FINANCE
 SECURITIES AND EXCHANGE COMMISSION
 The SEC Headquarters
 7907 Makati Avenue, Salcedo Village,
 Barangay Bel-Air, Makati City, 1209



PAYMENT ASSESSMENT FORM

No. 20240910-11326936

DATE 09/10/2024	RESPONSIBILITY CENTER CRMD
PAYOR: METRO GLOBAL HOLDINGS CORP. PASIG CITY	

NATURE OF COLLECTION	QUANTITY	ACCOUNT CODE	AMOUNT
Amended Articles of Incorporation		4020102000 (606)	1,000.00
Amended By Laws		4020102000 (606)	1,000.00
Legal Research Fee (A0823)		2020105000 (131)	20.00
Documentary Stamp Tax	2	4010401000 (4010401)	60.00
---NOTHING FOLLOWS---			
TOTAL AMOUNT TO BE PAID			Php 2,080.00
Assessed by: bearceo		Amount in words: TWO THOUSAND EIGHTY PESOS AND 00/100	
Remarks:			

PAYMENT OPTIONS

- Online payment thru eSPAYSEC at
 - <https://espaysec.sec.gov.ph>
- Over the Counter Payments at any LandBank branch nationwide

BREAKDOWN SUMMARY

FUND ACCOUNT	AMOUNT	ACCOUNT #
SEC RCC Current Account	2,000.00	3752-2220-44
SEC BIR - DST	60.00	3752-2220-60
SEC BTR Account - LRF	20.00	3402-2319-20
TOTAL	Php 2,080.00	

NOTES:

- The Payment Assessment Form (PAF) is valid until OCTOBER 25, 2024.
- Accepted modes of payment at Landbank branches:
 - Cash
 - Manager's/Cashier's Check payable to the Securities and Exchange Commission
- For check payment, please prepare separate Manager's checks per fund account as indicated on the breakdown summary.
- For over the counter payment at LandBank:
 - Print 2 copies of PAF, 1 Client Copy, 1 LandBank copy
 - Accomplish the onColl Payment slip per fund account as indicated on the breakdown summary. Use the correct Fund Account and Account No. and provide the below information:
 - Reference Number 1 - PAF No.
 - Reference Number 2 - Name of Payor appearing on the PAF
 - Present OnColl Payment Slip, together with the PAF, to the LandBank Teller
- You may generate the electronic official receipt (eOR) by visiting <https://espaysec.sec.gov.ph/eor>
 - Payment thru ESPAYSEC – eOR available upon payment
 - LandBank OTC - eOR available within two (2) business days after the payment
- ANY ALTERATIONS WILL INVALIDATE THIS FORM

COVER SHEET

9 1 4 2
S.E.C. Registration Number

M E T R O G L O B A L H O L D I N G S
C O R P O R A T I O N
(Company's Full Name)

M E Z Z A N I N E F L O O R R E N A I S S A N C E
T O W E R M E R A L C O A V E N U E
P A S I G C I T Y
(Business Address: No. Street City/ Town/ Province)

ATTY. ALICE ODCHIGUE-BONDOC
Contact Person

28633 - 6205 Loc. 113
Company Telephone Number

1 2 3 1
Month Day

APPLICATION FOR AMENDMENT OF
ARTICLES OF INCORPORATION
FORM TYPE

1st Thursday of March
Month Day

fiscal year
calendar year

Registered/Listed
Secondary License Type, if Applicable

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

Remarks = pls. use black ink for scanning

**AMENDED
ARTICLES OF INCORPORATION
of
METRO GLOBAL HOLDINGS CORPORATION**

KNOW ALL MEN BY THESE PRESENTS:

That we, a majority of whom are residents of Philippines, have this day voluntarily associated ourselves together for the purpose of forming a corporation under the laws of the Philippines :

AND WE DO HEREBY CERTIFY :

FIRST: That the name of the Corporation shall be :

"METRO GLOBAL HOLDINGS CORPORATION"

SECOND: That the purposes for which the said Corporation is formed are the following:

PRIMARY PURPOSE

To, acquire by purchase, exchange, assignment, gift or otherwise, and to hold, own and use for investment or otherwise, and to sell, assign, transfer, exchange, lease, let, develop, mortgage, pledge, traffic, deal in, and with, and otherwise operate, manage, enjoy and dispose of any and all properties of every kind and description and wherever situated, as and to the extent permitted by law, including but not limited to, buildings, solar, wind and other renewable energy generation facilities, tenements, warehouses, factories, edifices, and structures and other improvements; to acquire by purchase or lease, or otherwise, lands and interest in lands, and to own, hold, improve, develop, manage any real property so acquired and to erect or cause to be erected on any lands owned, held or occupied by the corporation, buildings or other structures now or after erected on any lands so owned held or occupied; to acquire or otherwise deal in bonds, debentures, promissory notes, shares of capital stock, or other securities or other securities or obligations, created, negotiated or issued by any corporation, association, or other entity, foreign or domestic and while the owner, holder, or possessor thereof, to

exercise all the rights, powers, and privileges of ownership or any other interest therein, including the right to receive, collect and dispose of, any and all rentals, dividends, interests and income, derived therefrom, and the right to vote on any proprietary or other interests, on any shares of the capital stock, and upon any bonds, debentures, or other securities having voting power, so owned or held; and provided that it shall not engage in the business of an open-end or close-end investment company as defined in the Investment Company Act (Republic Act No. 2629) or act as securities broker or dealer. *(As Amended on 22 November 2018).*

SECONDARY PURPOSE

Subject to the provisions of the Corporation Code and other applicable laws, to invest its funds in any other corporation or business or for any other purpose other than the above-stated primary purpose.

And in pursuance of above stated purposes, the Corporation shall have the power:

- (a) To prospect for mine extract, dig for, or otherwise obtain from earth, petroleum and rocks or carbon oils, natural gas, and other volatile minerals, chemicals substances and salts, as well as others minerals of whatever nature whether similar or dissimilar to these listed herein, and to manufacture, refine, prepare for market, buy, sell and transport and otherwise deal with petroleum and other minerals of whatever nature similar or dissimilar to these listed herein, and to manufacture, refine, prepare for market, buy, sell and transport and otherwise deal with petroleum and other minerals of whatever nature whether similar or dissimilar thereto, their products, compounds, and derivatives and other mineral and chemical substances, in crude or refined condition.
- (b) To acquire petroleum, gas and oil lands, leaseholds, franchises, privileges, concessions and other interests in real estate and gas, oil and other rights.
- (c) To construct and maintain conduits, pipelines, and lines of tubing for the public generally as well as for the use of said Corporation, and to lay, rig, buy, lease, sell and otherwise contract for, and operate said

- conduits, pipelines and lines to tubings, as well as storage tanks, railways, tramways, roadways and tracks, for the purpose of transporting and storing oil and gas, and of operating a general pipeline and storage business.
- (d) To buy, sell, charter, operate and maintain tank steamers and other vessel of all kinds for the transportation of merchandise dealt in by the Corporation.
 - (e) To construct and maintain telegraph and telephone lines necessary or convenient in the operation of the business of the Company.
 - (f) To extract and otherwise obtain and prepare for market such other valuable minerals, chemicals or other materials as may be discovered in the course of developing the lands of the Company.
 - (g) To construct, maintain, and operate gas wells, oil wells, and refineries, and to buy, sell, and otherwise deal in gas, oils, and salts and their derivatives or products.
 - (h) To carry on in connection with any or all of the aforementioned purposes the business of importing, buying, selling, and otherwise dealing with equipment, machinery, supplies and accessories and to transact all business properly connected with or incidental to any or all of said objects and purposes.
 - (i) To purchase, lease, or otherwise acquire such real and personal property in any part of the Philippines or elsewhere, as the purposes for which the Corporation is formed may permit, and as may be reasonably required for the transaction of its lawful business; and to hold, maintain, conduct, use and operate and to lease, sell, mortgage, or otherwise dispose of any such real or personal property of any character owned in any manner held it, upon any terms.
 - (j) To purchase or otherwise acquire the whole or any part of the goodwill, property and assets, and to undertake all or any part of it.

business, property and liabilities of any person, partnership, corporation or other associations, carrying on any business similar to that for which this Corporation is authorized to carry on, or possessed of property suitable for the purpose of the Corporation, and to pay for the same in cash, or in stock, bonds or other securities of the Corporation or otherwise.

- (k) To buy or otherwise acquire any inventions, improvements and processes relating to the refining of petroleum or the processing of its products, secured under letters, patents or licenses in respect to the same, and to use, exercise, develop and sell such inventions, improvements and processes and to grant licenses of the things respecting the same.
- (l) to borrow or raise money for the purpose of the Corporation by making, issuing, accepting, indorsing and executing promissory notes, bills of exchange, bonds, debentures, certificates of indebtedness and other negotiable instrument but not exclusive of such other means or manner as the Corporation's Board of Directors shall think fit; and to secure the payment of said obligations or any of them by mortgage, pledge, letter of hypothecation, or other liens or charges upon all or any part of the undertakings, revenues, rights and property of the Corporation, and to exchange or vary from time to time any of such securities and to redeem, on any terms, the debts or obligations secured by them before the same shall fall due, if it shall see fit so to do.
- (m) To purchase, invest in, purchase or otherwise acquire the stocks, bonds and other securities or evidences of indebtedness of any other association or corporation, domestic or foreign, owning property necessary for its business and to issue in exchange therefor in cash, or otherwise, to hold for investment or otherwise, own, use, sell,

deal-in, dispose of, and turn to account any such stocks, bonds or other securities, and while the owner or holder thereof to exercise all the rights and power of ownership, including the right to vote thereon for any purposes; to do any acts or things necessary or proper for the protection or development of any such association or corporation or for the preservation, improvement or enhancement of the value of any such stock, bonds or other securities, or any acts or things designed for any such purpose; and to control and manage the affairs, and take over and carry on all or any part of the business or property of any such association or corporation provided that they are such as may be lawfully acquired and conducted by a corporation organized under the laws of the Philippines.

- (n) To sell all or part of the rights, property, or undertakings of the Corporation for such consideration as the Corporation may deem fit and in particular for shares, debentures or securities of any other corporation.
- (o) To make and enter into contracts and arrangements of every name and nature in furtherance of the purposes of the Corporation with the Government of the Republic of the Philippines or with any foreign corporation or with any other corporation or association, public or private.
- (p) To register the Corporation, or to secure a license to do business, in any foreign country or place.
- (q) To do all such the other things as are incidental or conducive to the attainment of the above objects or any of them, or which may be conveniently carried on and done in connection therewith, or which may be calculated directly indirectly to enhance the value of, or render profitable any business or property of the Corporation, always provided that nothing shall be done in connection with any of the

above objects which is prohibited by any laws of the Philippines now or hereafter existing.

- (r) Without in any particular limiting the powers and provided that the Corporation shall have the power to make and perform contracts of any kind and description with any person, form or corporation, whether public or private, without limit as to amount, and particularly, but not by way of limitation, to make and perform contracts creating rights, easements and other privileges respecting any of the property, real or personal, or any kind owned by the Corporation; to have one or more office out of the Philippines, and to conduct its business and exercise its powers in any part of the Philippines, or in any other country; and in carrying on its business and for the purpose of attaining or furthering its purpose or powers to do any and all other powers which a natural person could do and exercise and which now or hereafter may be authorized by law.

The foregoing clauses shall be construed both as objects and powers of the Corporation, and it is hereby expressly provided that the foregoing enumeration of specific powers shall not be held to limit or restrict in any manner the general powers of the Corporation.

THIRD: That the place where the principal office of the Corporation is to be established or located in Mezzanine Floor, Renaissance Towers, Meraico Avenue, Pasig City, Metro Manila. (As amended on 6 December 2019)

FOURTH: That the term for which said Corporation is to exist is fifty (50) years from and after the date of incorporation which is hereby extended for another fifty (50) years or up to September 17, 2054. (As amended on September 30, 2002 & August 19, 2004)

FIFTH: That the names and residences of the incorporators of said Corporation are as follows:

whether out of the capital stock now or hereafter authorized to be issued by the Corporation or out of the shares of the Corporation acquired by it after the issue thereof.

No transfer of shares of stock of the Corporation which will reduce the stock ownership of Filipino citizens to less than the minimum percentage of the outstanding capital stock required by law to be owned by Filipino citizens shall be allowed or permitted to be recorded in the books of the Corporation. Any transfer made in violation hereof shall be null and void and shall not be registrable in the books of the Corporation.

These restrictions shall be indicated in all stock certificates to be issued by the Corporation.

EIGHT: That the amount of said capital stock which has been actually subscribed is EIGHTY ONE THOUSAND FIVE HUNDRED (81,500,000) PESOS, and the following persons have subscribed for the number of shares and amount of capital stock set out after their respective names:

Name	Residence	No. of Shares	Amount of Capital Stock Subscribed
1. John W. Buckley	New York, N.Y., USA	80,000	80,000.00
2. Louis W. Storms	Houston, Texas, USA	1,000	1,000.00
3. Chester A. Baird	Manila	100	100.00
4. Vicente J. Francisco	Quezon City	100	100.00
5. Baroness Anna J. Von Hagen	Manila	100	100.00
6. Bethea A. Martin	Manila	100	100.00
7. Proceso Sebastian	Manila	100	100.00
		<hr/>	<hr/>
		81,000	81,500.00

NINTH: That the following persons have paid on the shares of capital stock for which they have subscribed in the amounts set out after their respective names:

Name	Residence	Amount Paid on Subscription
1. John W. Buckley	New York, N.Y., USA	20,000.00
2. Louis W. Storms	Houston, Texas, USA	1,000.00
3. Chester A. Baird	Manila	100.00
4. Vicente J. Francisco	Quezon City	100.00
5. Baroness Anna J. Vom Hagen	Manila	100.00
6. Bethea A. Martin	Manila	100.00
7. Proceso Sebastian	Manila	100.00
	TOTAL	21,500.00

TENTH: That BETHEA A. MARTIN has been elected by the subscribers as Treasurer of the Corporation to act as such until his successor is duly elected and qualified, in accordance with the by-laws, and that as such Treasurer he has been authorized to receive for the Corporation and to receipt in its name for all subscriptions paid in by said subscribers.

IN WITNESS WHEREOF, we have hereunto set out hands this 9th day of September, 1954, in the City of Manila, Philippines

(Sgd.) Chester A. Baird
Chester A. Baird

(Sgd.) Vicente J. Francisco
Vicente J. Francisco

(Sgd.) Baroness Anna J. Vom Hagen
Baroness Anna J. Vom Hagen

(Sgd.) Bethea A. Martin
Bethea A. martin

(Sgd.) Proceso Sebastian
Proceso Sebastian

In the presence of:

(Sgd.) Abraham Briones

(Sgd.) Herminio B. Banico

Republic of the Philippines)
City of Manila) s. s.

BETHEA A. MARTIN, being first duly sworn, deposes and says that on the 9th day of September, A.D. Nineteen Hundred and Fifty Four, he was duly elected by the subscribers named in the foregoing Articles of Incorporation as Treasurer of the corporation to act as such until his successor has been duly elected and qualified in accordance with the by-laws of the corporation and that as such Treasurer he has been authorized by the subscribers to receive for the corporation all subscriptions paid in by the subscribers for the capital stock; that Eighty-One Thousand Five Hundred (81,500) shares of stock has been actually subscribed and that of said subscriptions Twenty-One Thousand Five Hundred (21,500.00) pesos has been paid to him in cash and received by him for the benefit and to the credit of the corporation; and that at least twenty per centum of the entire capital stock has been subscribed and twenty-five per centum of the subscription has been actually paid to him in cash and has been received by him for the benefit and to the credit of the corporation.

(Sgd.) BETHEA A. MARTIN
Bethea A. Martin

SUBSCRIBED AND SWORN, to before me this 9th day of September 1954 in the City of Manila, affiant exhibiting his Residence Certificate No. A-0364302, issued at Manila, on August 16, 1954.

(Sgd.) Ricardo J. Francisco
Notary Public
Until December 31, 1954

Doc. No. 290
Page No. 60
Book No. I
Series of 1954

ged

**CERTIFICATE OF AMENDMENT
OF THE
AMENDED ARTICLES OF INCORPORATION
OF
METRO GLOBAL HOLDINGS CORPORATION**

WE, the undersigned members of the Board of Directors of **METRO GLOBAL HOLDINGS CORPORATION** (the "Corporation") and the Chairman and Assistant Corporate Secretary of the Corporation,

DO HEREBY CERTIFY THAT:

1. At the Special Meeting of the Board of Directors of the Corporation held on 31 October 2019 at Santan Function Room, EDSA Shangrila Hotel, Mandaluyong City wherein majority of the members of the Board of Directors were present and the vote of the stockholders representing at least 2/3 of the issued and outstanding capital stock of the Corporation on 6 December 2019 at the Special Stockholders Meeting held at Verbana A & B Function Room, 9th Floor, Marco Polo Center, Pasig City, the amendment of the principal office address of the Corporation was considered and approved, thereby amending the Article Third of the Corporation's Amended Articles of Incorporation to read as follows:

"RESOLVED, AS IT IS HEREBY RESOLVED, that the Corporation amend the THIRD Article of its Articles of Incorporation to read as follows:

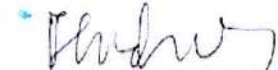
"THIRD: That the place where the principal office of the Corporation is to be established is at Mezzanine Floor, Renaissance Towers, Meralco Avenue, Pasig City, Metro Manila.

2. The amendment to the THIRD Article has been duly incorporated in the proposed Amended Articles of Incorporation of the Corporation, a true and correct copy of which is hereto attached.
3. All requirements of Section 15 of the Revised Corporation Code were complied.


IN WITNESS WHEREOF, we have hereunto signed these presents on

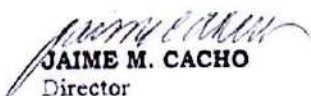
AUG 13 2024 at PASIG CITY.


ROBERT JOHN L. SOBREPEÑA
Chairman & CEO


ALICE ODCHIGUE-BONDOC
Assl. Corporate Secretary &
Director


FERDINAND T. SANTOS
Director


NOEL M. CARINO
Director


JAIME M. CACHO
Director


RAFAEL R. PEREZ DE TAGLE, JR.
Director


ROBERTO S. ROCO
Director


FRANCISCO C. GONZALEZ
Director


JOSE WILFRIDO M. SUAREZ
Director

SUBSCRIBED AND SWORN to before me this AUG 13 2024
affiants exhibiting to me competent proofs of their identity, to wit:

Name	Competent Evidence of Identity	Date/Place of Issue
Robert John Sobrepena		
Ferdinand T. Santos		
Noel M. Carino		
Rafael Perez de Tagle Jr.		
Jaime M. Cacho		
Roberto S. Roco		
Rafael Perez de Tagle Jr.		
Francisco C. Gonzalez		
Alice Odchigue-Bondoc		
Jose Wilfrido M. Suarez		

Doc. No. 381 ;
Page No. 70 ;
Book No. 88 ;
Series of 2024.

FERDINAND D. SYABAO
NOTARY PUBLIC
For and in Full Faith and Belief I have signed this
Appointment Certificate of Office on 08/13/2024
My Commission Expires on 08/13/2028
Reg. No. 40377
TIN 123-456-789
Office: 1234 Main St., Quezon City
Tel: 02-123-4567



MARKETS AND SECURITIES REGULATION DEPARTMENT

MEMORANDUM

TO : Company Registration and Monitoring Department
 FROM : Markets and Securities Regulation Department
 SUBJECT : **METRO GLOBAL HOLDINGS CORPORATION**
 DATE : 9 August 2023

This refers to your Memo dated 3 August 2023, which was received by our Department on 7 August 2023, requesting for comments and/or recommendations regarding the proposed amendments of the Amended Articles of Incorporation ("AOI") of **METRO GLOBAL HOLDINGS CORPORATION** (the "Company"), to wit:

FROM	TO
<p>SECOND : To, acquire by purchase, exchange, assignment, gift or otherwise, and to hold, own and use for investment or otherwise, and to sell, assign, transfer, exchange, lease, let, develop, mortgage, pledge, traffic, deal in, and with, and otherwise operate, manage, enjoy and dispose of any and all properties of every kind and description and wherever situated, as and to the extent permitted by law, including but not limited to, buildings, tenements, warehouses, factories, edifices, and structures and other improvements; to acquire by purchase or lease, or otherwise, lands and interest in lands, and to own, hold, improve, develop, manage any real property so acquired and to erect or cause to be erected on any lands owned, held or occupied by the corporation, buildings or other structures now or after erected on any lands so owned held or occupied; to acquire or otherwise deal in bonds, debentures, promissory notes, shares of capital stock, or other securities or obligations, created, negotiated or issued by any corporation, association, or other entity, foreign or domestic and while the owner, holder, or possessor thereof, to exercise all the rights, powers, and privileges of ownership or any other interest therein, including the right to receive, collect and other securities or obligations, created, negotiated or issued by any corporation, association, or other entity, foreign or domestic and while the owner, holder, or possessor thereof, to exercise all the rights, powers, and privileges of ownership or any other interest therein, including the right to receive, collect and dispose of, any and all rentals, dividends, interests and income, derived</p>	<p>SECOND : To, acquire by purchase, exchange, assignment, gift or otherwise, and to hold, own and use for investment or otherwise, and to sell, assign, transfer, exchange, lease, let, develop, mortgage, pledge, traffic, deal in, and with, and otherwise operate, manage, enjoy and dispose of any and all properties of every kind and description and wherever situated, as and to the extent permitted by law, including but not limited to, buildings, <u>solar, wind and other renewable energy generation facilities</u>, tenements, warehouses, factories, edifices, and structures and other improvements; to acquire by purchase or lease, or otherwise, lands and interest in lands, and to own, hold, improve, develop, manage any real property so acquired and to erect or cause to be erected on any lands owned, held or occupied by the corporation, buildings or other structures now or after erected on any lands so owned held or occupied; to acquire or otherwise deal in bonds, debentures, promissory notes, shares of capital stock, or other securities or other securities or obligations, created, negotiated or issued by any corporation, association, or other entity, foreign or domestic and while the owner, holder, or possessor thereof, to exercise all the rights, powers, and privileges of ownership or any other interest therein, including the right to receive, collect and other securities or obligations, created, negotiated or issued by any corporation, association, or other entity, foreign or domestic and while the owner, holder, or possessor thereof, to exercise all the rights, powers, and privileges of ownership or any other interest therein, including the right to receive, collect</p>

therefrom, and the right to vote on any proprietary or other interests, on any shares of he, capital stock, and upon any bonds, debentures, or other securities having voting power, so owned or held; and provided that it shall not engage in the business of an open-end or close-end investment company as defined in the Investment Company Act (Republic Act No. 2629) or act as securities broker or dealer.	and dispose of, any and all rentals, dividends, interests and income, derived therefrom, and the right to vote on any proprietary or other interests, on any shares of he, capital stock, and upon any bonds, debentures, or other securities having voting power, so owned or held; and provided that it shall not engage in the business of an open-end or close-end investment company as defined in the Investment Company Act (Republic Act No. 2629) or act as securities broker or dealer.
SEVENTH - That the capital stock of the said Corporation is TWO BILLION (P2,000,000,000.00) Philippine Currency, divided into TWO BILLION (2,000,000,000) shares with par value of One Peso (1.00) Philippine Currency per share (As Amended on 22 November 2018)*	SEVENTH : That the capital stock of the said Corporation is FIVE BILLION (P5,000,000,000.00) Philippine Currency, divided into FIVE BILLION (5,000,000,000) shares with par value of One Peso (1.00) Philippine Currency per share (As Amended on 22 November 2018)*

Upon review of the request and documents annexed thereto, and the Company records, it appears that the proposed amendments are consistent with the disclosures made by the Company; hence, on this basis, the Department does not interpose any objection to the application for amendment of the AGL. Thus, within five (5) days from the approval of the application, the Company shall:

1. **FILE a duly accomplished Current Report (SEC Form 17-C)** disclosing the Commission's approval of said amendment; and
2. **FILE a duly accomplished General Information Sheet (GIS)** that reflects the new information, together with a cover letter signed by the Corporate Secretary (if applicable).

However, we noted that the proposed amendment was approved by the Board of Directors where a quorum was present and by the stockholders representing at least two-thirds (2/3) of the outstanding capital stock of the Company in its meeting held on 24 September 2018 and 22 November 2022, respectively.

In this regard, since the stockholders' approval of the amendment took place on 22 November 2022, as a rule, the Company is no longer allowed to file the application in view of the six (6) months period limitation of filing the application from stockholders' approval as prescribed under the last sentence of paragraph 3, Section 37 of the Revised Corporation Code of the Philippines, which provides:

"SEC. 37. Power to Increase or Decrease Capital Stock; Incur, Create or Increase Bonded Indebtedness.

x x x

The application with the Commission shall be made within six (6) months from the date of approval of the board of directors and stockholders, which period may be extended for justifiable reason. x x x" (emphasis supplied)

In the light of the foregoing, our Department nonetheless defers to the discretion of the Company Registration and Monitoring Department (CRMD) considering that it has primary jurisdiction over registration of corporations and partnerships in general, as well as amendments to the Articles of Incorporation and to By-laws. Furthermore, our comment or recommendation is limited merely to this Department's regulatory requirements and does not cover the substance of the application with respect to compliance with the Revised Corporation Code of the Philippines.

Finally, it should be understood that the foregoing comment is without prejudice to the prerogative of this Department to impose the necessary penalty and initiate the appropriate proceeding against the Company and its Directors/Officers, Associated Person, and Salesman upon a proper finding of a violation of the relevant provisions of the Securities Regulation Code, its Implementing Rules and Regulations, and other pertinent laws, rules and regulations, as may be necessary and applicable under the circumstances.

Very truly yours,


VICENTE GRACIANO F. FELZMENIO, JR.
Director

TRANSMITTAL SLIP

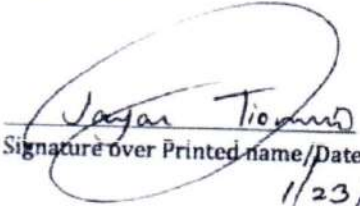
TO: MS. BLESS ARCEO
Securities and Exchange Commission

FROM: ATTY. ALICE O. BONDOC
Assistant Corporate Secretary
Metro Global Holdings Corporation

DATE: 23 JANUARY 2024

Received 3 **ORIGINAL** copies of Request for Confirmation of Valuation

Received by:


Signature over Printed name/Date
1/23/2024

**(MSRD FORM for Request for Comments/Recommendations
for CRMD Applications filed by MSRD regulated entities)**

1/10/19

Date

JAN 10 2019

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

Cathy *5:27 pm*

Attention: **MARKETS AND SECURITIES REGULATION DEPARTMENT**
Subject: **REQUEST FOR COMMENTS/RECOMMENDATION**

Gentlemen:

This is to respectfully request your Department's comment and/or recommendation on the proposed application of our corporation/partnership to be filed with the Company Registration and Monitoring Department (CRMD), details of which are as follows:

NAME OF REQUESTING CORPORATION/PARTNERSHIP	METRO GLOBAL HOLDINGS CORP.
ADDRESS OF REQUESTING CORPORATION/PARTNERSHIP	Mezzanine Flr. Renaissance Town, Unsubd. Arc. Pasig.
SEC REGISTRATION NO. (if applicable)	9122
TYPE OF SEC-ISSUED SECONDARY LICENSE (if applicable)	Amended Articles
TYPE OF PROPOSED CRMD APPLICATION	
CONTACT PERSON	✓ Eloyer S. Garcia
CONTACT NUMBERS	✓ 09096964065

Moreover, we also request that you furnish the CRMD a copy of your reply to our request. We have attached a copy of the aforesaid application for your review/evaluation only and for the purpose of the issuance of the Markets and Securities Regulation Department's (MSRD) comment and/or recommendation thereto. It is further understood that the MSRD is not responsible for the actual processing of the above-mentioned application of the corporation/partnership.

Finally, should there be any violation of any existing laws, rules and regulations implemented by the MSRD, the company undertakes to: (1) submit all the required report/s within seven (7) days from notification of approval of the application/s; and (2) pay the corresponding penalty.

Thank you.

Very truly yours,

Eloyer S. Garcia

(Name of Requesting Corporation/Partnership)

By: _____
(Signature over Printed Name of Authorized Representative)

Cathy / Cathy
8187164 / 8186080

REPUBLIC OF THE PHILIPPINES)
Pasig City)S.S.

SECRETARY'S CERTIFICATE

I, **ALICE ODCHIGUE-BONDOC**, Filipino, of legal age, with office address at the Mezzanine Floor, Renaissance Tower, Meralco Avenue, Pasig City, being duly sworn, hereby depose and say:

I am the duly elected Assistant Corporate Secretary of METRO GLOBAL HOLDINGS CORPORATION, a corporation duly organized and existing under and by virtue of the Republic of the Philippines, with principal office at the Mezzanine Floor, Renaissance Tower, Meralco Avenue, Pasig City (the "Corporation").

I certify that to the best of my knowledge, no action or proceeding has been filed or is pending before any Court involving an intra-corporate dispute and/or claim by any person or group against the Board of Directors, individual director and/or major corporate officers of the Corporation as its duly elected and/or appointed directors or officers or vice versa.


IN WITNESS WHEREOF, I have hereunto set my hand this AUG 08 2024 in Pasig City, Philippines


ALICE ODCHIGUE-BONDOC
Assistant Corporate Secretary

AUG 08 2024

SUBSCRIBED AND SWORN to before me this _____ in Pasig City Affiant exhibited to me her Integrated Bar of the Philippines Lifetime ID No. 014624.

Doc. No. ; 374
Page No. ; 76
Book No. ; 5
Series of 2024.


ATTY. JOEMAR M. HIZOLA
NOTARY PUBLIC
Cities of Pasig, San Juan and Pateros, Metro Manila
218 Corra 100 Bldg., Don F. Ortigas St., Pasig City
Appointment No. 150; Until Dec. 31, 2024
SC. Roll No. 81022/ 05-21-2022
IBP No. 423716 / 01/16/2024; IBP Manila 1
PTR No. 1716816 / 01/16/2024; Pasig City
MCLE No. VIII-0006903 02/20/2024-04/14/2028

REPUBLIC OF THE PHILIPPINES)
Pasig City)S.S.

SECRETARY'S CERTIFICATE

I, **ALICE ODCHIGUE-BONDOC**, Filipino, of legal age, with office address at the Mezzanine Floor, Renaissance Tower, Meralco Avenue, Pasig City, being duly sworn, hereby depose and say:

I am the duly elected Assistant Corporate Secretary of METRO GLOBAL HOLDINGS CORPORATION, a corporation duly organized and existing under and by virtue of the Republic of the Philippines, with principal office at the Mezzanine Floor, Renaissance Tower, Meralco Avenue, Pasig City (the "Corporation").


I certify that to the best of my knowledge, no action or proceeding has been filed or is pending before any Court involving an intra-corporate dispute and/or claim by any person or group against the Board of Directors, individual director and/or major corporate officers of the Corporation as its duly elected and/or appointed directors or officers or vice versa.

IN WITNESS WHEREOF, I have hereunto set my hand this AUG 08 2024 in Pasig City, Philippines


ALICE ODCHIGUE-BONDOC
Assistant Corporate Secretary

SUBSCRIBED AND SWORN to before me this AUG 08 2024 in Pasig City. Affiant exhibited to me her Integrated Bar of the Philippines Lifetime ID No. 014624.

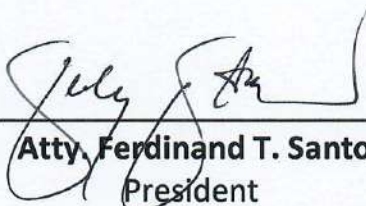
Doc. No. ; 374
Page No. ; 76
Book No. ; 5
Series of 2024.


ATTY. JOMAN M. RIZOLA
NOTARY PUBLIC
Cities of Pasig, San Juan and Pateros, Metro Manila
21k Strata 100 Bldg., Don F. Ortigas St., Pasig City
Appointment No. 150; Until Dec. 31, 2024
SC. Roll No. 81022/ 05-21-2022
IBP No. 423715 / 01/16/2024; IBP Manila 1
PTR No. 1716816 / 01/16/2024; Pasig City
MCLE No. VIII-0006903 02/20/2024-04/14/2024

SIGNATURES

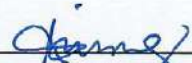
Pursuant to the requirements of the Revised Securities Act, the registrants has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized

Registrant: Metro Global Holdings Corporation

Signature and Title 
Atty. Ferdinand T. Santos
President

Date : November 7, 2024

Principal Financial/Accounting Officer/Controller:

Signature and Title 
Ramon G. Jimenez
Treasurer / VP-CFO 