



SECURITIES AND EXCHANGE COMMISSION

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The following document has been received:

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SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-A

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

1. For the fiscal year ended: **31 December 2024**
2. SEC Identification Number: **165539**
3. BIR Tax Identification No.: **000-157-237-000**
4. Exact name of issuer as specified in its charter: **CYBER BAY CORPORATION**
5. **Makati City, Philippines**
Province, Country or other jurisdiction of
incorporation or organization
6. (SEC Use Only)
Industry Classification Code:
7. **Suite 2402 Discovery Center, 25 ADB Avenue** **1605**
Ortigas Center, Pasig City
Address of principal office Postal Code
8. **(632) 8633 9757**
Issuer's telephone number, including area code
9. Former name, former address, and former fiscal year. If changed since last report. **N/A**
10. Securities registered pursuant to Sections 8 and 12 of the Code or Sections 4 and 8 of the RSA (information on number of shares and amount of debt is applicable only to corporate registrants):

Title of Each Class	Number of Shares of Common Stock Outstanding or Amount of Debt Outstanding
Common	PhP6,160,000,000.00

*Note: The Total issued and outstanding shares are:

Common	6,806,878,853
Preferred	6,467,950,603

11. Are any or all of these securities listed on a Stock Exchange
Yes ☒ No ☐

12. Check whether the issuer:

(a) has filed all reports required to be filed by Section 17 of the SRC and SRC Rule 17 thereunder of Section 11 of the RSA and RSA Rule 11(a)-1 thereunder, and Sections 26 and 141 of The Corporation Code of the Philippines during the preceding (12) months (or for such shorter period that the Company was required to file such reports);
Yes ☒ No ☐

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

13. Aggregate market value of the voting stock held by non-affiliates of the Company. PhP822,493,728.87 (Based on closing market price of PhP0.33 on 17 June 2021)

DOCUMENTS INCORPORATED BY REFERENCE:

Portions of the Company's 2024 Annual Report to Stockholders are incorporated by reference into Parts II and III of this report.

THE COMPANY UNDERTAKES TO PROVIDE WITHOUT CHARGE TO EACH PERSON, ON THE WRITTEN REQUEST OF ANY PERSON, COPY OF CYBER BAY CORPORATION ANNUAL REPORT ON SEC FORM 17-A.

Written request for a copy of the Annual Report on SEC Form 17-A should be addressed to:

ATTY. RYAN V. ROMERO
Corporate Secretary/Compliance Officer
Suite 2801 Discovery Center, 25 ADB Avenue
Ortigas Center, Pasig City

PART I – BUSINESS AND GENERAL INFORMATION

Item 1. Business

Cyber Bay Corporation (the "Company") was organized to undertake real estate development (except real estate subdivision) and reclamation. The Company was incorporated on 06 July 1989. The Company has changed its name from First Lepanto Corporation to Guoco Land (Philippines), Inc. in 1994, to Centennial City Inc. in 1996, and to Cyber Bay Corporation in 2000.

On 30 March 1996, the Company, Central Bay Reclamation and Development Corporation ("Central Bay") and certain of shareholders Central Bay's shareholders entered into a Memorandum of Agreement which involved the restructuring of the Company and the consolidation of certain businesses and assets of the Company and Central Bay.

The restructuring of the Company entailed the transfer to Prime Orion Philippines, Inc. (formerly Guoco Holdings Philippines, Inc.) of the Company's investments in the following corporations: Tutuban Properties Inc., Guoco Property Development Inc., Manila Southcoast Development Corporation, Mandaue Resources and Realty Corporation, Luck Hock Venture Holdings, Inc., First Lepanto Ceramic Wares Inc. and First Lepanto Realty Inc. and the settlement of all intercompany liabilities relating to such corporations.

The business consolidation involved the issuance by the Company of 4 billion shares of stock (with par value of PhP1.00 per share) to certain Central Bay shareholders in exchange for 4.8 million Central Bay shares of stock (with par value of PhP100.00 per share) held by the Central Bay shareholders. Upon completion of the business consolidation, the Company assumed full ownership of Central Bay, including its Joint Venture Agreement (JVA) with the Public Estates Authority (PEA) (now known as the Philippine Reclamation Authority [PRA]) to reclaim 750 hectares of land along Manila Bay (the "Reclamation Project") as its new property core holding.

Aside from the aforementioned business consolidation, no other material reclassification, merger, consolidation or purchase has been implemented. However, ten (10) floors of the BA Lepanto Building owned by the Company was the subject of a *Dacion en Pago* arrangement with the Philippine National Bank in 1999.

With the Reclamation Project, the Company was afforded a unique flagship waterfront development; at 750 hectares, it was supposed to be a substantial fully integrated township that can spearhead the redevelopment of the Manila Bay in tandem with the government's progressive Bay City Development.

A controversy on the validity of the JVA arose and several investigations and fact-finding committees were created to determine its validity. Finally, on 28 May 1999, the JVA was amended and approved by the Office of the President and the Government Corporate Monitoring and Coordinating Committee.

After having obtained all the government approvals and endorsements under two Administrations (Presidents Fidel Ramos and Joseph Estrada) and pursuant to the Amended JVA, Central Bay conducted a review of all contracts and project plans in preparation for the resumption of the long-delayed implementation of the Reclamation Project. Preparations included the re-

bidding of the dredging and reclamation contract, which were previously suspended. In addition, Central Bay urgently addressed the informal settlers issue and incurred huge operational expenses in securing the cleared islands within the project site. These expenditures were undertaken by Central Bay in the ordinary course of business pursuant to its JVA/AJVA with PEA and done in utmost good faith.

However, on 09 July 2002, after having invested heavily into the Reclamation Project, including the cash advances given to PEA and the cost for the relocation of informal settlers in the area, not to mention the funds that were injected to run the operations of Central Bay from 1995 to 2002, the Supreme Court promulgated a decision in the case of Chavez v. PEA and Amari Coastal Bay Development Corporation (G.R. No. 133250, 09 July 2002, 384 SCRA 152), permanently enjoining PEA and Central Bay from implementing and declaring the Amended JVA as null and void ab initio. Central Bay's Motion for Reconsideration was denied.

The Supreme Court stated that "[d]espite the nullity of the Amended JVA, Central Bay is not precluded from recovering from the PEA in the proper proceedings, on a quantum merit basis, whatever Central Bay may have incurred in implementing the Amended JVA, prior to its declaration of nullity."

On 20 November 2009, the Company sent a letter to the PEA (now PRA) for the payment of approximately PhP13.4 billion. This amount represents all costs, losses, liabilities, and expenses incurred by Central Bay computed as of September 2009 pursuant to the Amended JVA.

In a letter dated 8 February 2010, PRA, through its former General Manager and CEO, Andrea D. Domingo, acknowledged that of the claims for reimbursement made by Central Bay, PRA was able to verify the total amount of PhP1,004,439,048.45 as the amount due for reimbursement and PRA did not, at that time, find any sufficient basis for the payment of Central Bay's other claims including cost of money, reimbursement of professional and legal fees, interest and bank charges on loan, foreign exchange losses on loans, pre-operating and operating expenses, input tax, and documentary stamp tax. Central Bay then conducted a more thorough internal review of pertinent documents and re-computation of its claims vis-a-vis the findings of PRA.

Thus, on 13 December 2010, Central Bay filed a Petition with the COA to claim for reimbursement with the revised amount due totaling PhP11,527,573,684.12 (down from the initial claim of PhP13,385,972,469) and not merely PhP1,004,439,048.45 as initially determined by the PRA. Considering that PRA has already validated and acknowledged Central Bay's claim for reimbursement in the amount of PhP1,004,439,048.45, the only issue submitted to the COA is whether or not the other claims of Central Bay which were initially found by PRA to be without sufficient basis are likewise rightful items for reimbursement in light of recognized government accounting standards.

On 03 February 2014, the Company received a letter from the PRA which states that in addition to the verified amount of PhP1,004,439,048.45, the Company is entitled to additional reimbursements in the amount of PhP22,592,435.34.

On 14 October 2016, Central Bay and PRA entered into a Compromise Agreement where PRA shall cede to Central Bay parcels of land with value equal to the validated claim of PhP1.027 billion. In exchange, Central Bay shall waive all other claims subject of the pending petition with the COA and any other claims arising from or in connection with the Amended JVA. The Compromise Agreement shall become effective upon approval of the COA.

On 11 November 2016, Central Bay and PRA filed a Joint Motion for Judgment based on the Compromise Agreement before the COA to seek its approval. On 23 May 2019, the COA ruled that the Compromise Agreement is void and partially granted reimbursement in the amount of PhP714,937,790.29. COA denied Central Bay's motion for reconsideration on 21 January 2020.

On 19 August 2020, the Supreme Court En Banc required COA and PRA to comment to the Petition for Certiorari.

In its Resolution dated 08 September 2020, the Supreme Court directed Central Bay to file its Reply to COA's comment, which it filed on 23 April 2021.

PRA subsequently filed a Motion to Admit with attached Manifestation and Comment dated 30 September 2021. In its Motion, it prayed that the Supreme Court admit PRA's Comment which was belatedly filed.

The PRA substantially adopted the findings of the COA as its Comment on Central Bay's Petition for Certiorari. Specifically, while it confirmed that the PRA-validated claim amounted to PhP1,004,439,048.45, it echoed the COA's findings that only the amount of PhP714,937,790.29 may be allowed as supported by original documents or evidence.

In a Decision dated 05 April 2022, the Supreme Court declared the Compromise Agreement between Central Bay and the PRA void ab initio for being contrary to the 1987 Constitution, Executive Order No. 292, Administrative Code of 1987, and the Government Auditing Code of the Philippines. Further, the Supreme Court disallowed Central Bay's money claims except for the amount of Seven Hundred Fourteen Million Nine Hundred Thirty-Seven Thousand Seven Hundred Ninety and 29/100 Pesos (PhP714,937,790.29) representing advance payment for the reclamation and project development. Central Bay then filed a Motion for Reconsideration dated 15 December 2022.

In a Resolution dated 07 February 2023, the Supreme Court denied with finality Central Bay's Motion for Reconsideration dated 15 December 2022, and affirmed the COA's Decision dated 23 May 2019 in COA CP Case No. 2010-350. In the Notice, it stated that Entry of Judgment will be made immediately.

On 03 May 2023, Central Bay received the Entry of Judgment dated 20 March 2023.

As of date, Central Bay has complied with the requirements of the PRA for claiming the PhP714,937,790.29 reimbursement as allowed by the Supreme Court in its Decision dated 05 April 2022 and is currently awaiting the response of the Office of the COA Chairman to the letter sent by the PRA, whereby the latter has requested for the COA to issue a directive on the satisfaction of the Supreme Court Entry of Judgment.

With respect to the Company's settlement of its outstanding obligations, the Company secured Stockholders' approval and ratification of the issuance of shares as a result of the conversion of liabilities to equity as shown below during its annual meeting held on 24 November 2010. As a first step, the Company amended its Articles of Incorporation amending the par value of the unissued preferred shares from PhP1.00 to PhP0.10, among others. The Commission approved the Amended Articles of Incorporation on 04 May 2011.

The Commission likewise approved the Confirmation of Valuation in relation to the debt-to-equity conversion on 13 November 2012 as follows:

(a) Conversion of Stockholders' Advances to Equity

The advances which were converted to 646,878,853 common shares were utilized to finance the reclamation and horizontal development of the Reclamation Project.

The 646,878,853 common shares were issued to the following:

One Bacolod Express Holdings, Inc.	364,577,424
Primera Commercio, Holdings, Inc.	167,578,190
Cosco Land Corporation	56,132,206
Guoco Securities (Philippines), Inc.	42,924,628
Prime Orion Philippines, Inc.	<u>15,666,405</u>
Total	646,878,853

(b) Conversion of Bank Loans to Equity

The liabilities which were converted to 6,467,950,603 preferred shares arose from the Company's bank loans to Philippine National Bank (PNB) and Bangkok Bank. The PNB Loan was assigned to Opal Investments Portfolio [SPV-AMC], Inc. and the latter assigned the loan obligation to One Bacolod Express Holdings, Inc. On the other hand, the Bangkok Bank Loan, which is the subject of Civil Case No. 01-1094, was assigned to Allied Enterprise Co., Ltd. and the latter assigned it to New Bond Corporation (NBC). On 22 February 2011, the Company filed a manifestation in Civil Case No. 01-1094 that it has no objection to the substitution of Primera Commercio Holdings, Inc. for NBC as plaintiff in the case. In a Judgment dated 14 September 2011, the trial court approved the parties' Joint Motion for Judgment Based on Compromise that was filed on 26 August 2011.

The 6,467,950,603 preferred shares were issued to the following:

One Bacolod Express Holdings, Inc.	1,609,359,778
Primera Commercio, Holdings, Inc.	<u>4,858,590,825</u>
Total	6,467,950,603

The Company continues to implement measures to reduce its operational expenses and, through the efforts of its outsourced service provider, consolidate all the records pertaining to the claim for reimbursement from the PRA.

Amount Spent on Development Activities

The amount spent on development activities during the last three (3) fiscal years and its percentage to revenues are as follows: (*Amounts in Thousands*)

As of	Amount	Total Revenue for the Period	% to Revenues
Dec. 31, 2024	PhP 0.0	PhP 0	0.0%
Dec. 31, 2023	0.0	0	0.0%
Dec. 31, 2022	0.0	0	0.0%

As of 31 December 2024, the Company has no employees and has outsourced its reportorial and compliance requirements to GSE Managed Solutions, Inc. So far, the Company has no plans to hire employees in the ensuing Twelve (12) months.

As of the moment, there are no major risks that the company and its subsidiary are involved in. The Company is currently discussing with PRA the details of its claims pursuant to the Amended JVA and the Supreme Court Decision.

Item 2. Properties

Reclamation Project

The Company's Reclamation Project encompasses 750 hectares involving the reclamation and development of an integrated and comprehensive urban township that is envisioned to be a 21st century metropolis. The Reclamation Project is located Southwest of Manila along Manila-Cavite Coastal Road, within the cities of Parañaque, Las Piñas and the municipality of Bacoor, Cavite. This project has been shelved due to the Supreme Court decision nullifying the JVA with the PRA.

In 1999, Cyber Bay settled part of its loans with the Philippine National Bank with a *Dacion en Pago* of its 10 Floors in the BA Lepanto Building, located along Paseo de Roxas, Makati City.

The Company has no other property holdings.

Transactions with and/or dependence on Related Parties

The Company's transaction with stockholders i.e. Italian-Thai (BVI) Development Co., Ltd., Prime Orion Philippines, Inc., and other stockholders consists mainly of non-interest bearing advances which were used to finance the initial phase of the Reclamation Project.

The Company obtains cash advances from a shareholder to support its day-to-day operations. These advances are payable on demand. As of 31 December 2024, the Company is evaluating its options to settle the outstanding payable.

Item 3. Legal Proceedings

1. *Sta. Maria Homeowners' Association, et al. v. Public Estates Authority and Amari Coastal Bay Development Corporation at the Regional Trial Court of Parañaque, Branch 257, instituted on 03 July 2000*

Plaintiffs were occupants of the Freedom Island which forms part of the 750-hectare area to be reclaimed and developed under a JVA between the PEA and AMARI. The PEA, as provided in the JVA, undertook the relocation of the plaintiffs from the Freedom Island. The plaintiffs filed a complaint for specific performance and injunction in court as a result of their ejection from the Freedom Island. If found liable, the Company may be ordered to pay Fifty Thousand Pesos (PhP50,000.00) as attorney's fees.

The Company moved for the dismissal of the case against it. Said motion is still pending resolution.

2. *Cyber Bay Corporation vs. Island Country Telecommunications, Inc. at the Regional Trial Court of Makati City, Branch 58, instituted on 20 June 2001*

The Company owned three (3) floors of the BA Lepanto Building in Makati City. Island Country Telecommunications, Inc. (ICTI) was engaged in the operation of paging services. In 1996, ICTI leased the floors owned by the Company. ICTI failed to pay its rental obligation to the Company despite demands.

In a Decision dated 22 February 2008, the Regional Trial Court (RTC) of Makati, Branch 143 ruled in favor of the Company and ordered ICTI to pay the Company the following amounts:

- a. PhP8,589,518.24 as arrears from the rented premises, i.e. 8th, 9th, and 14th floors with interest at 12% per annum from 25 September 2000 until the sum is fully paid;
- b. PhP1,895,162.50 as rental for the 8th and 9th floors minus the security deposit or a total of PhP418,412.25 with interest at 12% per annum from 25 September 2000 until fully paid; and,
- c. Costs of suit and PhP200,000.00 for attorney's fees.

From said Decision, ICTI filed its Notice of Appeal. In a Decision dated 29 September 2009, the Court of Appeals denied ICTI's appeal. The Decision of the RTC was affirmed with modification in that ICTI is ordered to pay the Company the following amounts:

- a. PhP5,452,114.64 as rent arrears up to period of November 1998 with interest at 12% per annum from 25 September 2000 until the sum is fully paid; and
- b. PhP418,412.50 as rent arrears for the period of 01 September 1999 to 15 December 1999 with interest at 12% per annum from 25 September 2000 until fully paid.

On 12 October 2009, ICTI filed a Motion for Partial Reconsideration which was denied by the Court of Appeals in its Resolution dated 28 January 2010. Consequently, the Decision became final and executory on 21 February 2010.

The Company filed a Motion for Issuance of Writ of Execution dated 25 June 2010 which was granted by the RTC on 02 July 2010. The Company is now in the process of enforcing the Writ of Execution. However, as of this date, the Company could not locate any property of ICTI for levy.

3. *Central Bay Reclamation and Development Corporation v. Philippine Reclamation Authority, instituted on 13 December 2010*

Central Bay filed a Petition for money claims with the Commission on Audit arising from a Joint Venture Agreement (JVA) entered by the Public Estates Authority [PEA] (now the Philippine Reclamation Authority [PRA]) with Amari Coastal Bay Development Corporation (ACBDC) for the development of Three Islands (the "Reclamation Project") on 25 April 1995. By virtue of a Notice to Proceed issued by the PEA on 27 September 1996, Central Bay proceeded with the implementation of the Reclamation Project after having obtained presidential approval, all the government licenses, environmental and other permits, and approvals necessary for the reclamation.

The Supreme Court declared the Amended JVA as null and void ab initio and after several Motions for Reconsideration denied by the Supreme Court, the decision of the Court became final and executory. Nevertheless, the Supreme Court decreed that the nullification of the JVA does not affect Central Bay's right to recover reimbursement from PEA (now PRA).

On 20 November 2009, the Company sent a letter to the PEA now PRA for the payment of approximately PhP13.4 billion. This amount represents all costs, losses, liabilities, and expenses incurred by Central Bay computed as of September 2009 pursuant to the Amended JVA. In a letter dated 8 February 2010, PRA, through its former General Manager and CEO, Andrea D. Domingo, acknowledged that of the claims for reimbursement made by Central Bay, PRA was able to verify the total amount of PhP1,004,439,048.45 as the amount due for reimbursement.

Thus, Central Bay filed a Petition with the COA to claim for reimbursement with the revised amount due totaling PhP11,527,573,684.12 (down from the initial claim of PhP13,385,972,469) and not merely PhP1,004,439,048.45 as initially determined by the PRA. Considering that PRA has already validated and acknowledged Central Bay's claim for reimbursement in the amount of PhP1,004,439,048.45, the only issue submitted to the COA is whether or not the other claims of Central Bay which were initially found by PRA to be without sufficient basis are likewise rightful items for reimbursement in light of recognized government accounting standards.

Central Bay had several meetings with the PRA Panel to reconcile the accounts and provide supporting data for its claim for reimbursement.

After the validation process, which was concluded in October 2011, the PRA, in a letter dated 03 February 2014 signed by its incumbent General Manager and CEO Peter Anthony A. Abaya, informed Central Bay that PRA has verified an additional amount for reimbursement equivalent to Twenty-Two Million Five Hundred Ninety-Two Thousand Four Hundred Thirty-Five and 34/100 Pesos (PhP22,592,435.34), bringing the total amount validated by PRA to One Billion Twenty-Seven Million Thirty-One Thousand Four Hundred Eighty-Three and 79/100 Pesos (PhP1,027,031,483.79).

PRA through the OGCC, subsequently filed its answer to the COA Petition. Central Bay has requested for additional time to file its Reply on or before 27 November 2015.

Central Bay and the PRA, as assisted by the Office of the Government Corporate Counsel (OGCC), entered into a Compromise Agreement with the PRA dated 14 October 2016. The Compromise Agreement shall take force and effect upon approval by the Commission on Audit (COA) and the issuance of the COA of an Order of Judgment to dismiss the money claim of Central Bay in the case docketed as COA CP Case No. 2010-350 and shall bar any future claims arising from or in connection with the Amended Joint Venture Agreement dated 30 March 1999.

The money claim of PhP1.027 billion shall be settled through a conveyance of a portion of the PRA reclaimed land to Central Bay's qualified assignee, as previously approved by the stockholders' of the Company during its annual stockholders' meeting held on 22 December 2015.

Central Bay and PRA filed a Joint Motion for Judgment based on the Compromise Agreement before the COA on 11 November 2016 to seek its approval. On 23 May 2019, the COA rendered a decision rendering the Compromise Agreement as null and void, and partially granting Central Bay's money claims in the total amount of P714,937,790.29 (Decision). A Motion for Reconsideration on the Decision was filed with the COA on 25 July 2019.

On 30 July 2020, Central Bay, the wholly owned subsidiary of the Company, received a notice dated 28 June 2020, that the COA *En Banc* issued a resolution on 21 January 2020 to deny its Motion for Reconsideration (MR). The MR was filed by the Central Bay on 25 July 2019 on the decision declaring the Compromise Agreement with the Philippine Reclamation Authority invalid, and partially granted Central Bay's money claim in the total amount of PhP714,937,790.29.

On 19 August 2020, Central Bay filed a Petition for Certiorari with G.R No. 252940 to the Supreme Court of the Philippines praying that the COA *En Banc* resolution be reversed and set aside and that the Compromise Agreement dated 14 October 2016 be approved and adopted.

On 08 September 2020, the Supreme Court *En Banc* required COA and PRA to comment to the Petition for Certiorari. Then on 22 March 2021, Central Bay received a Resolution from the Supreme Court requiring it to file a reply to COA's Comment dated 03 February 2021 within ten (10) days from notice or until 01 April 2021.

Considering the unabated rise of COVID-19 cases and the imposition and extension of stricter community quarantine restrictions, the Supreme Court issued Administrative Circulars Nos. 1-2021, 21-2021 and 22-2021 directing that all courts in the National Capital Region shall remain physically closed from 29 March 2021 until 30 April 2021. Further, the time for filing and service of pleadings is suspended and shall resume seven (7) calendar days counted from the first day of the physical reopening of the relevant court. The reply was timely filed by Central Bay on 23 April 2021.

On 30 September 2021, the PRA filed a Motion to Admit with attached Manifestation and Comment. In its Motion, it prayed that the Supreme Court admit its comment which was belatedly filed.

The PRA substantially adopted the findings of the COA as its Comment on Central Bay's Petition for Certiorari. Specifically, while it confirmed that the PRA-validated claim amounted to PhP1,004,439,048.45, it echoed the COA's findings that only the amount of PhP714,937,790.29 may be allowed as supported by original documents or evidence.

In a Decision dated 05 April 2022, the Supreme Court declared the Compromise Agreement between Central Bay Reclamation and Development Corporation (Central Bay) and the Philippine Reclamation Authority void ab initio for being contrary to the 1987 Constitution, Executive Order No. 292, Administrative Code of 1987, and the Government Auditing Code of the Philippines. Further, the Supreme Court disallowed Central Bay's money claims except for the amount of Seven Hundred Fourteen Million Nine Hundred Thirty-Seven Thousand Seven Hundred Ninety and 29/100 Pesos (PhP714,937,790.29) representing advance payment for the reclamation and project development. Central Bay then filed a Motion for Reconsideration dated 15 December 2022.

In a Resolution dated 07 February 2023, the Supreme Court denied with finality Central Bay's Motion for Reconsideration dated 15 December 2022, and affirmed the Commission on Audit's (COA) Decision dated 23 May 2019 in COA CP Case No. 2010-350. In the Notice, it stated that Entry of Judgment will be made immediately.

On 03 May 2023, Central Bay received the Entry of Judgment dated 20 March 2023.

As of date, Central Bay has complied with the requirements of the PRA for claiming the PhP714,937,790.29 reimbursement as allowed by the Supreme Court in its Decision dated 05 April 2022 and is currently awaiting the response of the Office of the COA Chairman to the letter sent by the PRA, whereby the latter has requested for the COA to issue a directive on the satisfaction of the Supreme Court Entry of Judgment.

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

There were no matters submitted during the period covered by this report to a vote of security holders through the solicitation of proxies or otherwise.

PART II – OPERATIONAL AND FINANCIAL INFORMATION

Item 5. Market for Issuer's Common Equity and Related Stockholder Matters

(1) Market Information

The Company's common equity is traded at the Philippine Stock Exchange

Stock Prices

Fiscal Year 2019		
1 st Quarter	P0.43	P0.39
2 nd Quarter	P0.47	P0.45
3 rd Quarter	P0.40	P0.39
4 th Quarter	P0.39	P0.37
Fiscal Year 2020		
1 st Quarter	P0.24	P0.23
2 nd Quarter	P0.26	P0.26
3 rd Quarter	P0.31	P0.29
4 th Quarter	P0.35	P0.33
For the Year 2021		
1 st Quarter	P0.33	P0.32
2 nd Quarter	N/A	N/A
3 rd Quarter	N/A	N/A
4 th Quarter	N/A	N/A
For the Year 2022		
1 st Quarter	N/A	N/A
2 nd Quarter	N/A	N/A
3 rd Quarter	N/A	N/A
4 th Quarter	N/A	N/A
For the Year 2023		
1 st Quarter	N/A	N/A
2 nd Quarter	N/A	N/A
3 rd Quarter	N/A	N/A
4 th Quarter	N/A	N/A
For the Year 2024		
1 st Quarter	N/A	N/A

2 nd Quarter	N/A	N/A
3 rd Quarter	N/A	N/A
4 th Quarter	N/A	N/A

The trading of the shares of the Company was suspended on 18 June 2021 due to the disclaimer of opinion issued by the Company's external auditor, R.G. Manabat and Co., on the Company's 2020 Audited Financial Statements.

(2) Holders

The number of shareholders of record as of 31 December 2024 is Six Hundred Thirty (630). Common shares outstanding as of the same period are Six Billion Eight Hundred Six Million Eight Hundred Seventy-Eight Thousand Eight Hundred Fifty-Three (6,806,878,853) shares.

**Top 20 Common Stockholders (listed and unlisted)
As of 31 December 2024**

Name of Stockholder	Number of Shareholdings	Percentage to Total Equity (Common)
PCD NOMINEE CORP. (FILIPINO)	2,013,843,009	29.59%
PRIMERA COMMERCIO HOLDINGS, INC.	1,462,000,000	21.48%
GUOCO HOLDINGS (PHILS.), INC.	1,320,116,000	19.39%
UCPB TA# 99-0196	1,000,000,000	14.69%
ONE BACOLOD EXPRESS HOLDINGS, INC. *	364,577,424	5.36%
AMARI HOLDINGS CORPORATION	215,500,000	3.17%
PRIMERA COMMERCIO HOLDINGS, INC.*	167,578,190	2.46%
COSCO LAND CORPORATION*	56,132,206	0.82%
PCD NOMINEE CORPORATION (NON-FILIPINO)	44,428,141	0.65%
DAVID GO SECURITIES CORPORATION	43,526,968	0.64%
PRIME ORION PHILIPPINES, INC.	17,985,405	0.26%
HLG CAPITAL PHIL., INC. ITF MR. SOMBOON PATCHARASOPAK	14,000,000	0.21%
URBAN LEISURE AND DEVELOPMENT CORPORATION	12,000,000	0.18%
ROGER C. ANG	9,000,000	0.13%
BENITO KEH	6,916,000	0.10%
KATHERINE MARIE YBANEZ SY	5,000,000	0.07%
SEC ACCOUNT FAO: VARIOUS CUSTOMERS OF GUOCO SECURITIES (PHILIPPINES), INC.	4,111,324	0.06%
WILLIAM L. PEREZ	3,470,000	0.05%
Q-TECH ALLIANCE HOLDINGS, INC.	3,143,000	0.05%

*unlisted shares

**Top 20 Preferred Stockholders
As of 31 December 2024**

Name of Stockholder	Number of Shareholdings	Percentage to Total Equity (Preferred)
ONE BACOLOD EXPRESS HOLDINGS, INC.	1,609,359,778	24.88%
PRIMERA COMMERCIO HOLDINGS, INC.	4,858,590,825	75.12%

(3) Dividends

No dividends were declared in 2024. Except for the availability of sufficient retained earnings, there is no restriction on the payment on dividends on shares.

(4) Recent Sales of Unregistered Securities

There are no sales of unregistered securities of the Company within the past three (3) years.

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

Plan of Operation

Due to the Decision of the Supreme Court, which rendered a decision nullifying the Joint Venture Agreement (JVA) with the PEA, the Company has suspended all works and negotiations. The Company has exhausted almost all possible legal courses of action.

The plan of operation of the Company and its Subsidiary will depend on the recoverability of the Group's claims for reimbursement from PRA and on the success of any business that the Group may undertake.

At present, the Company is operating using funds sourced externally or advanced by its major stockholders. There are no expected major purchases or sale of plant and equipment nor significant changes in the number of employees of the Company.

There were no material changes in financial condition and results of operation for each of the last three fiscal years.

- There are no known trends, demands, commitments, events or uncertainties that will have a material effect on the Company's liquidity.
- There are no material commitments for capital expenditures.
- There are no significant elements of income or loss that did not arise from the Company's operations.
- All expenses of the Company are current and the Company does not expect any direct or contingent financial obligation that is substantial or material.
- There are no seasonal aspects that have a material effect on the financial condition or results of operations.
- The Board and Management of the Company are continuously and actively looking for other projects and businesses that the Company may venture into. In the meantime, all project-related operations are still suspended.

The Company's Top 5 key performance indicators/financial soundness indicators:

Performance Indicators	FORMULA	2024 (in thousands)	2023 (in thousands)
Current Ratio	Current Assets/Current Liabilities	0.334 : 1 716,466 / 2,144,087	0.335 : 1 717,117 / 2,140,551
Debt to Equity Ratio	Total Liabilities / Stockholders Equity	-1.505 : 1 2,144,087 / (1,425,048)	-1.506 : 1 2,140,551 / (1,421,232)
Equity to Debt Ratio	Stockholders Equity / Total Liabilities	-0.665 : 1 (1,425,048) / 2,144,087	-0.664 : 1 (1,421,232) / 2,140,551
Book value per share	Stockholders Equity / Total number of shares	-0.209 (1,425,048) / 6,806,879	-0.209 (1,421,232) / 6,806,879

Income(Loss) per share	Net Income / Total number of shares	-0.0006 (3,816) / 6,806,879	-0.0004 (2,639) / 6,806,879
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At present, there are no known trends, demands, commitments or uncertainties in the Company. All operational expenses of the Company are sustained by sourcing externally or advanced by its major stockholders. All expenses of the Company are current and the Company does not expect any direct or contingent financial obligation that is substantial or material.

For the next Twelve (12) months, the Company will continue to source funds for its operational expenses from its major stockholders. The Company does not expect to purchase or sell any plant and significant equipment. The Company does not foresee a significant change in the number of its employees for the succeeding Twelve (12) months.

Item 7. Financial Statements

The consolidated financial statements and schedules listed in the accompanying Index to Financial Statements and Supplementary Schedules are filed as part of this Form 17-A.

External Audit Fees and Services

The aggregate fees billed and paid by the Company in favor of its External Auditors for Audit and Audit Related Fees is Five Hundred Fifty Thousand Pesos (Php550,000.00) and Five Hundred Twenty-Five Thousand Pesos (Php525,000.00) for 2024 and 2023, respectively. These fees comprise the audit and audit-related services rendered to the Company and its subsidiary.

Except for the fees indicated above, there were no tax fees, or all other fees billed or paid to the Company's External Auditors for the last two (2) fiscal years.

The audit plan, including the corresponding audit fees, is submitted by the External Auditors to the Company's Audit Committee for review. The Audit Committee evaluates and approves the audit fees based on reasonableness, scope of work and the prevailing market price for audit services in the industry. If the Audit Committee finds the audit plan and fees are in order, it is presented and recommended for final approval of the Board of Directors. In the event that other services aside from the audit of financial statements, the scope of and payment for the same are subject to review, evaluation and approval by the Board of Directors.

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

As previously stated, on 23 May 2019, the COA rendered a decision rendering the Compromise Agreement as invalid, and partially granting money claims in the amount of PhP714,937,790.29. On 25 July 2019, a Motion for Reconsideration on the Decision was filed by Central Bay which was denied by the COA in a decision dated 28 June 2020. On 19 August 2020, Central Bay filed a Petition for Certiorari with the Supreme Court which was denied with finality on 07 February 2023. Central Bay received the Entry of Judgment dated 20 March 2023 on 03 May 2023.

There was then a discussion between the Company and the Company's auditors as to whether or not the partial award of money claims in the amount of PhP714,937,790.29 should be recognized as income of the Company.

Considering that the actual receipt of the award is still subject to government processes, it was agreed that the award be recognized as a contingent asset which should not be reflected as income of the Company.

PART III - CONTROL AND COMPENSATION INFORMATION

Item 9. Directors and Executive Officers of the Company

(1) Directors and Executive Officers – Position/Other Directorships

The present directors of the Company were elected during the Annual Stockholders Meeting held on 28 June 2024.

The directors serve for a term of one (1) year until the election and acceptance of their qualified successors.

The list below includes the directorships/officerships held by the Company's directors in other corporations. Most of these directorships/officerships have been held by the directors for the past five (5) years to the present.

Name	Age	Directorships in Other Companies	Citizenship	Business Experience for the Past Five Years
Maria Farah Z.G. Nicolas-Suchianco Director, December 2021 to present Chairperson, December 2021 to present	56	AB Fiber Corp. AirMaverick, Inc. ALK Holdings & Management, Inc. Incorporated ATE-Infra Construction Corp. Broadreach Media Holdings, Inc. Casa Prospero Holdings and Development Inc. Central Bay Reclamation and Development Corporation Countrybreeze Corporation Cyber Bay Corporation CNL Culinary Corp. Columbus Capitana Corporation Eastbay Foundation, Inc. c/o SP-S1709 Eastbay Resorts, Inc. E-Fare Investment Holdings, Inc. Escaler Realty Corporation Evander Holdings Corporation Global Titan Leisure Holdings Corp. GSE Managed Solutions, Inc. Illumina Investment Holdings Inc. JRLT-JHI Corp. La Gran Tierra Holdings Inc. Las Palmas Holdings Corporation M.A.Y. Assets, Inc. Magnum Leisure Holdings, Incorporated Nicosafra, Inc. Nine Media Corporation Optimum Dev't. Holdings Phils. Parilla Express Holdings Corporation Pedalmax Holdings, Inc. Pilipinas Asian Pearl Airways, Inc. Pixiedust, Inc. Primo Fuentes Holdings, Inc. Radio Philippines Network, Inc. RDN Holding Industries Inc. Roadworks, Inc. RVN Fitness Collective Corp. Skytrooper Charter Phils., Inc. Sunspear Holdings Inc. The New Centurians Group Philippines, Inc. Thunderbird Foundation, Inc. Thunderbird Frontier Realty, Inc. Thunderbird Pilipinas Hotels and Resorts, Inc. Thunderbird Poro Development Ventures, Inc. Thunderbird-Poro Point Ltd. Tulong at Serbisyo sa Bayan (TSB) Foundation, Inc. Vista Gran Verde Holdings Inc. VNC Industries Holding Corp. Volando Alto Holdings, Inc.	Filipino	President: Airmaverick Inc. ATE-Infra Construction Corp. Broadreach Media Holdings, Inc. (Chairman) Central Bay Reclamation and Development Corporation Evander Holdings Corporation (Chairman) Global Titan Leisure Holdings Corp. (Chairman) GSE Managed Solutions, Inc. JRLT-JHI Corp., (Chairman) La Gran Tierra Holdings Inc. (Chairman) Parilla Express Holdings Corporation Skytrooper Charter Phils., Inc. Sunspear Holdings, Inc. (Chairman) Tulong at Serbisyo sa Bayan (TSB) Foundation Volando Alto Holdings, Inc. Corporate Secretary: APP King Limited (BVI) Asian Hyperbaric Healthcare Incorporated Buildnet Construction, Inc. Casa Prospero Holdings and Development, Inc. Countrybreeze Corporation Cybereason Phils. Inc. CNL Culinary Corp. Escaler Realty Corporation Fitness Army Enterprise, Inc. Tagumpay Auto Corporation Independent Priority Trade, Inc. Intentionality Inc. KB Space Holdings, Inc. M.A.Y Assets, Inc. Maxcellon Inc. MCRP Construction Corporation Mema Holdings Inc. Nicosafra, Inc. Nine Media Corporation Optimum Dev't. Holdings Phils. Pedalmax Holdings, Inc. Pilipinas Asian Pearl Airways, Inc. R.G Nicolas, Incorporated Radio Philippines Network, Inc. RDN Holding Industries Corp. Roadworks, Inc. RVN Fitness Collective Corp. Solid North Mineral Corp.

		Zoraymee Holdings, Inc.		<p>The Designer Boulanger Philippines Corporation Vista Gran Verde Holdings Inc. VGV Agri-Tourism and Leisure Farm Inc. VNC Industries Holding Corporation VYL Development Corporation Wynsum Leisure Hoteliers, Inc. Wynsum Realty & Development, Inc.</p> <p>Treasurer: Countrybreeze Corporation Escaler Realty Corporation Pedalmax Holdings, Inc. Pilipinas Asian Pearl Airways, Inc. Primo Fuentes Holding, Inc. Illumina Investment Holdings Inc.</p>
<p>Raul Tito A. Estrella</p> <p>President, December 2021 to present</p> <p>Director, 2011 to present</p>	54	<p>AB Fiber Corp. Airmaverick Inc. ALK Holdings & Management, Inc. Apex Dynasty Power Inc. Countrybreeze Corporation Cyber Bay Corporation DBM Vircon Services (Philippines) Inc. (formerly PDC Asia Pacific Inc.) Evander Holdings Corporation Global Cast Asia Realty and Marine Services Inc Gracall International MNL, Inc. GSE Managed Solutions, Inc. Leviat Philippines Inc. (Formerly: Halfen-Moment, Inc.) High Garden Holding Corp. Luzon Petrofuels, Inc. Marbleslate Holdings, Inc. Pedalmax Holdings, Inc. Pixiedust Inc. Premuim Plus Investment Holdings, Inc. Skytrooper Charter Phils. Inc. Smart Access Holdings Inc. Sunshore Holdings Corporation TD Outsourcing Philippines, Inc.</p>	Filipino	<p>President: Apex Dynasty Power Inc. (Chairman) Cyber Bay Corporation Global Cast Asia Realty and Marine Services Inc. (Chairman) Highgarden Holding Corp. (Chairman) Marbleslate Holdings, Inc. (Chairman) Smart Access Holdings Inc. (Chairman) Sunshore Holdings Corporation (Chairman)</p> <p>Corporate Secretary: Asurion Compassion Forward Philippines, Foundation, Inc. DBM Vircon Services (Philippines) Inc. (formerly PDC Asia Pacific Inc.) Gracall International MNL, Inc. Pinterview International Philippines</p> <p>Treasurer: Evander Holdings Corporation</p> <p>Resident Agent: Goltens Philippines</p>
<p>Cheryl S. Saldaña-de Leon</p> <p>Director, October 2010 to present</p>	45	<p>AB Fiber Corp. Amaranth East Holdings, Inc. AUEnergy, Inc. Boracay Island Transit System Corp. Calaca High Power Corporation Casa Prospero Holdings and Development Inc. Central Bay Reclamation and Development Corporation Countrybreeze Corporation Cyber Bay Corporation Eforce Security Company, Inc. Frostfire Holdings, Inc. Global Cast Asia Realty and Marine Services Inc. Lucky Fivestar Holdings, Inc.</p>	Filipino	<p><i>Chairperson and President:</i> Amaranth East Holdings, Inc.</p> <p><i>President:</i> Aquos Vista, Inc. Frostfire Holdings, Inc. Sealoch Holdings, Inc. Smartventures Inc. Spectrolite Ultra Power Corporation</p> <p><i>Treasurer:</i> Lucky Fivestar Holdings, Inc.</p> <p><i>Corporate Secretary:</i> AB Fiber Corp. Airy Mobi Technologies, Inc.</p>

		<p>Monte Oro Grid Resources Corporation Onetaipan Holdings, Inc. Pacifica21 Holdings, Inc. Parilla Express Holdings Corporation Pedalmax Holdings, Inc. Pook Ligaya Shell Inc. Privado Holdings Corp. Prosegur Filipinas Holdings Corp. Prosegur Global Resources Holdings Philippines Inc. Sealoch Holdings, Inc. Soberano Communications Inc. Sonny Shell, Inc. Smartventures Inc. Smart Access Holdings Inc. Spectrolite Ultra Power Corporation Sunspear Holdings, Inc. The Designer Boulanger Philippines Corporation Titanomachy Holdings, Inc. Titanomachy International, Inc. Titanomachy, Inc. Visayasolar, Inc. Wiselink Investment Holdings, Inc.</p>		<p>Armored Transport Plus, Incorporated Boracay Island Transit System Corp. Calaca High Power Corporation Casa Prospero Holdings and Development Inc. Ecofuel Land Development Inc. E-CTK Solutions Inc. Fortress Armoured Transport, Inc. Getwonders Corporation Global Cast Asia Realty and Marine Services Inc. Green Future Innovations, Inc. Island City Music Ph OPC Monte Oro Grid Resources Corporation MCX International, Inc. Onetaipan Holdings, Inc. Pacifica21 Holdings, Inc. Philippines Recorded Music Rights Inc. Pook Ligaya Shell Inc. Privado Holdings Corp. Prosegur Filipinas Holdings Corp. Prosegur Global Resources Holdings Philippines Inc. Red Planet Hotels Manila Corporation Sonny Shell, Inc. Sunspear Holdings, Inc. Synergy Grid & Development Phils., Inc. Titanomachy Talent Management, Inc. Titanomachy Publications, Inc. Titanomachy Holdings, Inc. Titanomachy International, Inc. Titanomachy-Shavers, Inc. Titanomachy, Inc. Wiselink Investment Holdings, Inc. 1Renewable Earth Inc.</p> <p><i>Assistant Corporate Secretary:</i> AUEnergy, Inc. The Designer Boulanger Philippines Corporation</p>
<p>Patricia Ann L. Bulawit</p> <p>December 2022 to present</p>	26	<p>Central Bay Reclamation and Development Corporation Cyber Bay Corporation</p>	Filipino	<p><i>Treasurer:</i> Central Bay Reclamation and Development Corporation Cyber Bay Corporation</p>
<p>Jose Martin A. Loon</p> <p>Director, January 2017 to present</p>	37	<p>Cyber Bay Corporation United Coconut Planters Life Assurance Corporation (COCOLIFE) COCOGEN Insurance, Inc. COCOLIFE Asset Management Co., Inc. (CAMCI) United Fund, Inc. COCOLIFE Dollar Fund Builder, Inc. COCOLIFE Fixed Income Fund, Inc. ULTRA Security Services, Inc.</p>	Filipino	<p><i>President and CEO:</i> COCOLIFE</p> <p><i>Partner:</i> ULTRA Security Services, Inc., <i>Chairman</i> Yebra De Vesa Loon Santos Hernandez Law Offices</p> <p><i>Consultant:</i> Vamos Holdings Inc. ZEE1 Resources Inc.</p>

				<p><i>Corporate Secretary:</i> IZ Investments Inc. Innovative High Power Inc.</p> <p><i>Senior Lecturer:</i> University of the Philippines College of Law</p>
<p>Evita C. Caballa</p> <p>Independent Director, December 2020 to present</p>	57	<p>MDR Management Partners, Inc. Northpine Land, Inc. Northpine One Residence, Inc. Northpine Development, Inc.</p>	Filipino	<p><i>Corporate Secretary and Director:</i> Global 808 Investment Holdings, Inc. JGT Holdings, Inc. Nine Dots Media Consulting Corporation Grand Asia Holdings Inc. Q-tech Alliance Holdings, Inc.</p> <p><i>Corporate Secretary:</i> Philippine Diamond Hotel and Resort Inc. Philippine Oriental Reality Development, Inc. Bank of Commerce</p> <p><i>Director and Treasurer:</i> Continental Sky Dynamics, Inc.</p> <p><i>Board of Liquidator:</i> Northpine Land, Inc. Northpine One Residence, Inc. Northpine Development, Inc.</p>
<p>Luis A. Vera Cruz, Jr.</p> <p>Independent Director, January 2017 to present</p>	73	<p>Agribusiness Rural Bank, Inc. ACCRA Holdings, Inc.</p>	Filipino	<p><i>Senior Partner and Former Co-Managing Partner, Head of Litigation Department, Head of Corporate and Special Projects Department:</i> Angara Abello Concepcion Regala & Cruz</p> <p><i>Retained Counsel:</i> San Miguel Corporation</p> <p><i>Corporate Secretary:</i> Chemical Industries of the Philippines, Inc. ACCRA Investment, Inc.</p> <p><i>Director and President:</i> ACCRA Holdings, Inc.</p> <p><i>Chairman and Independent Director:</i> Agribusiness Rural Bank, Inc.</p> <p><i>Accredited Member:</i> Philippine Dispute Resolution Center New York Arbitration and Mediation</p>

<p>Rhogel S. Gandingco</p> <p>Independent Director, December 2017 to present</p>	<p>55</p>	<p>Deity Holdings Corporation Fonterra Verde Holdings Inc. Fortman Cline Capital Markets Phils., Inc. Imperio Sureste Realty Inc. One Verdana Holdings Inc. Pacific Nickel Phils., Inc. Petrogen Insurance Corporation Philnico Industrial Corporation World Summit Holdings Corporation 21 La Verde Holdings, Inc. Daguma Agro-Minerals Inc. Bonanza Energy Resources, Inc. Sentro 88 Foods, Inc. Sual Power Inc. (formerly San Miguel Energy Corporation) Sultan Energy Phils., Corp. Top Frontier Holdings Corp. Global 5000 Corporation San Miguel Global Power Holdings Corp. (formerly SMC Global Power Holdings Corp.)</p>	<p>Filipino</p>	<p><i>Chairman and President:</i> 21 La Verde Holdings, Inc. Bonanza Energy Resources, Inc. Daguma Agro-Minerals Inc. Sentro 88 Foods, Inc. Sual Power Inc. (formerly San Miguel Energy Corporation) Sultan Energy Phils., Corp.</p> <p><i>Member of Related Party Transaction Committee:</i> Petrogen Insurance Corporation</p> <p><i>President and Director:</i> Top Frontier Holdings Corp.</p> <p><i>Treasurer and Director:</i> Global 5000 Corporation San Miguel Global Power Holdings Corp. (formerly SMC Global Power Holdings Corp.)</p>
<p>Ryan V. Romero</p> <p>Director, March 2018 to present</p> <p>Corporate Secretary and Compliance Officer, July 2021 to present</p>	<p>41</p>	<p>Agua Bueno Holdings, Inc. Broadreach Media Holdings, Inc. Central Bay Reclamation and Development Corporation Cyber Bay Corporation Deltacrest Holdings, Inc. Dharma Holdings Corporation Edtech Corporation Fernwood Holdings, Inc. Frostfire Holdings, Inc. Grand Trackway Holdings, Inc. JRLT-JHI Corp. Kit Ben Holdings, Inc. Lagoonlight Holdings, Inc. Liquigaz Philippines Corporation One Bacolod Express Holdings, Inc. Primera Commercio Holdings, Inc. Privado Holdings, Corp. Secgen Construction and Development Corporation Serpentine Dragon Power Corporation Strategic Investment & Dev't. Holdings, Inc. Transwood Holdings Incorporated Valhalla Investment & Dev. Holdings, Inc.</p>	<p>Filipino</p>	<p><i>President:</i> Deltacrest Holdings, Inc. Secgen Construction and Development Corporation Serpentine Dragon Power Corporation Transwood Holdings Incorporated</p> <p><i>Corporate Secretary:</i> Agua Bueno Holdings, Inc. Broadreach Media Holdings, Inc. Cyber Bay Corporation Central Bay Reclamation and Development Corporation Dharma Holdings Corporation Eco Savers Group Ventures Inc. First Vita Plus Marketing Corporation Frostfire Holdings, Inc. Inland Quality Gaz Ventures Incorporated JRLT-JHI Corp. One Bacolod Express Holdings, Inc. Panlaan Gas Corporation Paramount Executive Security Services Inc. Paramount Executive Protection Services Corp. Paramount Private Security Training Institute Inc.</p> <p><i>Assistant Corporate Secretary:</i> Central Bay Reclamation and Development Corporation Ecofuel Land Development, Inc. Green Future Innovations, Inc. Radio Philippines Network, Inc. Victoria Solar Energy Corporation Visayasolar, Inc.</p>

				<i>Treasurer:</i> Aquos Vista Holdings Inc. Broadreach Media Holdings, Inc. Frostfire Holdings, Inc. One Bacolod Express Holdings, Inc.
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(2) Significant Employees

The Company has no employees.

(3) Family Relationships

The directors, executive officers, or persons nominated or chosen by the Company to become directors or executive officers are not related up to the fourth civil degree either by consanguinity or affinity.

(4) Involvement in Certain Legal Proceedings

There has been no occurrence of any of the following events during the past five years up to the latest date that are material to an evaluation of the ability or integrity of any director, person nominated to become a director, executive officer or control person of the Company:

- a) Any bankruptcy petition filed by or against any business of which such person was a general partner or executive officer either at the time of the bankruptcy or within two years prior to that time;
- b) Any conviction by final judgment, in a criminal proceeding, domestic or foreign, or being subject to a pending criminal proceeding, domestic or foreign, excluding traffic violations and other minor offenses;
- c) Being subject to any order, judgment, or decree, not subsequently reversed, suspended or vacated, of any court of competent jurisdiction, domestic or foreign, permanently or temporarily enjoining, barring, suspending or otherwise limiting his involvement in any type of business, securities, commodities or banking activities and;
- d) Being found by a domestic or foreign court of competent jurisdiction (in a civil action), the Commission or comparable foreign body, or a domestic or foreign Exchange or other organized trading market or self regulatory organization, to have violated a securities or commodities law or regulation, and the judgment has not been reversed, suspended, or vacated.

(5) Certain Relationships and Related Transactions

There were no transactions or proposed transactions during the last two (2) years, or proposed transactions, to which the Corporation was or is to be a party, in which any of the following persons had or is to have a direct or indirect material interest:

- a) Any director or executive officer of the Corporation;
- b) Any nominee for election as a director;
- c) Any security holder named in response to 1.1 and 1.2 above;
- d) Any member of the immediate family (including spouse, parents, children, siblings, and in-laws) of any of the persons in subparagraph 2.5 (a), (b) or (c) of this paragraph.

Please refer to Note 9 of the Consolidated Audited Financial Statements for the year ended 31 December 2021 for the summary of related party transactions.

(6) Resignation of Directors

No director has resigned or declined to stand for re-election for the Board due to any disagreement with the Corporation relative to its operations, policies or practices.

Item 10. Executive Compensation

Information as to the aggregate compensation paid or accrued during the last two completed fiscal years and ensuing year to the Company's Chief Executive Officer and four most highly compensated executive officers

SUMMARY COMPENSATION TABLE

Year 2022-2024 Annual Compensation

Name and Principal Position	Year	Compensation	Bonuses	Other Compensation
The Directors/Officers of the Company are not receiving any form of compensation	2024 2023 2022	N.A.	N.A.	N.A.

10.1 Compensation of Directors

- (a) There is no standard arrangement pursuant to which directors of the Company are compensated or are to be compensated, directly or indirectly, for any services provided as a director, including any additional amounts payable for committee participation or special assignments, for the last completed fiscal year and the ensuing year.
- (b) There are no other arrangements, including consulting contracts, pursuant to which any director of the Company was compensated, or is to be compensated, directly or indirectly, during the Company's last completed fiscal year, and the ensuing year, for any service provided as a director.

There is no action to be taken with regard to the following:

- (a) any bonus, profit sharing, or other compensation plan, contract or arrangement in which any director, nominee for election as a director, or executive officer of the Company will participate;
- (b) any pension or retirement plan in which any person will participate; or
- (c) granting or extension to any such person of any options, warrants or rights to purchase any securities, other than warrants or rights issued to security holders as such, on a pro rata basis.

Item 11. Security Ownership of Certain Beneficial Owners and Management

(1) Security Ownership of Certain Record and Beneficial Owners (As of 31 December 2024)

Title of Class	Name and Address of Record Owner and Relationship with Issuer	Name of Beneficial Owner and Relationship with Record Owner	Citizenship	No. of Shares Held	Percentage of Ownership
Common	PCD Nominee Corp. (Filipino) 37/F Tower I The Enterprise Center 6766 Ayala Avenue cor. Paseo de Roxas, Makati City	*	Filipino	2,013,843,009	29.59%
Common	Primera Comercio Holdings, Inc. 2802 Discovery Center, 25 ADB Avenue, Ortigas Center, Pasig City	Record Holder same as Beneficial Owner	Filipino	1,462,000,000	21.48%
Preferred	Primera Comercio Holdings, Inc.	Record Holder same as	Filipino	4,858,590,825	75.12%

	2802 Discovery Center, 25 ADB Avenue, Ortigas Center, Pasig City	Beneficial Owner			
Preferred	One Bacolod Express Holdings, Inc. 2802 Discovery Center, 25 ADB Avenue, Ortigas Center, Pasig City	Record Holder same as Beneficial Owner	Filipino	1,609,359,778	24.88%

* There are no beneficial owners under PCD Nominee Corporation which holds more than 5% shares in the Company.

The following represent for each of the above-named company:

- | | |
|---------------------------------------|-------------------|
| 1. Primera Comercio Holdings, Inc. | Michael G. Acaban |
| 2. One Bacolod Express Holdings, Inc. | Nicolas P. Tayag |

(2) Security Ownership of Management (Other than Nominees)
(as of 31 December 2024)

Title of Class	Name of Beneficial Owner	Amount and Nature of Beneficial Ownership	Citizenship	Percentage of Ownership
Common	Maria Farah Z.G. Nicolas-Suchianco	1 (direct) 0 (indirect)	Filipino	0.00000%
Common	Raul Tito Maxelmo A. Estrella	999 (direct) 0 (indirect)	Filipino	0.00001%
Common	Cheryl S. Saldaña-de Leon	994 (direct) 0 (indirect)	Filipino	0.00001%
Common	Ryan V. Romero	1 (direct) 0 (indirect)	Filipino	0.00000%
Common	Evita C. Caballa	200,001 (direct) 0 (indirect)	Filipino	0.00294%
Common	Rhogel S. Gandingco	1 (direct) 0 (indirect)	Filipino	0.00000%
Common	Patricia Ann L. Bulawit	1 (direct) 0 (indirect)	Filipino	0.00000%
Common	Jose Martin A. Loon	1 (direct) 0 (indirect)	Filipino	0.00000%
Common	Luis A. Vera Cruz, Jr.	1 (direct) 0 (indirect)	Filipino	0.00000%
Total		202,000 shares		0.00297%

(3) Voting Trust Holders of 5% or More

There are no persons holding more than 5% of a class under a voting trust or similar agreement.

(4) Changes in Control

There are no arrangements, which may result in changes in control of Company, during the period covered by this Form 17-A.

Item 12. Certain Relationships and Related Transactions

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

- (a) Any director or executive officer of the Company;
- (b) Any nominee for election as a director;
- (c) Any security holder named above; and
- (d) Any member of the immediate family (including spouse, parents, children, siblings, and in-laws) of any of the officers, directors, or a security holder of the Company.

PART IV – CORPORATE GOVERNANCE

Item 13. Corporate Governance

Further to the Securities and Exchange Commission's Memorandum Circular No. 10, Series of 2019, the Company's Material Related Party Transactions Policy was filed last 02 March 2020.

PART V - EXHIBITS AND SCHEDULES

Item 14. Exhibits and Reports on SEC Form 17-A

Reported Items via SEC Form 17-C

Date	Item No. Reported	Disclosure										
04 April 2024	Item 9 (Other Events)	<p>The Board of Directors formally postponed the schedule of the 2024 Annual Stockholders' Meeting (ASM) which should be held on any day of April of each year pursuant to the By-Laws of the Corporation.</p> <p>The Board of Directors decided to postpone the ASM due to lack of quorum resulting from the absence of shareholders owning or representing at least a majority of the outstanding capital stock of the Corporation. The postponement shall also provide the Corporation with sufficient time to fully comply with various regulatory requirements.</p>										
13 May 2024	Item 9 (Other Events)	<p>At the Special Meeting of the Board of Directors held today, 13 May 2024, the Board approved the setting of the Annual Meeting of the Stockholders to 28 June 2024, 2:00PM with record date of 28 May 2024.</p> <p>The Annual Stockholders' Meeting (ASM) will be held <i>via</i> remote communication.</p> <p>Stockholders intending to attend the meeting by remote communication should notify the Company not later than 17 June 2024 at 5:00 PM, at the following address:</p> <p style="text-align: center;">RYAN V. ROMERO CYBER BAY CORPORATION Unit 2802, Discovery Center 25 ADB Avenue, Ortigas Center, Pasig City CYBRcorporatesecretary@gmail.com</p> <p>The Agenda of the Meeting is as follows:</p> <ol style="list-style-type: none">1. Call to Order2. Proof of Notice of Meeting3. Determination of Quorum4. Approval of the Minutes of the Previous Stockholders' Meeting5. Presentation of the Management Report6. Approval of the 2023 Audited Financial Statements7. Election of the Members of the Board of Directors8. Appointment of External Auditors9. Other Business10. Adjournment										
28 June 2024	Items 4 and 9 (Other Events)	<p>I. RESULTS OF ANNUAL STOCKHOLDERS' MEETING</p> <p>Cyber Bay Corporation ("CYBR") held its Annual Stockholders' Meeting on 28 June 2024, 2:00 PM, via videoconference.</p> <p>A. List of elected directors for the ensuing year with their corresponding shareholdings in CYBR</p> <table><tr><th rowspan="2">Name</th><th colspan="2">Shareholdings</th><th rowspan="2">Nature of Indirect Ownership</th></tr><tr><th>Direct</th><th>Indirect</th></tr><tr><td>Maria Farah Z.G. Nicolas-Suchianco</td><td>1</td><td>-</td><td>-</td></tr></table>	Name	Shareholdings		Nature of Indirect Ownership	Direct	Indirect	Maria Farah Z.G. Nicolas-Suchianco	1	-	-
Name	Shareholdings			Nature of Indirect Ownership								
	Direct	Indirect										
Maria Farah Z.G. Nicolas-Suchianco	1	-	-									

Raul Tito Maxelmo A. Estrella	999	-	-
Rhogel S. Gandingco	1	-	-
Cheryl S. Saldaña-De Leon	994	-	-
Luis A. Vera Cruz, Jr.	1	-	-
Evita C. Caballa	200,001	-	-
Jose Martin Loon	1	-	-
Ryan V. Romero	1	-	-
Patricia Ann L. Bulawit	1	-	-

B. Appointment of External Auditor

The stockholders approved the appointment of the accounting firm of R.G. Manabat & Co., CPAs (an affiliate of KPMG) as the external auditors of the Company for fiscal year 2024.

C. List of other material resolutions, transactions and corporate actions approved by the stockholders

The stockholders also approved the following items:

1. Minutes of the Annual Stockholders' Meeting held on 21 December 2023;
2. Annual Report of the Management;
3. Annual Report and Audited Financial Statements for the year ending 31 December 2023; and
4. Provision of word processing and reproduction assistance services by KPMG.

II. RESULTS OF ORGANIZATIONAL MEETING

After the Annual Stockholders' Meeting, the Board of Directors proceeded to hold the organizational meeting.

A. List of elected officers with their corresponding shareholdings in CYBR

Name	Position/ Designation	Shareholdings		Nature of Indirect Ownership
		Direct	Indirect	
Maria Farah Z.G. Nicolas-Suchianco	Chairperson	1	-	-
Raul Tito Maxelmo A. Estrella	President	999	-	-
Ryan V. Romero	Corporate Secretary / Compliance Officer	1	-	-
Patricia Ann L. Bulawit	Treasurer	1	-	-

B. List of Committees and Membership

NED – Non-Executive Director

ED – Executive Director

ID – Independent Director

1. Audit Committee

Position / Designation	Names
Chairperson (ID)	Evita C. Caballa
Member (ED)	Maria Farah Z.G. Nicolas-Suchianco
Member (ID)	Luis A. Vera Cruz Jr.

2. Corporate Governance Committee (also performs the functions of the Nomination and Remuneration Committees)

Position / Designation	Names
Chairman (ID)	Luis A. Vera Cruz, Jr.
Member (ID)	Rhogel S. Gandingco
Member (ID)	Evita C. Caballa

3. Related Party Transactions Committee

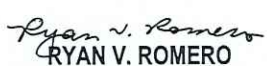
Position / Designation	Names
Chairman (ID)	Rhogel S. Gandingco
Member (ID)	Luis A. Vera Cruz, Jr.
Member (ID)	Evita C. Caballa

Signatures

Pursuant to the requirements of Section 17 of the Code and Section 141 of the Corporation Code, this report is signed on behalf of the issuer by the undersigned, thereunto duly authorized, in the City of Pasig on the 11th day of April 2025.


MARIA FARAH Z.G. NICOLAS-SUCHIANCO
Chairperson


RAUL TITO MAXELMO A. ESTRELLA
President

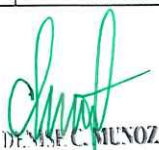

RYAN V. ROMERO
Corporate Secretary/ Compliance Officer


PATRICIA ANN L. BULAWIT
Treasurer

SUBSCRIBED AND SWORN to before me this 11th day of April 2025 in Pasig City, affiants exhibiting to me the following:

Name	CTC/ Passport No. / SSS No. Date and Place of Issuance	Competent Evidence of Identity
Maria Farah Z.G. Nicolas-Suchianco	CTC No. 11130427 issued on 11 January 2025/Pasig	TIN 165-102-272
Raul Tito Maxelmo A. Estrella	CTC No. 11130428 issued on 11 January 2025/Pasig	TIN 150-130-441
Ryan V. Romero	CTC No. 11130436 issued on 11 January 2025/Pasig	TIN 218-165-895
Patricia Ann L. Bulawit		TIN 344-033-564

Doc. No. 324;
Page No. 67;
Book No. 2;
Series of 2025.


ANNE DENISE C. MUNOZ
Notary Public for the City of Pasig and Municipality of Pateros
Commission until 31 December 2025
8001 Discovery Center 25 ADB Ave., Ortigas Center Pasig City
APPT. No. 158 (2024-2025) – Roll No. 86638
PTR No. 3044621; 01-16-2025; Pasig City
IBP No. 512460; 01-09-2025; Manila III
MCLE Compliance No. VIII-0008312; 04-23-2024

CYBER BAY CORPORATION

2024 Sustainability Report

ABOUT THIS REPORT

The 2024 Sustainability Report (Report) measures the impact of the activities of Cyber Bay Corporation (Company) on the environment, economy, and society (EES). It allows the Corporation to capture meaningful data as a guide in identifying areas for improvement in terms of sustainability. Moreover, this Report shall also serve as an avenue to communicate to the Company's stakeholders its established goals on sustainable development and corporate social responsibility (CSR) actions and results.

This Report covers the year ending 31 December 2024 and was prepared in accordance with the Sustainability Reporting Guidelines for Publicly Listed Companies prescribed under Securities and Exchange Commission (SEC) Memorandum Circular No. 4 Series of 2019.

I. CONTEXTUAL INFORMATION

Cyber Bay Corporation (the “Company”), incorporated under the laws of the Philippines on 06 July 1989, was organized to undertake real estate development (except real estate subdivision) and reclamation. The Company has changed its name from First Lepanto Corporation to Guoco Land (Philippines), Inc. in 1994, to Centennial City Inc. in 1996, and eventually to Cyber Bay Corporation in 2000.

COMPANY DETAILS	
Name of Organization	Cyber Bay Corporation
Location of Headquarters	Suite 2802 Discovery Center, 25 ADB Avenue, Ortigas Center, Pasig City
Location of Operations	Suite 2802 Discovery Center, 25 ADB Avenue, Ortigas Center, Pasig City
Report Boundary	This report covers the Company and does not include any of its subsidiaries.
Business Model	Holding Company
Reporting Period	Year ending 31 December 2024
Highest Ranking Person Responsible for this Report	Raul Tito Maxelmo A. Estrella President

In 1996, the Company, Central Bay Reclamation and Development Corporation (the “Subsidiary”) and certain shareholders of the Subsidiary entered into a Memorandum of Agreement which involved the restructuring of the Company and the consolidation of certain businesses and assets of the Company and the Subsidiary. The restructuring of the Company entailed the transfer to Prime Orion Philippines, Inc. (formerly Guoco Holdings Philippines, Inc.) of the Company’s investments in the following corporations: Tutuban Properties Inc., Guoco Property Development Inc., Manila Southcoast Development Corporation, Mandaue Resources and Realty Corporation, Luck Hock Venture Holdings, Inc., First Lepanto Ceramic Wares Inc. and First Lepanto Realty Inc. and the settlement of all intercompany liabilities relating to such corporations.

Upon completion of the business consolidation, the Company assumed full ownership of the Subsidiary, including its Joint Venture Agreement (JVA) with the Public Estates Authority (now known as the Philippine Reclamation Authority [PRA]) to reclaim 750 hectares of land along Manila Bay (the “Project”) as its new property core holding. With the Project, the Company is afforded a unique flagship waterfront development; at 750 hectares, it was supposed to be a substantial fully integrated township that can spearhead the redevelopment of the Manila Bay in tandem with the government’s progressive Bay City Development.

On 9 July 2002, after filing for motion for reconsideration and motion for re-deliberation, the Supreme Court ruled that the JVA is null and void ab initio on the ground that the reclaimed parcels of land are part of the public domain and cannot be disposed by the PRA to private corporations. This declaration, however, does not preclude the recovery from the PRA the costs and expenses incurred in the implementation of the JVA prior its nullification.

The PRA and the Subsidiary entered into a Compromise agreement where PRA shall cede to the Subsidiary parcels of land with value equal to the Subsidiary’s validated claim of PhP1.027 Billion. In exchange, the Subsidiary shall waive all other claims which is the subject of the pending petition filed with the Commission on Audit (COA) and any other claims arising from or in connection with the JVA. On 23 May 2019, the COA declared the Compromise Agreement as invalid and partially granted the Subsidiary’s money claims against the PRA amounting to PhP714.9 Million. The COA denied the Subsidiary’s motion for reconsideration on 21 January 2020.

On 19 August 2020, the Supreme Court En Banc required the COA and the PRA to comment to the Petition for Certiorari.

In its Resolution dated 08 September 2020, the Supreme Court directed the Subsidiary to file its Reply to the COA's comment, which it filed on 23 April 2021.

The PRA subsequently filed a Motion to Admit with attached Manifestation and Comment dated 30 September 2021. In its Motion, it prayed that the Supreme Court admit the PRA's Comment which was belatedly filed.

The PRA substantially adopted the findings of the COA as its Comment on the Subsidiary's Petition for Certiorari. Specifically, while it confirmed that the PRA-validated claim amounted to PhP 1,004,439,048.45, it echoed the COA's findings that only the amount of PhP 714,937,790.29 may be allowed as supported by original documents or evidence.

In a Decision dated 05 April 2022, the Supreme Court declared the Compromise Agreement between the Subsidiary and the Philippine Reclamation Authority void ab initio for being contrary to the 1987 Constitution, Executive Order No. 292, Administrative Code of 1987, and the Government Auditing Code of the Philippines. Further, the Supreme Court disallowed the Subsidiary's money claims except for the amount of PhP714,937,790.29 representing advance payment for the reclamation and project development. The Subsidiary then filed a Motion for Reconsideration dated 15 December 2022.

In a Resolution dated 07 February 2023, the Supreme Court denied with finality the Subsidiary's Motion for Reconsideration dated 15 December 2022, and affirmed the COA Decision dated 23 May 2019 in COA CP Case No. 2010-350. In the Notice, it stated that Entry of Judgment will be made immediately.

On March 20, 2023, the Supreme Court issued the Entry of Judgment.

As of date, the Subsidiary has complied with the requirements of the PRA for claiming the PhP714,937,790.29 reimbursement as allowed by the Supreme Court in its Decision dated 05 April 2022 and is currently awaiting the response of the Office of the COA Chairman to the letter sent by the PRA, whereby the latter has requested for the COA to issue a directive on the satisfaction of the Supreme Court Entry of Judgment.

II. MATERIALITY PROCESS

The Company identified the material sustainability topics presented in this Report through its internal risk assessment and the continuous dialogue with its stakeholders. In addition, we also resorted to available standard-setters on materiality.

The Board of Directors, which has an extensive knowledge and understanding of the market, and oversees the risk management of the Company, determines several issues relevant to the sustainable development of the Company. Our continuous dialogue with our stakeholders likewise allowed us to gather insight on the material topics. We consider our investors, shareholders, officers, political and legal entities, and legal consultants as our stakeholders. The exchange highlights our commitment to transparency, and in return, we receive invaluable insights and data that guide us in determining crucial areas for the Company's sustainable development.

We also sought guidance from various standard-setters on materiality, such as reporting requirements, materiality definitions by sustainability rating agencies, multilateral discussions such as the United Nations Sustainable Development Goals, relevant academic research, and regulatory developments.

The Board has the overall responsibility in ensuring that RPTs are handled in a sound and prudent manner, with integrity, and in effective compliance with applicable laws, rules, and regulations at all times, to protect the interests of the Company, its subsidiaries, its shareholders and other stakeholders. The objectives of this policy are to mitigate or avoid conflict of interest and abusive transactions between Related Parties (as defined below), and ensure that every RPT is reviewed, approved, and disclosed in compliance with the requirements of the regulatory bodies such as the SEC.

IV. MATERIAL TOPIC: *Environmental Issue*

A. Resource Management

Energy consumption within the organization		
Disclosure	Quantity	Unit
Energy consumption (renewable sources)	0.00	GJ
Energy consumption (gasoline)	0.00	GJ
Energy consumption (LPG)	0.00	GJ
Energy consumption (diesel)	0.00	GJ
Energy consumption (electricity)	0.00	kWh

Reduction of energy consumption		
Disclosure	Quantity	Unit
Energy consumption (renewable sources)	0.00	GJ
Energy consumption (gasoline)	0.00	GJ
Energy consumption (LPG)	0.00	GJ
Energy consumption (diesel)	0.00	GJ
Energy consumption (electricity)	0.00	kWh

The Company acknowledges that operating a business creates impacts on the environment, and contributes to air pollution, water shortage, and climate change. However, it unites with the global community's call for cleaner and greener environment and reduction of reliance on fossil fuel-based energy.

In anticipation of its re-commencement of operations, the Company deems it necessary to develop and implement environmental governance policies, as well as environmental compliance in its compliance risk management structure. It will look into adopting energy saving measures and shifting to greener alternatives. Further, considering that Company's environmental impact is highly dependent on the activities and businesses of companies where the Company will invest in the future, the Company binds to cooperate with them to implement environmental policies to mitigate the impact created by their activities.

Although the Company is currently non-operating, the indirect energy consumption may be attributed to the Company through its suppliers, service providers and legal consultants. The Company collaborates with these entities in resorting to ways that will drive down, to the lowest possible level, the consumption of environmental resources caused by the services rendered to the Company. Among the notable measures implemented are the paperless transaction policy to minimize use of paper and utilizing available communication technology to reduce carbon footprint related to travel.

Water consumption within the organization	
Disclosure	Quantity (in cubic meters)
Water withdrawal	0.00
Water consumption	0.00
Water recycled and reused	0.00

III. MATERIAL TOPIC: Economic

A. Direct Economic Value Generated and Distributed

Disclosure	Amount (in PHP)
Direct economic value generated (revenue)	847.00
Direct economic value distributed:	3,555,574.00
a. Operating costs	3,530,467.00
b. Employee wages and benefits	0.00
c. Payments to suppliers, other operating costs	10,250.00
d. Dividends given to stockholders and interest payments to loan providers	0.00
e. Taxes given to government	14,857.00
f. Investments to community (e.g. donations, CSR)	0.00

The Company, which was primarily created to undertake real estate development, except real estate subdivision, and reclamation, had heavily invested on the complete and entire reclamation and horizontal development of a portion of the Manila-Cavite Coastal Road and Reclamation Project ("Project"). The cessation of the Project and the non-operation of the Company, with the shareholders taking a heavy hit, effectively impeded the Company's profitability and the viability of its continuous operations. It also affected the Company's capacity to meet its commitments to its creditors. Nevertheless, stakeholders are regularly informed of the Company's status by adhering to transparent reporting practices. The Company publishes reports as required under the applicable laws, and regularly holds Annual Stockholders' Meeting to keep the shareholders, as well as the general investing public, abreast with the recent developments of the Company.

The Company generates and distributes direct economic value through its minimal administrative operations. Although pinned down with various legal and financial restraints, the Company conducts its activities through maximization of available resources. It contributes to the expansion of the economy through its consumption of products and services available in the market. Suppliers and service providers are treated fairly through open communication for their concerns and engaging them through forums or activities. It conforms with local and national tax laws and regulations through the timely and accurate payment of all applicable taxes.

The ability of the Company to continue as a going concern entity will depend on the recoverability of the Subsidiary's claims for reimbursement from the PRA and on the success of any business that the Company and its Subsidiary may undertake in the future. In anticipation of its resumption of operations, the Board has put in place proper and sufficient measures in determining possible investments with manageable risks and exposures to the Company.

B. Procurement Practices

Proportion of Spending on local suppliers		
Disclosure	Quantity	Unit
Percentage of procurement budget used for significant locations of operations that is spent on local suppliers	100	%

The Company procures its supplies from local entities. From the Management's perspective, local sourcing is advantageous for its easier access and availability of materials and services, better communication, shorter delivery lead time, and strong vendor relationship. Furthermore, the Company believes that local sourcing can support a stable local economy and maintain community relations.

Although there is no pertinent policy in the sourcing of materials and services, the Management will continue to develop and support local vendors' capability. The Company commits to provide forecasting on future spending upon re-commencement of operations to allow local suppliers to anticipate and develop their capacity and capabilities to fulfill the Company's needs.

C. Business Ethics

Training on Anti-Corruption Policies and Procedures	
Disclosure	Quantity
Percentage of employees to whom the organization's anti-corruption policies and procedures have been communicated to	0
Percentage of business partners to whom the organization's anti-corruption policies and procedures have been communicated to	0
Percentage of directors and management that have received anti-corruption training	0
Percentage of employees that have received anti-corruption training	0

The Board and the Management of the Company are committed to principles of transparency, accountability, fairness and integrity. Under the Company's Manual for Corporate Governance, the Board is bound to establish its anti-corruption measures through a suitable framework for whistleblowing that allows employees to freely communicate their concerns about illegal or unethical practices, without fear of retaliation and to have direct access to an independent member of the Board or a unit created to handle whistleblowing concerns.

While the Company has not formally implemented its anti-corruption measures due to its non-operation and lack of employees, it commits to implement these policies and programs once the Company's operations commence. Further, it shall conduct a continuous risk assessment to identify significant risks related to corruption.

Incidents of Corruption	
Disclosure	Quantity
Number of incidents in which directors were removed or disciplined for corruption	0
Number of incidents in which employees were dismissed or disciplined for corruption	0
Number of incidents when contracts with business partners were terminated due to incidents of corruption	0

There were no identified risks of any corruption-related events in the limited administrative activities which the Company are engaged in. Since the Company expects and insists that its business partners, present and future, consistently observe applicable laws and regulations with integrity and honesty, standard provisions concerning compliance with applicable laws against corrupt practices are incorporated in each contract and transaction that the Company engages in.

To establish and implement the Company's policy that all related party transactions (RPT) must be conducted on an arm's length basis and under fair terms, on 02 March 2020, the Board convened and adopted the Company's Material Related Party Transaction Policy (MRPT Policy).

Under the MRPT Policy, RPT refers to a transfer of resources, services or obligations between a reporting entity and a related party, regardless of whether a price is charged. It should be interpreted broadly to include not only transactions that are entered into with related parties, but also outstanding transactions that are entered into with an unrelated party that subsequently becomes a related party. A RPT is considered as material if any related party transaction/s, either individually, or in aggregate over a twelve (12)-month period with the same related party, amounting to ten percent (10%) or higher of a company's total assets based on its latest audited financial statements.

Similar to its energy consumption, the Company's indirect water consumption relates to those consumed by third party entities which the Company deals with. The Company will also adopt water-saving measures once it resumes its operations.

B. Environmental Compliance

Environmental Compliance	
Disclosure	Quantity (in PhP)
Total amount of monetary fines for non-compliance with environmental laws and/or regulations	0.00
No. of non-monetary sanctions for non-compliance with environmental laws and/or regulations	0.00
No. of cases resolved through dispute resolution mechanism	0.00

The Company diligently updates its necessary environmental permits. The Company recorded no fines or non-monetary sanctions for non-compliance with environmental laws and regulations. Upon its resumption of operations, it will, however, implement environmental protection programs and integrate an environmental compliance risk in its risk management function.

V. MATERIAL TOPIC: Social Issues

A. Employee Management

Employee Data	
Disclosure	Quantity
Total number of employees	0
a. Number of female employees	0
b. Number of male employees	0
Attrition rate	0
Ratio of lowest paid employee against minimum wage	0

Since the Company is non-operating, it retains no employees in its own payroll. It has outsourced its administrative, reportorial, and compliance requirements to GSE Managed Solutions, Inc. (GSE MSI). However, the Company ensures that its third-party service provider complies with the labor laws, rules and regulations, specifically on the safe and healthy working conditions, labor standards, and social security and welfare benefits.

The Company likewise assures that its third-party service provider does not infringe on human rights of its employees and does not resort to any child labor or forced labor. All the contracts of the Company contain representations and warranties that parties are, and shall continuously comply, for the entire duration of the contract, with all applicable laws, rules, and regulations. Violation of these representations and warranties will result in the immediate termination of the contract. Moreover, the Company has established its accreditation process of contractors, suppliers, and service providers that requires them to submit documentary proof of good standing and compliance with applicable laws.

Once the operations of the Company resumes and it starts to employ its own workforce, it shall establish policies, programs and procedures that encourage employees to actively participate in the realization of the Company's goals and in its governance. Moreover, the Company shall promote diversity and inclusion in the workplace by maintaining a diverse set of employees of different profile, gender and demographics but equipped with necessary skills and expertise.

B. Data security

Data Security	
Disclosure	Quantity
Number of data breaches, including leaks, thefts and losses of data	0

As the Company migrates to paperless transactions and takes advantage of available technology in communication to exponentially increase effectiveness and drive down administrative costs, this strategy may potentially present high-impact risk to both the Company and its stakeholders in terms of data security and privacy. Although no data breaches were recorded in 2024, cyber security remains on the top of the Company's agenda. Significant risks in technology identified by the Company includes data management risk, cyber security risk, and third-party risk.

The Company may be exposed to data security risks, such as data theft and security breaches. Heavy reliance on technology may lead to financial fraud, accounting and compliance issues. The Company is also exposed to third-party risk as it does business with other companies, financial institutions, government offices and other stakeholders. Pursuant to the provisions of the Data Privacy Act of 2012 (RA 10173) and other relevant policies issued by the National Privacy Commission, the Company has appointed Atty. Cheryl S. Saldaña-de Leon as its Data Privacy Officer. The Company has likewise adopted its own Data Privacy Manual.

To protect privacy, we limit collection of personal data, and only do so by lawful means. We are transparent about how data is gathered, used, and secured. We do not disclose or use personal customer information for any purposes other than those agreed upon, and we communicate any changes in data protection policies or measures to customers directly.

The Company intends to improve its data security systems through giving attention and treatment to every internet and external threats, integrating IT risks into its risk management structure, conducting regular and independent internal audit, assessing IT capabilities of third parties, and development of a cyber incident response plan.

VI. UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS

In September 2015, the United Nations General Assembly adopted the 2030 Agenda for Sustainable Development that includes 17 Sustainable Development Goals (SDGs). The Company has analyzed the risks and opportunities to our business that may arise from the 17 UN SDGs, as follows:

Business Contributions	Societal Value/Contribution to UN SDGs	Potential Negative Impact or Contribution	Management Approach to Negative Impact
Stimulating the economy	1: No Poverty 8: Decent Work and Economic Growth	Continuous operations of the Company entails continuous consumption of resources	Regulation and maximization of use of resources; Resort to cleaner and healthier alternatives
Implementing energy and water saving measures	11: Sustainable Cities and Communities 12: Responsible Consumption and Production	Costly upgrade to greener technologies	Integrate energy and water conservation into business planning; Forecasting and proper allocation of resources
Promotion of diversity and inclusion in the workplace	8: Decent Work and Economic Growth 10: Reduced Inequality	Higher recruitment process costs	Forecasting and proper allocation of resources
Promoting data privacy and security	9: Industry, Innovation and Infrastructure	Increase cybersecurity may affect ease of doing business	Set notification and approval threshold for IT risk situations

DISCLOSURE	REFERENCE AND OMISSION
Contextual information	Pg. 2
Materiality process	Pg. 3
ECONOMIC	
<i>Direct economic value generated and Distributed</i>	Pg. 4
<i>Climate-related risks and opportunities</i>	As a non-operating holding corporation, the Company has no climate-related risks and opportunities.
<i>Portion of spending on local suppliers</i>	Pg. 4
<i>Training on anti-corruption policies and procedures</i>	Pg. 5
<i>Incidents of corruption</i>	Pg. 5
ENVIRONMENTAL	
<i>Energy consumption within the organization</i>	Pg. 6
<i>Reduction of energy consumption</i>	Pg. 6
<i>Water consumption within the organization</i>	Pg. 6
<i>Materials used by the organization</i>	As a non-operating holding corporation, the Company did not use or produce any materials to manufacture products or services.
<i>Ecosystems and biodiversity</i>	The Company does not own, lease, manage or operate in protected areas or areas of high biodiversity value. There are no species or habitats affected by the Company's limited business operation.
GHG	As a non-operating holding corporation, the Company does not directly or indirectly produce GHG emissions or emissions of ozone-depleting substances (ODS).
<i>Air pollutants</i>	As a non-operating holding corporation, the Company does not directly or indirectly produce significant air pollutants.
<i>Solid Waste</i>	As a non-operating holding corporation, the Company does not produce significant solid waste.
<i>Hazardous Waste</i>	As a non-operating holding corporation, the Company does not produce or generate hazardous waste.
<i>Effluents</i>	As a non-operating holding corporation, the Company does not produce significant effluents.
<i>Non-compliance with environmental regulations</i>	Pg. 7
SOCIAL	
<i>Employee data</i>	Pg. 7
<i>Employee benefits</i>	The Company has no employees.
<i>Employee training and development</i>	The Company has no employees.
<i>Labor management relations</i>	The Company has no employees.
<i>Diversity and equal opportunity</i>	Pg. 7

<i>Occupational health and safety</i>	The Company has no operations and no employees.
<i>Labor laws and human rights</i>	The Company has no employees.
<i>Supply chain management</i>	Topic is not material as Company is currently not operating and the value creation credited to its suppliers is minimal
<i>Significant impacts on local communities</i>	Topic is not material as Company does not have business operations involving local communities.
<i>Customer satisfaction</i>	Topic is not material due to the nature of Company's business and non-operation
<i>Health and safety</i>	Topic is not material as Company does not have products or render services that affect the health and safety of the customers or the public in general.
<i>Marketing and labelling</i>	Topic is not material as Company's operations do not involve marketing and labelling
<i>Customer privacy</i>	Topic is not material as Company has no significant customers whose data is processed by the Company.
<i>Data security</i>	Pg. 8
UN SUSTAINABLE DEVELOPMENT GOALS	
<i>Product or service contribution to UN SDGs</i>	Pg. 9

Pursuant to the requirement of the Securities and Exchange Commission Memorandum Circular No. 4, Series of 2019, this Sustainability Report is signed on behalf of the registrant by the undersigned thereunto duly authorized, in the City of Pasig on the 11th day of April 2025.

RAUL TITO MAXELMO A. ESTRELLA
President

Ryan V. Romero
RYAN V. ROMERO
Corporate Secretary and Compliance Officer

SUBSCRIBED AND SWORN to before me this 11th day of April 2025, affiants exhibiting to me the following:

Name	CTC/ Passport No. / SSS No. Date and Place of Issuance	Competent Evidence of Identity
Raul Tito Maxelmo A. Estrella	CTC No. 11130428 issued on 11 January 2025/Pasig	TIN 150-130-441
Ryan V. Romero	CTC No. 11130436 issued on 11 January 2025/Pasig	TIN 218-165-895

Doc. No. 325 ;
Page No. 66 ;
Book No. V ;
Series of 2025.

Anne Denise C. Munoz
ANNE DENISE C. MUNOZ
Notary Public for the City of Pasig and Municipality of Pateros
Commission until 31 December 2025
200 Discovery Center 25 ADB Ave., Ortigas Center Pasig City
APPE No. 158 (2024-2025) – Roll No. 86638
PTR No. 3044621; 01-16-2025; Pasig City
IBP No. 512460; 01-09-2025; Manila III
MCLE Compliance No. VIII-0008312; 04-23-2024

COVER SHEET

for AUDITED FINANCIAL STATEMENTS

SEC Registration Number

					1	6	5	5	3	9
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COMPANY NAME

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

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

S	u	i	t	e		2	4	0	2	,		D	i	s	c	o	v	e	r	y		C	e	n	t	r	e		
A	D	B		A	v	e	n	u	e	,		O	r	t	i	g	a	s		C	e	n	t	e	r				
P	a	s	i	g		C	i	t	y																				

Form Type

A	A	F	S
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Department requiring the report

--

Secondary License Type, If Applicable

--

COMPANY INFORMATION

Company's email Address

NONE

Company's Telephone Number/s

--

Mobile Number

NONE

No. of Stockholders

624

Annual Meeting (Month / Day)

December 22

Fiscal Year (Month / Day)

December 31

CONTACT PERSON INFORMATION

The designated contact person MUST be an Officer of the Corporation

Name of Contact Person

Cheryl S. Saldana-De Leon Patricia Ann Bulawit

Email Address

loydeleon@gselawfirm.com pat@gsemsi.com
--

Telephone Number/s

633-9757

Mobile Number

--

CONTACT PERSON's ADDRESS

24 th Floor GSE Law, Suite 2402, Discovery Centre, ADB Avenue, Ortigas Center, Pasig City
--

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

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



CYBER BAY CORPORATION

STATEMENT OF MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL STATEMENTS


The management of **CYBER BAY CORPORATION AND A SUBSIDIARY** is responsible for the preparation and fair presentation of the financial statements including the schedules attached therein, for the years ended **December 31, 2024 and 2023**, in accordance with the prescribed financial reporting framework indicated therein, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

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

R.G. Manabat and Co., the independent auditor appointed by the stockholders, has audited the financial statements of the Company in accordance with Philippine Standards on Auditing, and its report to the stockholders, has expressed its opinion on the fairness of presentation upon completion of such audit.


MARIA FARAH Z.G. NICOLAS-SUCHIANCO
Chairman of the Board


RAUL TITO MAXELMO A. ESTRELLA
President


PATRICIA ANN L. BULAWIT
Treasurer

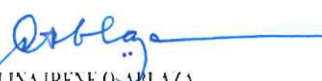
FEB 26 2025

Signed this ___ day of ___ 2025

SUBSCRIBED AND SWORN TO before me this 26 February 2025
at Pasig City, affiant exhibiting to me the following as competent
proof of their identities and known to me to be the same persons
who executed the foregoing document:

Name	Competent Evidence of Identities
Maria Farah Z.G. Nicolas-Suchianco	TIN: 165-102-272
Raul Tito Maxelmo A. Estrella	TIN: 150-130-441
Patricia Ann L. Bulawit	TIN: 344-033-564

Doc No. 21
Page No. 6
Book No. 1V
Series of 2025.


SELINA IRENE O. ABLAZA
Notary Public for the City of Pasig and Municipality of Pateros
Commission until 31 December 2025
2801 Discovery Center 25 ADB Ave., Ortigas Center Pasig City
APPT. No. 162 (2024-2025) - Roll No. 84322
PTR No. 3044610; 01-16-2025; Pasig City
IBP No. 512456; 01-09-2025; RSM
MCLE Compliance No. VIII-0008966; 05-24-2024

CYBER BAY CORPORATION AND A SUBSIDIARY

CONSOLIDATED FINANCIAL STATEMENTS
December 31, 2024, 2023 and 2022

With Independent Auditors' Report

REPORT OF INDEPENDENT AUDITORS

The Board of Directors and Stockholders
Cyber Bay Corporation and a Subsidiary
Suite 2402, Discovery Centre, ADB Avenue
Ortigas Center, Pasig City

Disclaimer of Opinion

We were engaged to audit the consolidated financial statements of Cyber Bay Corporation and a Subsidiary ("the Group"), which comprise the consolidated statements of financial position as at December 31, 2024 and 2023, and the consolidated statements of comprehensive income (loss), consolidated statements of changes in capital deficiency and consolidated statements of cash flows for each of the three years in the period ended December 31, 2024, and notes, comprising material accounting policies and other explanatory information.

We do not express an opinion on the accompanying consolidated financial statements of the Group. Because of the significance of the matter described in the *Basis for Disclaimer of Opinion* section of our report, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these consolidated financial statements.

Basis for Disclaimer of Opinion

Note 1 to the consolidated financial statements discusses the legal case and its outcome involving the Group's wholly-owned subsidiary, Central Bay Reclamation and Development Corporation ("Central Bay") with respect to its Joint Venture (JV) Agreement with the Philippine Reclamation Authority (PRA), formerly Public Estates Authority covering the reclamation and horizontal development of a portion of the Manila-Cavite Coastal Road and Reclamation Project (the "Project"). On February 7, 2023, the Supreme Court rendered final judgment that Central Bay may only recover the amount of P714.9 million. The Group filed with the PRA its claim for P714.9 million in accordance with the Supreme Court decision and that as at December 31, 2024, the Group has completed the submission of all the requirements to the PRA and is waiting for PRA to process the payment of the judgment award.

Firm Regulatory Registration & Accreditation:

PRC-BOA Registration No. 0003, valid until September 20, 2026

IC Accreditation No. 0003-IC, Group A, valid for five (5) years covering the audit of 2020 to 2024

financial statements (2019 financial statements are covered by IC Circular Letter (CL) No. 2019-39, Transition clause)

BSP Accreditation No. 0003-BSP, Group A, valid for five (5) years covering the audit of 2020 to 2024

financial statements (2019 financial statements are covered by BSP Monetary Board Resolution No. 2161, Transition clause)



The Group's accumulated deficit as at December 31, 2024 and 2023 amounted to P11.297 billion and P11.293 billion, respectively. The capital deficiency as at December 31, 2024 and 2023 amounted to P1.425 billion and P1.421 billion, respectively.

As stated in Note 1, the Group's management has embarked on a study of the business opportunities and the equity restructuring the Group may undertake given the amount of the award with a view of continuing the business of the Group. As at year end, the Group has not been able to complete the study and there is no timeline set for its completion and Board of Directors approval of any plans. In addition to this, there is uncertainty on the timing of release of reimbursement pursuant to the Supreme Court decision and on whether or not the actual collection thereof would change the Group's future plans. As a result of these matters, we are unable to obtain sufficient appropriate audit evidence to conclude as to the use of the going concern assumption in the preparation of these consolidated financial statements.

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

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

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

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

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our responsibility is to conduct an audit of the Group's consolidated financial statements in accordance with Philippine Standards on Auditing and to issue an auditors' report. However, because of the matter described in the *Basis for Disclaimer of Opinion* section of our report, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these consolidated financial statements.



We are independent of the Group in accordance with the Code of Ethics for Professional Accountants in the Philippines (Code of Ethics) together with the ethical requirements that are relevant to our audit of the consolidated financial statements in the Philippines, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics.

The engagement partner on the audit resulting in this independent auditor's report is John Molina.

R.G. MANABAT & CO.

A handwritten signature in black ink, appearing to read 'J. Molina', written over a horizontal line.

JOHN MOLINA

Partner

CPA License No. 0092632

Tax Identification No. 109-916-107

BIR Accreditation No. 08-001987-023-2022

Issued June 2, 2022; valid until June 2, 2025

PTR No. MKT 10467187

Issued January 2, 2025 at Makati City

February 26, 2025

Makati City, Metro Manila



R.G. Manabat & Co.
The KPMG Center, 6/F
6787 Ayala Avenue, Makati City
Philippines 1209
Telephone +63 (2) 8885 7000
Fax +63 (2) 8894 1985
Internet www.home.kpmg/ph
Email ph-inquiry@kpmg.com

REPORT OF INDEPENDENT AUDITORS

The Board of Directors and Stockholders
Cyber Bay Corporation and a Subsidiary
Suite 2402, Discovery Centre, ADB Avenue
Ortigas Center, Pasig City

Disclaimer of Opinion

We were engaged to audit the consolidated financial statements of Cyber Bay Corporation and a Subsidiary ("the Group"), which comprise the consolidated statements of financial position as at December 31, 2024 and 2023, and the consolidated statements of comprehensive income (loss), consolidated statements of changes in capital deficiency and consolidated statements of cash flows for each of the three years in the period ended December 31, 2024, and notes, comprising material accounting policies and other explanatory information.

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Firm Regulatory Registration & Accreditation:

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IC Accreditation No. 0003-IC, Group A, valid for five (5) years covering the audit of 2020 to 2024

financial statements (2019 financial statements are covered by IC Circular Letter (CL) No. 2019-39, Transition clause)

BSP Accreditation No. 0003-BSP, Group A, valid for five (5) years covering the audit of 2020 to 2024

financial statements (2019 financial statements are covered by BSP Monetary Board Resolution No. 2161, Transition clause)



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The engagement partner on the audit resulting in this independent auditor's report is John Molina.

R.G. MANABAT & CO.

A handwritten signature in black ink, appearing to read 'John Molina', written over a horizontal line.

JOHN MOLINA

Partner

CPA License No. 0092632

Tax Identification No. 109-916-107

BIR Accreditation No. 08-001987-023-2022

Issued June 2, 2022; valid until June 2, 2025

PTR No. MKT 10467187

Issued January 2, 2025 at Makati City

February 26, 2025

Makati City, Metro Manila

CYBER BAY CORPORATION AND A SUBSIDIARY
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
(Amounts in Thousands)

		December 31	
	Note	2024	2023
ASSETS			
Current Assets			
Cash in banks	4	P947	P1,598
Receivables - net	4, 5	714,938	714,938
Prepaid income tax		581	581
Total Current Assets		716,466	717,117
Noncurrent Assets			
Other noncurrent assets - net	4, 7	2,573	2,202
Total Noncurrent Assets		2,573	2,202
		P719,039	P719,319
LIABILITIES AND CAPITAL DEFICIENCY			
Current Liabilities			
Accounts payable and accrued expenses	4, 8	P23,360	P22,251
Amounts owed to related parties	4, 9	2,120,727	2,118,300
Total Liabilities		2,144,087	2,140,551
Capital Deficiency			
Capital stock	10	6,970,081	6,970,081
Additional paid-in capital	10	2,902,073	2,902,073
Deficit	1	(11,297,202)	(11,293,386)
Total Capital Deficiency		(1,425,048)	(1,421,232)
		P719,039	P719,319

See Notes to the Consolidated Financial Statements.

CYBER BAY CORPORATION AND A SUBSIDIARY
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)
(Amounts in Thousands)

		Years Ended December 31		
	Note	2024	2023	2022
REVENUES				
Interest income		P1	P1	P1
EXPENSES				
General and administrative expenses	11	3,817	2,640	2,561
OTHER INCOME (EXPENSE)				
Reversal of impairment losses	6	-	-	414,938
Write-off of receivable	5	-	-	(311,850)
		-	-	103,088
NET INCOME (LOSS)/TOTAL COMPREHENSIVE INCOME (LOSS)		(P3,816)	(P2,639)	P100,528
BASIC AND DILUTED INCOME (LOSS) PER SHARE	13	(P0.0006)	(P0.0004)	P0.0148

See Notes to the Consolidated Financial Statements.

CYBER BAY CORPORATION AND A SUBSIDIARY
CONSOLIDATED STATEMENTS OF CHANGES IN CAPITAL DEFICIENCY
(Amounts in Thousands, Except Par Value and Number of Shares)

	Note	2024			2023			2022		
		Number of Shares	Amount	Number of Shares	Amount	Number of Shares	Amount	Number of Shares	Amount	Number of Shares
CAPITAL STOCK	10									
Preferred stock - P0.10 par value										
Authorized - 7,000,000,000 shares										
Preferred shares issued and outstanding at beginning and end of year		6,467,950,603	P646,795	6,467,950,603	P646,795	6,467,950,603	P646,795	6,467,950,603	P646,795	
Common shares - P1 par value										
Authorized - 7,300,000,000 shares										
Common shares issued and outstanding		5,985,061,853	5,985,062	5,985,061,853	5,985,062	5,985,061,853	5,985,062	5,985,061,853	5,985,062	
Subscribed shares (net of subscriptions receivable of P483,593)		821,817,000	338,224	821,817,000	338,224	821,817,000	338,224	821,817,000	338,224	
Balance at beginning and end of year		6,806,878,853	6,323,286	6,806,878,853	6,323,286	6,806,878,853	6,323,286	6,806,878,853	6,323,286	
			6,970,081		6,970,081		6,970,081		6,970,081	
ADDITIONAL PAID-IN CAPITAL										
Balance at beginning and end of year	10		2,902,073		2,902,073		2,902,073		2,902,073	
DEFICIT										
Balance at beginning of year			(11,293,386)		(11,290,747)		(11,391,275)		(11,391,275)	
Net income (loss)/total comprehensive income (loss) for the year			(3,816)		(2,639)		100,528		100,528	
Balance at end of year			(11,297,202)		(11,293,386)		(11,290,747)		(11,290,747)	
			(P1,425,048)		(P1,421,232)		(P1,418,593)		(P1,418,593)	

See Notes to the Consolidated Financial Statements.

CYBER BAY CORPORATION AND A SUBSIDIARY
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Amounts in Thousands)

		Years Ended December 31		
	<i>Note</i>	2024	2023	2022
CASH FLOWS FROM				
OPERATING ACTIVITIES				
Net Income (loss)		(P3,816)	(P2,639)	P100,528
Adjustments for:				
Reversal of impairment losses	6	-	-	(414,938)
Write-off of receivables	5	-	-	311,850
Interest income		(1)	(1)	(1)
Operating loss before working capital changes		(3,817)	(2,640)	(2,561)
Increase (decrease) in accounts payable and accrued expenses		1,109	519	98
Increase in other noncurrent assets		(371)	(189)	(234)
Net cash absorbed by operations		(3,079)	(2,310)	(2,697)
Interest received		1	1	1
Net cash used in operating activities		(3,078)	(2,309)	(2,696)
CASH FLOWS FROM A				
FINANCING ACTIVITY				
Cash advances from a related party	9	2,427	2,717	2,826
NET INCREASE (DECREASE) IN CASH IN BANKS		(651)	408	130
CASH IN BANKS AT BEGINNING OF YEAR	4	1,598	1,190	1,060
CASH IN BANKS AT END OF YEAR	4	P947	P1,598	P1,190

See Notes to the Consolidated Financial Statements.

CYBER BAY CORPORATION AND A SUBSIDIARY
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
(Amounts in Thousands)

1. Reporting Entity and Status of Operations

a. Reporting Entity

Cyber Bay Corporation (the "Parent Company") and its subsidiary, Central Bay Reclamation and Development Corporation ("Central Bay" or "Subsidiary") [collectively referred to as the "Group"] were incorporated in the Philippines.

Parent Company

The Parent Company was incorporated in 1989 and is involved in real estate development (except real estate subdivision) and reclamation. The Parent Company's shares are listed at the Philippine Stock Exchange (PSE) under the stock symbol "CYBR" since March 19, 1991.

The registered office address of the Parent Company is at Suite 2402, Discovery Centre, ADB Avenue, Ortigas Center, Pasig City.

Subsidiary

The Subsidiary was registered with the Philippine Securities and Exchange Commission (SEC) on December 5, 1994 to engage in real estate development (except real estate subdivision) and reclamation. As at December 31, 2022, the Subsidiary has no commercial operations. However, it is not subject to the provision in Section 21 of the Revised Corporation Code of the Philippines (Republic Act No. 11232), Effects on Non-Use of Corporate Charter and Continuous Inoperation, since the failure to organize or commence the transactions of its businesses or the construction of its works or to continuously operate is due to causes beyond the control of the Subsidiary.

Section 11 of the Revised Corporation Code states that a corporation shall have perpetual existence unless the articles of incorporation provide otherwise. Corporations with certificates of incorporation issued prior to the effectivity of the Revised Corporation Code, and which continue to exist, shall have the perpetual existence, unless the corporation, upon vote of its stockholders representing a majority of its outstanding capital stock, notifies the SEC that it elects to retain its specific corporate term pursuant to its articles of incorporation: Provided, that any change in the corporate term under this section is without prejudice to the appraisal right of dissenting stockholders in accordance with the provisions of this Revised Corporation Code.

Update on Operations of the Group

On April 25, 1995, the Subsidiary entered into a Joint Venture Agreement (JVA) with the Philippine Reclamation Authority (PRA), formerly Public Estates Authority, for the complete and entire reclamation and horizontal development of a portion of the Manila-Cavite Coastal Road and Reclamation Project (the "Project") consisting of three partially reclaimed and substantially eroded islands (the "Three Islands") along Emilio Aguinaldo Boulevard in Paranaque and Las Piñas, Metro Manila with a combined total area of 157.8 hectares, another area of 242.2 hectares contiguous to the Three Islands and, at the Subsidiary's option as approved by the PRA, an additional 350 hectares more or less to regularize the configuration of the reclaimed area. The Subsidiary proceeded with the implementation of the Project after having obtained all the government licenses, environmental and other permits and approvals necessary for the reclamation.

On March 30, 1996, the Parent Company, the Subsidiary and certain shareholders of the Subsidiary entered into a Memorandum of Agreement which involved the restructuring of the Parent Company and the consolidation of certain businesses and assets of the Parent Company and the Subsidiary.

The restructuring of the Parent Company entailed the transfer to Prime Orion Philippines, Inc. (POPI) of the Parent Company's investments in the following corporations: Tutuban Properties Inc., Guoco Property Development Inc., Manila Southcoast Development Corporation, Mandaue Resources and Realty Corporation, Luck Hock Venture Holdings, Inc., First Lepanto Ceramic Wares Inc. and First Lepanto Realty, Inc. and the settlement of all intercompany liabilities relating to such corporations.

The business consolidation involved the issuance by the Parent Company of 4 billion shares of stock (with par value P1.00 per share) to certain Central Bay shareholders in exchange for 4.8 million Central Bay shares of stock (with par value of P100.00 per share) held by the Central Bay shareholders. Upon completion of the business consolidation, the Parent Company assumed full ownership of the Subsidiary, including the latter's JVA with the PRA to reclaim the "Three Islands" with a total area of 750 hectares along Manila Bay as its new property core holding.

However, as ruled and decided by the Supreme Court on July 9, 2002 and after filing for motion for reconsideration and motion for re-deliberation, the JVA is considered to be null and void *ab initio* on the ground that the reclaimed parcels of land are part of the public domain and cannot be disposed of by the PRA to private corporations.

Despite the nullity of the JVA, the Subsidiary is not precluded by the Supreme Court from recovering from the PRA, costs and expenses incurred in implementing the JVA prior to its nullification.

The Subsidiary has spent a considerable amount on the Project which continues to be charged with interest costs. Without prejudice to any other rights and remedies to which the Subsidiary may be entitled to pursuant to the JVA and/or the law, the claims for reimbursements must be submitted to the PRA.

The Parent Company and the Subsidiary pursued the filing of the claims with the PRA for the reimbursements of the total project development cost, project-related receivables and the corresponding interest thereon.

On August 10, 2007, the Parent Company, on behalf of the Subsidiary, filed its claim for reimbursement with the PRA amounting to P10.23 billion for the initial payment of all costs, losses, liabilities and expenses computed as at December 31, 2006. On August 17, 2007, the PRA requested for the details and supporting documents of the claims which the Parent Company provided on September 5, 2007.

On July 15, 2008, the Parent Company requested for an update on the status of the claim, and on July 18, 2008, the PRA responded that it is still evaluating the claim with the supporting documents submitted by the Parent Company.

On November 20, 2009, the Parent Company, through a letter sent to the PRA, demanded for the payment of approximately P13.4 billion. This amount represents all costs, losses, liabilities and expenses incurred by the Subsidiary computed as at September 2009 pursuant to the JVA.

On February 8, 2010, the PRA, through a letter, informed the Subsidiary that based on the books and records of the PRA, it was able to verify a total amount of P1.004 billion of the Subsidiary's claims which are still subject to audit by the Commission on Audit (COA). In this regard, the Subsidiary is directed to furnish PRA with duly certified details of the said amount including all supporting documents, official receipts and other proof of payments as well as audited financial statements. The Subsidiary provided the requested documents on March 5, 2010. Management intends to cooperate with the PRA in order to process its claims.

On December 13, 2010, the Subsidiary filed a petition with the COA to claim for reimbursement the revised amount of P11.5 billion (from the initial claim of P13.4 billion) and not P1.004 billion as initially verified by the PRA. Considering that the PRA has already validated and acknowledged the Subsidiary's claim for reimbursement amounting to P1.004 billion, the only issue submitted to the COA is whether or not the other claims are likewise rightful items for reimbursement. The Subsidiary and the PRA panel engaged in weekly meetings and discussions from May to October 2011 in order to discuss and validate the Parent Company's claim for reimbursement for project costs. The Subsidiary has submitted its final report on November 8, 2011.

On February 3, 2014, the PRA informed the Subsidiary that it has verified an additional amount for reimbursement bringing the total validated amount to P1.027 billion.

On October 14, 2016, the Subsidiary and the PRA entered into a Compromise Agreement where the PRA shall cede to the Subsidiary parcels of land with value equal to the Subsidiary's validated claim of P1.027 billion. In exchange, the Subsidiary shall waive all other claims which is the subject of the pending petition with the COA and any other claims arising from or in connection with the JVA.

On November 22, 2016, the Subsidiary and the PRA filed a Joint Motion for Judgment ("Joint Motion") based on the Compromise Agreement with the COA. On May 23, 2019, the COA rendered a decision declaring the Compromise Agreement as invalid, and partially granted the Subsidiary's money claims against the PRA amounting to P714.9 million (the "Decision"), subject to availability of funds and the usual accounting and auditing rules and regulations. On July 25, 2019, a Motion for Reconsideration on the Decision was filed by the Subsidiary with the COA.

On July 30, 2020, the Subsidiary received a notice dated June 28, 2020 that the COA issued a resolution to deny the Motion for Reconsideration filed by the Subsidiary. On August 19, 2020, the Subsidiary filed a Petition for Certiorari (the "Petition") with the Supreme Court praying that the COA resolution be reversed and set aside, and that the Compromise Agreement dated October 14, 2016 be approved and adopted. On September 8, 2020, the Supreme Court required the COA and the PRA to comment on the Petition. On December 16, 2020, the Subsidiary received a Motion for Extension dated December 7, 2020 filed by the Office of the Solicitor General (OSG) praying that he be granted an additional extension of sixty days from December 12, 2020 or until February 10, 2021 to file the Comment on the Petition.

On February 4, 2021, the Subsidiary received a Supreme Court resolution dated January 5, 2021 granting the OSG's Motion for Extension. On February 17, 2021, the Subsidiary received the COA's Comment dated February 3, 2021. On March 22, 2021, the Subsidiary received a Supreme Court resolution dated March 2, 2021 requiring the Subsidiary to file a Reply to the COA's Comment which the later filed on April 23, 2021.

The PRA subsequently filed a Motion to Admit with attached Manifestation and Comment dated September 30, 2021. In its Motion, the PRA prayed that the Supreme Court admit its Comment which was belatedly filed. The PRA substantially adopted the findings of the COA as its Comment on the Subsidiary's Petition for Certiorari. Specifically, while it confirmed that the PRA-validated claim amounted to P1.004 billion, it echoed the COA's findings that only the amount of P714.9 million may be allowed as supported by original documents or evidence.

On the mode of payment to the Subsidiary, the PRA manifested that it shall endeavor to pay in cash whatever the Supreme Court finds the Subsidiary to be entitled to, after due proceedings.

In a Decision dated April 5, 2022, the Supreme Court declared the Compromise Agreement between the Subsidiary and the PRA void for being contrary to the 1987 Constitution, Executive Order No. 292, Administrative Code of 1987, and the Government Auditing Code of the Philippines. Further, the Supreme Court disallowed the Company's money claims except for the amount of P714.9 million representing advance payment for the reclamation and project development. The Subsidiary then filed a Motion for Reconsideration dated December 15, 2022.

In a Resolution dated February 7, 2023, the Supreme Court denied with finality the Subsidiary's Motion for Reconsideration dated December 15, 2022, and affirmed the COA's Decision granting the Company's money claims in the total amount of P714.9 million. In the Notice, it stated that Entry of Judgment will be made immediately.

On March 20, 2023, the Supreme Court issued the Entry of Judgment in the said case. Upon receipt of the Entry of Judgment, the Subsidiary filed its claim with the PRA for the judgment award. As at December 31, 2024, the Group has completed the submission of all the requirements to the PRA and is waiting for PRA to process the payment of judgment award.

b. Status of Operations

For the years 2024 and 2023, the Group continues to reduce its operational expenses and, through the efforts of its limited personnel and utilizing very restricted resources, the Group was able to consolidate all the records pertaining to the Project from its local and foreign partners.

Due to the cessation of the Project, the Group failed to honor its loan commitments and has incurred significant losses from accumulating interest costs and penalties. Net losses incurred for the years ended December 31, 2024 and 2023 amounted to P3.8 million and P2.6 million, respectively. As at December 31, 2024 and 2023, the Group has a deficit amounting to P11.297 billion and P11.293 billion, respectively and a capital deficiency amounting to P1.425 billion and P1.421 billion, respectively. Further, the Group's management has also embarked on a study of the business opportunities and the equity restructuring the Group may undertake given the amount of the award with a view of continuing the business of the Group.

2. Basis of Preparation

Statement of Compliance

The consolidated financial statements include the accounts of the Parent Company and Central Bay, its wholly-owned subsidiary, and have been prepared in compliance with PFRS Accounting Standards. PFRS Accounting Standards are based on IFRS Accounting Standards issued by the International Accounting Standards Board (IASB). PFRS Accounting Standards consist of PFRS Accounting Standards, Philippine Accounting Standards (PAS) and Philippine Interpretations issued by the Philippine Financial and Sustainability Reporting Standards Council (FSRSC).

Approval of Consolidated Financial Statements

The consolidated financial statements as at and for the year ended December 31, 2024 were approved and authorized for issuance by the Board of Directors (BOD) on February 21, 2025.

Functional and Presentation Currency

The consolidated financial statements are presented in Philippine peso, which is the functional currency of the Group. All financial information are rounded off to the nearest peso, except when otherwise indicate.

Basis of Measurement

The consolidated financial statements have been prepared on a historical cost basis of accounting.

Use of Judgments, Estimates and Assumptions

The preparation of consolidated financial statements requires the Group to make judgments, estimates and assumptions that affect the application of accounting policies and the amounts of assets, liabilities, income and expenses reported in the consolidated financial statements at the reporting date. However, uncertainty about judgments, estimates and assumptions could result in an outcome that could require a material adjustment to the carrying amount of the affected asset or liability in the future.

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. Revisions are recognized in the period in which the judgment and estimates are revised and in any future periods affected.

Judgments

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

Going Concern Assumption

The Group has reported a deficit amounting to P11.297 billion and P11.293 billion as at December 31, 2024 and 2023, respectively. The ability of the Group to continue as going concern entities will depend on the timing of the release of reimbursement pursuant to the Supreme Court decision which is subject to multiple uncertainties arising from the various regulatory processes that the claim for payment has to undergo, and on the success of any future business that the Group may undertake.

Management assessed that the Group will be able to recover the amount granted to the Subsidiary to allow the Group to operate on a going concern basis. Accordingly, these consolidated financial statements are prepared on a going concern basis.

Provisions and Contingencies

The Group, in the ordinary course of business, sets up appropriate provisions for its present legal or constructive obligations, if any, in accordance with its policies on provisions and contingencies. In recognizing and measuring provisions, management takes risks and uncertainties into account.

As at December 31, 2024 and 2023, the Group does not have any legal or constructive obligations that require provision.

Estimates and Assumptions

The key estimates and assumptions used in the consolidated financial statements are based upon the Group's evaluation of relevant facts and circumstances as at the date of the consolidated financial statements. Actual results could differ from such estimates.

Assessment of Expected Credit Loss (ECL) on Receivables

The Group, applying the simplified approach in the computation of ECL, initially uses a provision matrix based on historical default rates for receivables. The Group also uses appropriate groupings if its historical credit loss experience shows significantly different loss patterns for different customer segments. The Group then adjusts the historical credit loss experience with forward-looking information on the basis of current observable data affecting each customer segment to reflect the effects of current and forecasted economic conditions.

The Group has assessed that the forward-looking default rate component of its ECL is not material because management and its legal counsel believe that the receivable is recoverable. The amount is supported by a Supreme Court decision granting the reimbursement of COA-verified expenses that benefited the PRA (Notes 1 and 5). Moreover, based on management's assessment, current conditions and forward-looking information does not indicate a significant increase in credit risk exposure of the Group from its receivables.

As at December 31, 2024 and 2023, the Group's allowance for impairment losses on receivables amounted to P128.0 million. In 2022, pursuant to the Decision of Supreme Court relative to the final amount of claim from the PRA, the Group has written off P311.8 million representing the unrecoverable advances to PRA (see Note 5).

As at December 31, 2024 and 2023, the Group's allowance for impairment losses on receivables from related parties amounted to P0.2 million (Note 7).

Estimating Allowance for Impairment Losses on Nonfinancial Assets

The Group assesses impairment on project development costs, other noncurrent assets and other nonfinancial assets whenever events or changes in circumstances indicate that the carrying amount of such assets may not be recoverable. The factors that the Group considers important which could trigger an impairment review include the following:

- significant underperformance relative to the expected historical or projected future operating results;
- significant changes in the manner of use of the acquired assets or the strategy for overall business; and
- significant negative industry or economic trends.

An impairment loss is recognized whenever the carrying amount of an asset exceeds its recoverable amount.

As discussed in Note 1, the Group has spent a considerable amount on the Project. However, due to the nullity of the JVA and the uncertainty of the claims from the PRA, the Group provided allowance for impairment in the value of the project development cost. As at December 31, 2021, allowance for impairment losses on project development cost amounted to P6.613 billion. In 2022, considering the finality of Supreme Court Decision, the unrecoverable balance of project development cost and the excess of acquisition cost over the net assets of the Subsidiary amounting to P2.605 billion and P3.593 billion, respectively was written-off (see Note 6).

As at December 31, 2024 and 2023, allowance for impairment losses on other noncurrent assets amounted to P3.0 million (see Note 7).

Estimating Realizability of Deferred Tax Assets

The Group reviews the carrying amounts of deferred tax assets at each reporting date and reduces deferred tax assets to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax assets to be utilized.

As at December 31, 2024 and 2023, deferred tax assets in respect of temporary differences and unused net operating loss carryover (NOLCO) have not been recognized because management believes that the Group may not have sufficient future taxable profits available to allow all or part of these deferred income tax assets to be utilized (Note 12).

3. Summary of Material Accounting Policies

The accounting policies set out below have been applied consistently to all years presented in these consolidated financial statements.

Adoption of New or Revised Standards, Amendments to Standards and Interpretations

The Group has adopted the following new standards, amendments to standards and interpretations starting January 1, 2024, and accordingly, changed its accounting policies. Except as otherwise indicated, the adoption did not have any significant impact on the Group's consolidated financial statements.

- *Classification of Liabilities as Current or Noncurrent - 2020 amendments and Non-current Liabilities with Covenants - 2022 amendments (Amendments to PAS 1, Presentation of Financial Statements).* To promote consistency in application and clarify the requirements on determining whether a liability is current or noncurrent, the amendments: removed the requirement for a right to defer settlement of a liability for at least twelve months after the reporting period to be unconditional and instead requires that the right must have substance and exist at the end of the reporting period;
 - clarified that only covenants with which a company must comply on or before the reporting date affect the classification of a liability as current or non-current and covenants with which the entity must comply after the reporting date do not affect a liability's classification at that date;
 - provided additional disclosure requirements for non-current liabilities subject to conditions within twelve months after the reporting period to enable the assessment of the risk that the liability could become repayable within twelve months; and
 - clarified that settlement of a liability includes transferring an entity's own equity instruments to the counterparty, but conversion options that are classified as equity do not affect classification of the liability as current or noncurrent.

Effective January 1, 2027

- *PFRS 18 Presentation and Disclosure in Financial Statements* will replace PAS 1 *Presentation of Financial Statements* and aims to provide greater consistency in presentation of the income and cash flow statements, and more disaggregated information. *A more structured income statement.* PFRS 18 promotes a more structured income statement. It introduces a newly defined 'operating profit or loss' and 'profit or loss before financing and income tax' subtotals, and a requirement for all income and expenses to be classified into three new distinct categories - operating, investing, and financing - based on a company's main business activities. PFRS 18 also requires companies to analyze their operating expenses directly on the face of the income statement - either by nature, by function or on a mixed basis. Companies need to choose the presentation method that provides the 'most useful structured summary' of those expenses. New disclosures apply if any operating expenses are presented by function.

Management-defined Performance Measures. PFRS 18 provides a definition for management-defined performance measures (MPMs) and introduces specific disclosure requirements. MPMs are subtotals of income and expenses that are used in public communications outside the financial statements, communicate management's view of an aspect of the financial performance of the entity as a whole and are not a required subtotal or a common income and expense subtotal listed in PFRS 18. For each MPM presented, companies will need to explain in a single note to the financial statements why the measure provides useful information and how it is calculated, and to reconcile it to an amount determined under PFRS Accounting Standards.

Greater Disaggregation of Information. PFRS 18 provides enhanced guidance on how companies group information in the financial statements, including newly defined roles of the primary financial statements and the notes, principles of aggregation and disaggregation based on shared and non-shared characteristics, and specific guidance for labelling and describing items in a way that faithfully represents an item's characteristics.

PFRS 18 also now require goodwill to be presented as a line item in the statement of financial position.

Consequential amendments to PAS 7 *Statement of Cash Flows* requires the use of the operating profit or loss subtotal as the starting point when presenting operating cash flows under the indirect method and eliminate the options for classifying interest and dividend cash flows.

PFRS 18 also amends PAS 33 *Earnings per Share* to permit companies to disclose additional amounts per share using as numerator a required income and expenses total or subtotal, a common subtotal listed in PFRS 18 or an MPM disclosed by the entity.

PFRS 18 applies for annual reporting periods beginning on or after January 1, 2027, with earlier application permitted. It applies retrospectively in accordance with PAS 8 *Accounting Policies, Changes in Accounting Estimates and Errors*. Specific reconciliations are required to be disclosed. Eligible entities including venture capital organizations, mutual funds and some insurers will be allowed to change their election for measuring investments in associates and joint ventures from equity method to fair value through profit or loss.

Summary of Material Accounting Policies

Financial Instruments

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

i. Recognition and Initial Measurement

The Group recognizes a financial asset or a financial liability in the separate statements of financial position when it becomes a party to the contractual provisions of the instrument.

A financial asset or financial liability is initially measured at the fair value of the consideration given or received. The initial measurement of financial instruments, except for those designated as financial assets at fair value through profit or loss (FVPL), includes transaction costs.

ii. Classification and Subsequent Measurement

Financial Assets

The Group classifies its financial assets at the initial recognition, as subsequently measured at amortized cost, fair value through other comprehensive income (FVOCI) and FVPL. The classification depends on the contractual cash flow characteristics of the financial assets and the business model of the Group for managing the financial assets.

Subsequent to initial recognition, financial assets are not reclassified unless the Group changes the business model for managing financial assets. All affected financial assets are reclassified on the first day of the reporting period following the change in the business model.

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

The Group considers the following information in assessing the objective of the business model in which a financial asset is held at a portfolio level, which reflects the way the business is managed and information is provided to the Group:

- the stated policies and objectives for the portfolio and the operation of those policies in practice;
- how the performance of the portfolio is evaluated and reported to the Group;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- how employees of the business are compensated; and
- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

The Group considers the contractual terms of the instrument in assessing whether the contractual cash flows are solely payments of principal and interest. The assessment includes whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. The Group considers the following in making the assessment:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable rate features;
- prepayment and extension features; and
- terms that limit the Group's claim to cash flows from specified assets.

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract. Additionally, for a financial asset acquired at a discount or premium to its contractual par amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable additional compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

For purposes of subsequent measurement, financial assets are classified in the following categories: financial assets at amortized cost, financial assets at FVOCI (with or without recycling of cumulative gains and losses) and financial assets at FVPL.

The Group has no financial assets at FVOCI and financial assets at FVPL as at December 31, 2024 and 2023.

Financial Assets at Amortized Cost

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as at FVPL:

it is held within a business model with the objective of holding financial assets to collect contractual cash flows; and its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortized cost are subsequently measured using the effective interest method and are subject to impairment. Gains and losses are recognized in the separate statements of comprehensive income when the financial asset is derecognized, modified or impaired.

The Group's cash in banks, receivables and security deposits are included under this category.

Financial Liabilities

The Group classifies its financial liabilities, at initial recognition, in the following categories: financial liabilities at FVPL and other financial liabilities. The Group determines the classification of its financial liabilities at initial recognition. All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings, net of directly attributable transaction costs.

The Group has no financial liabilities at FVPL as at December 31, 2024 and 2023.

Other Financial Liabilities

This category pertains to financial liabilities that are not designated or classified as at FVPL. After initial measurement, other financial liabilities are carried at amortized cost using the effective interest method. Amortized cost is calculated by taking into account any premium or discount and any directly attributable transaction costs that are considered an integral part of the effective interest rate of the liability.

The Group's accounts payable and accrued expenses and amounts owed to related parties are included under this category.

iii. Derecognition of Financial Assets and Liabilities

Financial Assets

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

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

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the Group continues to recognize the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognizes the associated liability. The transferred asset and the associated liability are measured on the basis that reflects the rights and obligations that the Group has retained.

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

Financial Liabilities

A financial liability is derecognized when the obligation under the liability is discharged or cancelled, or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the separate statements of comprehensive income.

iv. Impairment of Financial Assets

The Group recognizes allowance for ECL on financial assets at amortized cost.

ECLs are probability-weighted estimates of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e., the difference between the cash flows due to the Group in accordance with the contract and the cash flows that the Group expects to receive), discounted at the effective interest rate of the financial asset, and reflects reasonable and supportable information that is available without undue cost or effort about past events, current conditions and forecasts of future economic conditions.

The Group recognizes an allowance for impairment based on either 12-month or lifetime ECLs, depending on whether there has been a significant increase in credit risk since initial recognition.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Group considers 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 including forward-looking information.

The Group recognizes lifetime ECLs for receivables that do not contain significant financing component. The Group uses provision matrix that is based on the Group's historical credit loss experience, adjusted for forward-looking factors specific to the borrowers and the economic environment.

At each reporting date, the Group assesses whether these financial assets at amortized cost are credit-impaired. A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred. Evidence that a financial asset is credit-impaired include observable data about the following events:

- significant financial difficulty of the issuer or the borrower;
- a breach of contract, such as a default or past due event;
- the lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider;
- it is becoming probable that the borrower will enter bankruptcy or other financial reorganization;
- the disappearance of an active market for that financial asset because of financial difficulties; or
- the purchase or origination of a financial asset at a deep discount that reflects the incurred credit losses.

The Group considers a financial asset to be in default when a counterparty fails to pay its contractual obligations, or there is a breach of other contractual terms, such as covenants.

The Group directly reduces the gross carrying amount of a financial asset when there is no reasonable expectation of recovering the contractual cash flows on a financial asset, either partially or in full. This is generally the case when the Group determines that the borrower 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.

The ECLs on financial assets at amortized cost are recognized as allowance for impairment losses against the gross carrying amount of the financial asset, with the resulting impairment losses (or reversals) recognized in the separate statements of comprehensive income.

The gross carrying amount of a financial asset is written off when the Group has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof.

v. Offsetting Financial Instruments

Financial assets and financial liabilities are offset and the net amount is reported in the separate statements of financial position if, and only if, there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Project Development Cost

Project development cost consists of costs directly and clearly associated with the acquisition, development and construction of the Project, less any impairment in value. It includes project mobilization costs, billings from contractors for project and land development, payments to the PRA, borrowing costs incurred during the construction period, professional and legal fees, documentary stamps, foreign exchange losses and other expenses.

Prepaid Income Tax

Prepaid income tax pertains to the prior year excess tax credits which can be applied against future income tax due.

Impairment of Nonfinancial Assets

The carrying amount of nonfinancial assets is reviewed for impairment when events or changes in circumstances indicate that the carrying amount may not be recoverable. If any such indication exists, and if the carrying amount exceeds the estimated recoverable amount, the asset is written down to its recoverable amount. The recoverable amount of the asset is the greater of fair value less costs of disposal and value in use. The fair value less costs to sell is the amount obtainable from the sale of an asset in an arm's length transaction between knowledgeable, willing parties, less costs of disposal while value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Impairment losses of continuing operations are recognized in the consolidated statements of comprehensive income in those expense categories consistent with the function of the impaired asset.

An assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the recoverable amount is estimated. A previously recognized impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognized. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increased amount cannot exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the consolidated statements of comprehensive income.

Equity

Common Shares

Common shares are classified as equity. Incremental costs directly attributable to the issue of common shares are recognized as a deduction from equity, net of any tax effects.

Preferred Shares

Preferred shares are classified as equity if they are non-redeemable, or redeemable only at the Parent Company's option, and any dividends within equity upon approval by the Parent Company's BOD.

Preferred shares are classified as liability if they are redeemable on a specific date or at the option of the stockholders, or if dividend payments are not discretionary. Dividends thereon are recognized as "interest expense" in the consolidated statements of comprehensive income as accrued.

Additional Paid-in Capital

When the shares are sold at a premium, the difference between the proceeds and the par value is credited to the "Additional paid-in capital" account. When shares are issued for a consideration other than cash, the proceeds are measured by the fair value of the consideration received. In case the shares are issued to extinguish or settle the liability of the Group, the shares are measured either at the fair value of the shares issued or fair value of the liability settled, whichever is more reliably determinable.

Deficit

Deficit represent the accumulated net losses, net of any dividend distributions and other capital adjustments.

Revenue Recognition

The Group recognizes revenue from contracts with customers when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services, excluding amounts collected on behalf of third parties.

Interest Income

Interest income is recognized using the effective interest method. In calculating interest income, the effective interest rate is applied to the gross carrying amount of the asset.

Other Income

Other income is recognized when earned during the period.

Expense Recognition

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

Borrowing Costs

Borrowing costs are recognized as expenses when incurred, except to the extent capitalized. Borrowing costs are capitalized if they are directly attributable to the acquisition or construction of a qualifying asset. Capitalization of borrowing costs commences when the activities to prepare the asset are in progress and expenditures and borrowing costs are being incurred. Borrowing costs are capitalized until the assets are substantially ready for their intended use. If the carrying amount of the asset exceeds its recoverable amount, an impairment loss is recognized.

Income Taxes

Income tax expense is comprised of current and deferred tax and is recognized in the consolidated statements of comprehensive income except to the extent that it relates to a business combination, or items recognized directly in other comprehensive income.

Current Income Tax

Current income tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Current tax relating to items directly recognized in equity is recognized in equity and not in the consolidated statements of comprehensive income. Management periodically evaluates positions taken in the tax return with respect to situations in which applicable tax regulations are subject to interpretation and established provision as appropriate.

Deferred Income Tax

Deferred tax assets and liabilities are recognized for the future tax consequences attributable to temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes and the carryforward tax benefit of NOLCO. The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the reporting date.

A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefits will be realized.

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

Related Parties

Parties are considered related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control. Related parties may be individuals or corporate entities.

Earnings (Loss) Per Share

Basic earnings (loss) per share is computed by dividing the net income (loss) for the year attributable to equity holders of the Parent Company by the weighted average number of issued and outstanding common shares during the year, with retroactive adjustments for any stock dividends declared.

Diluted earnings (loss) per share is computed by adjusting the net income (loss) for the year attributable to equity holders of the Parent Company and the weighted average number of issued and outstanding common shares during the year, for the effects of all dilutive common shares.

The Group has no potential common shares with dilutive effect.

Provisions

Provisions are recognized only when the Group has: (a) a present obligation (legal or constructive) as a result of a past event; (b) it is probable (i.e., more likely than not) that an outflow of resources embodying economic benefits will be required to settle the obligation; and (c) a reliable estimate can be made of the amount of the obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessment of the time value of money and, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognized as interest expense. Where the Group expects a provision to be reimbursed, the reimbursement is recognized as a separate asset but only when the receipt of the reimbursement is virtually certain. Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate.

Contingencies

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

Events After the Reporting Date

Any event after the reporting date that provides evidence of conditions that existed at the end of the reporting date (adjusting event) is recognized in the consolidated financial statements. Any event after the reporting date that is not an adjusting event is disclosed in the notes to the consolidated financial statements when material.

4. Financial Risk Management

The Group's activities are exposed to a variety of financial risks. These are credit risk and liquidity risk. The Group's overall risk management program seeks to minimize potential adverse effects on the financial performance of the Group.

This note presents information about the Group's exposure to each of the above risks, the Group's objectives, policies and processes for measuring and managing risk, and the Group's management of capital.

The BOD has the overall responsibility for the establishment and oversight of the Group's risk management framework, and for the development and monitoring the Group's risk management policies.

The Group's risk management policies are established to identify and analyze the risk faced by the Group, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities.

Credit Risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Group's credit risk arises principally from cash in banks, receivables, and security deposits. Management and its legal counsel believe that the receivable from the PRA is collectible as the amount is supported by a Supreme Court decision (dated July 9, 2002), which provides for the reimbursement of expenses that directly benefited the PRA.

Generally, the maximum credit risk exposure of financial assets is the carrying amount of the financial assets as shown in the face of the consolidated statements of financial position or in the notes to the consolidated financial statements, as summarized below.

	Note	2024	2023
Cash in banks		P947	P1,598
Receivables - net	5	714,938	714,938
		P715,885	P716,536

The credit quality of the Group's financial assets classified into credit grades as of December 31, 2024 and 2023 are as follows:

2024

	High Grade	Standard Grade	Low Grade	Total
Cash in banks	P947	P -	P -	P947
Receivables from a third party	-	714,938	128,034	842,972
Receivables from related parties	-	-	196	196
Security deposits	-	-	140	140
	P947	P714,938	P128,370	P844,255

2023

	High Grade	Standard Grade	Low Grade	Total
Cash in banks	P1,598	P -	P -	P1,598
Receivables from a third party	-	714,938	128,034	842,972
Receivables from related parties	-	-	196	196
Security deposits	-	-	140	140
	P1,598	P714,938	P128,370	P844,906

High grade financial assets are those assessed as having minimal credit risk, otherwise, they are of standard quality.

As at December 31, 2024 and 2023, the credit quality of the Group's financial assets were determined as follows:

- Cash in banks - high grade, given that the credit risk for cash in banks is considered negligible, since the counterparties are reputable entities with high quality external credit rating.
- Receivables - high grade pertains to receivables that are secured or covered with collaterals; standard grade pertains to receivables that are unsecured but with good paying habits; low-grade pertains to receivables that are unsecured and with allowance for the collectability.

The table below presents the summary of the Group's exposure to credit risk as of December 31, 2024 and 2023 and shows the credit quality of the assets by indicating whether the assets are subjected to 12-month ECL or lifetime ECL. Assets that are credit-impaired are separately presented.

2024

	Financial Assets at Amortized Cost			Total
	12-month ECL	Lifetime ECL - not credit impaired	Lifetime ECL - credit impaired	
Cash in banks	P947	P -	P -	P947
Receivables	-	714,938	128,034	842,972
Receivables from related parties	-	-	196	196
Security deposits	-	-	140	140
	P947	P714,938	P128,370	P844,255

2023

	Financial Assets at Amortized Cost			Total
	12-month ECL	Lifetime ECL - not credit impaired	Lifetime ECL - credit impaired	
Cash in banks	P1,598	P -	P -	P1,598
Receivables	-	714,938	128,034	842,972
Receivables from related parties	-	-	196	196
Security deposits	-	-	140	140
	P1,598	P714,938	P128,370	P844,906

The credit risk for cash in banks is considered negligible, since the counterparties are reputable banks with high quality external credit ratings.

Liquidity Risk

Liquidity risk pertains to the risk that the Group will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. The Group is exposed to the possibility that adverse changes in the business environment and/or operations would result in substantially higher working capital requirements and the subsequent difficulty in financing additional working capital.

As discussed in Note 1, the ability of the Group to continue as a going concern will depend on the recoverability of the Subsidiary's claims for reimbursement from the PRA and on the success of any future business that the Group may undertake.

The following are the contractual maturities of financial liabilities, including estimated interest payments and excluding impact of netting agreements:

	Note	As at December 31, 2024				
		Carrying Amount	Contractual Cash Flow	6 Months or Less	6 - 12 Months	Over One Year
Nonderivative Financial Liabilities						
Accounts payable and accrued expenses*	8	P23,321	P23,321	P23,321	P -	P -
Due to related parties	9	2,120,727	2,120,727	2,120,727	-	-
		P2,144,048	P2,144,048	P2,144,048	P -	P -

*Excluding withholding tax payable amounting to P39.

	Note	As at December 31, 2023				
		Carrying Amount	Contractual Cash Flow	6 Months or Less	6 - 12 Months	Over One Year
Nonderivative Financial Liabilities						
Accounts payable and accrued expenses*	8	P22,213	P22,213	P22,213	P -	P -
Due to related parties	9	2,118,300	2,118,300	2,118,300	-	-
		P2,140,513	P2,140,513	P2,140,513	P -	P -

*Excluding withholding tax payable amounting to P38

Fair Values

The carrying amounts of financial assets and liabilities approximate their fair values as at December 31, 2024 and 2023.

The following summarizes the major methods and assumptions used in estimating the fair values of financial instruments:

Cash in Banks and Receivables

The carrying amounts of cash in banks and receivables approximate their fair values due to the relatively short-term maturities of these financial assets. Receivables are reported at their net realizable amounts or at total amounts less allowances for estimated uncollectible accounts.

Security Deposits

The carrying amounts of security deposits approximate their fair values since the Group does not anticipate the carrying amount to be significantly different from the actual values that these would eventually be collected. These are reported at their net realizable amounts or at total amounts less allowances for estimated uncollectible accounts.

Accounts Payable and Accrued Expenses and Amounts Owed to Related Parties

The carrying amounts of accounts payable and accrued expenses and due to related parties approximate their fair values due to the relatively short-term maturities of these financial liabilities.

Capital Management

As discussed in Note 1 to the consolidated financial statements, significant events have occurred which indicate the existence of a material uncertainty which casts significant doubt about the ability of the Group to continue as going concern. The ability of the Group to continue as going concern will depend on the recoverability of the Group's claims for reimbursement from the PRA and on the success of any future business that the Group may undertake.

The Group monitors capital on the basis of the debt-to-equity ratio which is calculated as total debt divided by total equity. Total debt is equivalent to accounts payable and accrued expenses and amounts owed to related parties. Total equity comprises capital stock, additional paid-in capital and deficit.

There were no changes in the Group's approach to capital management during the year.

The Group is not subject to externally-imposed capital requirements.

5. Receivables

This account consists of receivables from:

	<i>Note</i>	2024	2023
PRA		P714,938	P714,938
MCRP Construction Corporation		114,460	114,460
Tenants		7,327	7,327
Others		6,247	6,247
	4	842,972	842,972
Less allowance for impairment losses on:			
MCRP Construction Corporation		114,460	114,460
Tenants		7,327	7,327
Others		6,247	6,247
		128,034	128,034
		P714,938	P714,938

The above receivables are all currently due and demandable from the debtors.

As at December 31, 2024, no impairment loss was recognized on the Subsidiary's receivable from the PRA, which arose from claims for reimbursements of reclamation costs and expenses paid by the Subsidiary on behalf of the PRA. Management and its legal counsel believe that the receivable is collectible as the amount is supported by a Supreme Court decision (dated July 9, 2002) which provides for the reimbursement of expenses that directly benefited the PRA (Note 1).

In 2022, pursuant to the Decision of Supreme Court relative to the final amount of claim from the PRA, the Company has written off P311.8 million representing the unrecoverable advances to PRA and reported as "Write-off of receivables" in the 2022 statement of comprehensive income. On the other hand, the Subsidiary recognized receivable from the PRA amounting P714.9 million representing the amount of claim approved the Supreme Court (Notes 1). The approved claim is broken down as follows:

	<i>Note</i>	2024	2023
Advances to PRA		P300,000,000	P300,000,000
Project development cost	6	414,937,790	414,937,790
		P714,937,790	P714,937,790

6. Project Development Cost

The excess of the Parent Company's acquisition cost of the shares of stock of the Subsidiary over the net assets of the Subsidiary pertains to the unbooked appraisal increase relative to the Three Islands, as discussed in Note 1. This appraisal increase was based on an independent appraisers' report dated March 20, 1996. The Hypothetical Development Approach in valuing the property was used in the appraisal.

Pursuant to the finality of the Supreme Court Decision on the case of the Subsidiary and the PRA (Note 1), the amount has been written off in 2022.

A portion of allowance for impairment amounting to P414.9 million has been reversed in 2022 and is reclassified as "Receivable" following the finality of the Supreme Court Decision on the Subsidiary's claim from the PRA (Notes 1 and 5). The reversal is presented as "Reversal of impairment losses" in the 2022 statement of comprehensive income. The remaining balance representing the unrecoverable amount of project development cost is then written-off.

7. Other Noncurrent Assets

This account consists of:

	<i>Note</i>	2024	2023
Prepaid taxes		P5,256	P4,885
Receivables from related parties	4, 9	196	196
Security deposits	4	140	140
Others		30	30
		5,622	5,251
Less allowance for impairment losses on:			
Prepaid taxes		2,693	2,693
Receivables from related parties		196	196
Security deposits		140	140
Others		20	20
		3,049	3,049
		P2,573	P2,202

Prepaid taxes consist of input taxes and tax refund.

8. Accounts Payable and Accrued Expenses

This account consists of:

	<i>Note</i>	2024	2023
Accrued expenses	4	P21,382	P20,274
Payable to a third party	4	1,939	1,939
Withholding tax payable		39	38
		P23,360	P22,251

Accrued expenses represent liabilities to suppliers for various expenses incurred by the Group. The settlement of this account is highly dependent on the collection of claims from the PRA.

Payable to a third party pertains to non-interest bearing advances from a certain company.

9. Related Party Transactions

In the ordinary course of business, the Group has transactions with related parties summarized as follows:

Category	Year	Note	Amount of Transaction	Outstanding Balances	Terms and Conditions
				Due to Related Parties	
Shareholders					
POPI					
Cash advance	2024	a	P -	P6,968	Due and demandable; Unsecured interest bearing
	2023		-	6,968	
Interest on cash advances	2024	a	-	18,460	
	2023		-	18,460	
Other Shareholders					
Cash advance	2024	a	-	31,850	Due and demandable; Unsecured interest bearing
	2023		-	31,850	
Interest on cash advances	2024	a	-	2,031,173	
	2023		-	2,031,173	
Primera Comercio Holding, Inc. (Primera)					
Cash advances	2024	b	2,427	30,240	Due and demandable; Unsecured non-interest bearing
	2023		2,717	27,813	
Italian Thai					
Cash advance	2024	c	-	2,036	Due and demandable; Unsecured non-interest bearing
	2023		-	2,036	
	2024			P2,120,727	
	2023			P2,118,300	

- a) Cash advances from POPI and other shareholders bear interest at 15% per annum, compounded annually until fully paid. The payment terms are stipulated in the Repayment Agreement for such advances and were approved by the BOD on March 14, 2003.

At the option of the above shareholders, the advances shall be settled and paid according to any or a combination of the following:

- In cash by the Parent Company;
- In common shares of the Parent Company, through the issuance, at par value, by the Parent Company of new common shares. Under this option, the shareholder must exercise his right to convert the Project-related payable into common shares of the Parent Company when the weighted average market price of the shares within a 30 trading day period is at P0.95 or above, at a price approximate to the par value of the shares; and
- Through assignment by the Parent Company of all its rights, titles and interest in and to any salable portion of the reclaimed land in the Project, as identified by the above shareholders and subject to the BOD's approval.

In 2016, the Parent Company and the other shareholders entered into an agreement wherein the interest due on the advances under the Repayment Agreement will be waived and will no longer accrue starting in 2016 until the advances are fully paid, except for advances from POPI. Accordingly, in 2018, the Parent Company and the other shareholders entered into same agreement and the interest pertaining to advances from POPI will no longer accrue starting 2018.

- b) The Parent Company obtains non-interest bearing cash advances from Primera to support its day-to-day operations. These advances are payable on demand. As at December 31, 2024 and 2023, Primera has not provided options for the Parent Company's settlement of the advances.
- c) The Parent Company obtains non-interest bearing cash advances from Italian Thai to be settled in cash. These advances are due and demandable as at December 31, 2024 and 2023.
- d) The Group has no key management personnel compensation in 2023, 2022 and 2021. Management function is handled by a related party without any charge.

As at December 31, 2024 and 2023, the Group has receivables from related parties amounting to P0.2 million which is fully provided with allowance for impairment losses (see Note 7).

Unless otherwise stated, outstanding balances of due to related parties are expected to be settled in cash.

10. Capital Stock

Common Stock

The Parent Company had its only public offering for common stocks in 1991. Common stock issued since the public offering amounted to P6.16 billion divided into 6.16 billion shares. These shares are registered with the SEC and traded in the PSE.

Preferred Stock

The preferred stock which may be issued in tranches or series, is redeemable at the option of the Parent Company, non-voting, entitled to preferential and cumulative dividends at a rate not exceeding 12% per annum, and shall have such other rights, preferences, restrictions and qualifications consistent with the Parent Company's By-laws and the Articles of Incorporation, as may be fixed by the BOD at the time of their issuance.

As a result of the conversion of payables to equity on November 13, 2012, the Parent Company issued shares in full settlement of payable to stockholders amounting to P647.0 million and loan payable amounting to P3.6 billion. The additional paid-in capital, net of direct transaction costs, amounted to P2.9 billion. Direct transaction costs for the issuance of shares amounted to P9.08 million.

The table below shows the equivalent number of common and preferred shares issued to the stockholders of the Parent Company in relation to the conversion of debt to equity:

Stockholders	Number of Shares	
	Common	Preferred
One Bacolod Express Holdings, Inc.	364,577,424	1,609,359,778
Primera	167,578,190	4,858,590,825
Cosco Land Corporation	56,132,206	-
David Go Securities Corporation	42,924,628	-
POPI	15,666,405	-
	646,878,853	6,467,950,603

In 2005, the BOD also approved the conversion to equity of the Parent Company's payable to POPI and Orion Land, Inc. (a wholly-owned subsidiary of POPI) amounting to P44.5 million and P2.4 million, respectively, as partial payment for their subscriptions. The application for conversion of debt to equity has not been filed with the SEC as at December 31, 2024.

11. General and Administrative Expenses

This account consists of:

	2024	2023	2022
Professional fees	P3,386	P2,242	P2,197
Listing fee and filing fee	254	260	250
Taxes and licenses	30	31	31
IT expenses	10	10	10
Office supplies	-	7	1
Others	137	90	72
	P3,817	P2,640	P2,561

"Others" includes various penalties charged by the SEC and various expenses incurred relative to PRA claims.

12. Income Taxes

The Group has no current income tax in 2024, 2023 and 2022.

The reconciliation of income tax benefit computed at the statutory income tax rate to income tax expense in profit or loss follows:

	2024	2023	2022
Income (loss) before income tax	(P3,816)	(P2,639)	P100,528
Income tax benefit at statutory rate of 25%	(P954)	(P660)	P25,132
Tax effects of:			
Movement in unrecognized deferred tax assets	954	660	640
Nontaxable income	-	-	(103,735)
Nondeductible expenses	-	-	77,963
	P -	P -	P -

Deferred tax assets on the following deductible temporary differences and unused NOLCO have not been recognized as the Group may not have sufficient taxable income in the future to realize the benefits of the related deferred tax assets.

	2024	2023
Allowance for impairment losses on receivables	P128,034	P128,034
NOLCO	13,396	9,580
Allowance for non-recoverability of other noncurrent assets	3,049	3,049
	P144,479	P140,663

As at December 31, 2024, the Group's NOLCO which could be applied against future taxable income and deduction against future income tax payable, respectively, is as follows:

Year Incurred	Amount Incurred	Expired During the Year	Remaining Balance	Year of Expiration
2020	P2,312	P -	P2,312	2025
2021	2,068	-	2,068	2026
2022	2,560	-	2,560	2025
2023	2,640	-	2,640	2026
2024	3,816	-	3,816	2027
	P13,396	P -	P13,396	

13. Basic and Diluted Loss Per Share

The following table represents information necessary to calculate loss per share:

	2024	2023	2022
Net income (loss) (a)	(P3,816)	(P2,639)	P100,528
Weighted average number of shares (b)	6,806,879	6,806,879	6,806,879
Basic and diluted loss per share (a/b)	(P0.0006)	(P0.0004)	P0.0148

As at December 31, 2024, 2023 and 2022, there are no dilutive debt or equity instruments.



R.G. Manabat & Co.
The KPMG Center, 6/F
6787 Ayala Avenue, Makati City
Philippines 1209
Telephone +63 (2) 8885 7000
Fax +63 (2) 8894 1985
Internet www.home.kpmg/ph
Email ph-inquiry@kpmg.com

**REPORT OF INDEPENDENT AUDITORS
TO ACCOMPANY SUPPLEMENTARY INFORMATION FOR FILING
WITH THE SECURITIES AND EXCHANGE COMMISSION**

The Board of Directors and Stockholders
Cyber Bay Corporation and a Subsidiary
Suite 2402, Discovery Centre, ADB Avenue
Ortigas Center, Pasig City

We were engaged to audit, in accordance with Philippine Standards on Auditing, the consolidated financial statements of Cyber Bay Corporation and a Subsidiary (the "Group"), as at December 31, 2024 and 2023 and for each of the three years ended December 31, 2024, on which we have rendered our report dated February 26, 2025.

We were engaged for the purpose of forming an opinion on the consolidated financial statements of the Group taken as a whole. The supplementary information included in the following schedules are the responsibility of the Group's management:

- Supplementary Schedules of Annex 68-J
- Reconciliation of Retained Earnings Available for Dividend Declaration
- Map of the Conglomerate

Firm Regulatory Registration & Accreditation:

PRC-BOA Registration No. 0003, valid until September 20, 2026

IC Accreditation No. 0003-IC, Group A, valid for five (5) years covering the audit of 2020 to 2024

financial statements (2019 financial statements are covered by IC Circular Letter (CL) No. 2019-39, Transition clause)

BSP Accreditation No. 0003-BSP, Group A, valid for five (5) years covering the audit of 2020 to 2024

financial statements (2019 financial statements are covered by BSP Monetary Board Resolution No. 2161, Transition clause)



These supplementary information are presented for purposes of complying with the Revised Securities Regulation Code Rule 68, and are not a required part of the consolidated financial statements. Because of the significance of the matter described in the *Basis for Disclaimer of Opinion* paragraphs of our report on the consolidated financial statements, it is inappropriate to and we do not express an opinion on the supplementary information referred to above.

R.G. MANABAT & CO.

A handwritten signature in black ink, appearing to read 'John Molina', written over the printed name.

JOHN MOLINA

Partner

CPA License No. 0092632

Tax Identification No. 109-916-107

BIR Accreditation No. 08-001987-023-2022

Issued June 2, 2022; valid until June 2, 2025

PTR No. MKT 10467187

Issued January 2, 2025 at Makati City

February 26, 2025

Makati City, Metro Manila

CYBER BAY CORPORATION AND A SUBSIDIARY
Annex 68-J Schedules
December 31, 2024

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<i>Schedule</i>	<i>Description</i>	<i>Page</i>
A	Financial Assets	1
B	Amounts Receivable from Directors, Officers, Employees, Related Parties and Principal Stockholders (Other than Related Parties)	1
C	Amounts Receivable from Related Parties which are Eliminated during the Consolidation of Financial Statements	2
D	Long-term Debt	N/A*
E	Indebtedness to Related Parties	3
F	Guarantees of Securities of Other Issuers	N/A*
G	Capital Stock	4
H	Reconciliation of Retained Earnings Available for Dividend Declaration	5
I	Supplementary Schedule of External Auditor	6

**The Group has no balance of these accounts as at December 31, 2023.*

SCHEDULE A. Financial Assets

(Amounts in Thousands)

Name of Issuing Entity and Association of Each Issue	Number of Shares or Principal Amount of Bonds and Notes	Amount Shown in the Consolidated Statement of Financial Position	Income Received and Accrued
Cash in banks	P -	P947	P -
Receivables	-	714,938	-
	P -	P715,885	P -

SCHEDULE B. Amounts Receivable from Directors, Officers, Employees, Related Parties and Principal Stockholders

(Amounts in Thousands)

Name of debtor	Balance December 31, 2023	Additions	Amounts Collected	Amounts Written Off	Current	Not Current	Balance December 31, 2024
Affiliates	P196	P -	P -	P -	P196	P -	P196
Allowance for doubtful accounts	(196)	-	-	-	(196)	-	(196)
	P -	P -	P -	P -	P -	P -	P -

SCHEDULE C. Amounts Receivable from Related Parties which are Eliminated during the Consolidation of Financial Statements
(Amounts in Thousands)

Name and designation of debtor	Balance at the Beginning of Period	Additions	Amounts Collected	Amounts Written Off	Current	Not Current	Balance at End of Period
Advances							
Central Bay Reclamation and Development Corporation	P5,266,761	P253	P -	P -	P5,267,014	P -	P5,267,014

SCHEDULE E. Indebtedness to Related Parties

(Amounts in Thousands)

Name of related party	Balance December 31, 2024	Balance December 31, 2023
Primera Comercio Holdings, Inc.	P30,240	P27,813
Italian Thai (BVI) Int'l.	2,036	2,036
Prime Orion Philippines, Inc. (POPI)	25,428	25,428
Other Shareholders	2,063,023	2,063,023
	P2,120,727	P2,118,300

SCHEDULE G. Capital Stock
(Amounts in Thousands)

Title of Issue	Number of Shares Authorized	Number of Shares Issued and Outstanding at Shown Under Related Statement of Financial Position Caption	Number of Shares Reserved for Options, Warrants, Conversion and Other Rights	Number of Shares Held by Related Parties		
				Directors, Officers and Employees	Others	Others
PREFERRED STOCK	7,000,000	6,467,951	-	4,858,591	-	1,609,360
COMMON STOCK	7,300,000	6,806,879	-	1,647,564	-	5,159,315
	14,300,000	13,274,830	-	6,506,155	-	6,768,675

SCHEDULE H.

**RECONCILIATION OF RETAINED EARNINGS
AVAILABLE FOR DIVIDEND DECLARATION
AS AT DECEMBER 31, 2024**
(Amounts in Thousands)

CYBER BAY CORPORATION

Suite 2402, Discovery Centre, ADB Avenue Ortigas Center, Pasig City

<hr/>	
Unappropriated Retained Earnings (Deficit), as adjusted to available for dividend distribution, beginning	(P11,293,386)
<hr/>	
Net income actually earned during the period	
Net loss during the period closed to Retained Earnings (Deficit)	(3,816)
<hr/>	
Unappropriated Retained Earnings (Deficit) available for dividend declaration, ending	(P11,297,202)
<hr/>	

SCHEDULE I.

**CYBER BAY CORPORATION AND A SUBSIDIARY
SUPPLEMENTARY SCHEDULE OF EXTERNAL AUDITOR
FEE-RELATED INFORMATION**

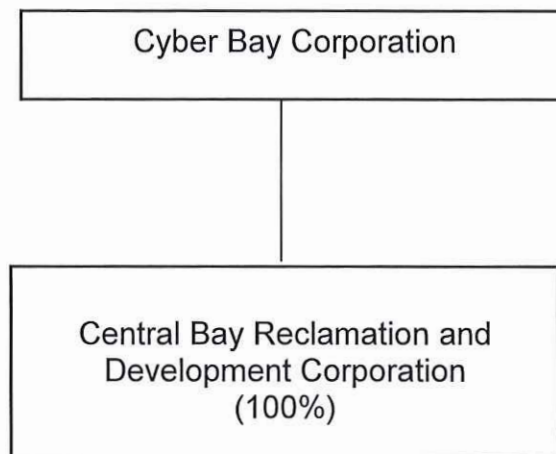
December 31, 2024 and 2023

(Amounts in Thousands)

	2024	2023
Total Audit Fees	P540	P515
Non-audit services fees:		
All other services	10	10
Total Non-audit Fees	10	10
Total Audit and Non-audit fees	P550	P525

CYBER BAY CORPORATION AND A SUBSIDIARY

MAP OF CONGLOMERATE





R.G. Manabat & Co.
The KPMG Center, 6/F
6787 Ayala Avenue, Makati City
Philippines 1209
Telephone +63 (2) 8885 7000
Fax +63 (2) 8894 1985
Internet www.home.kpmg/ph
Email ph-inquiry@kpmg.com

REPORT OF INDEPENDENT AUDITORS ON COMPONENTS OF FINANCIAL SOUNDNESS INDICATORS

The Board of Directors and Stockholders
Cyber Bay Corporation and a Subsidiary
Suite 2402, Discovery Centre, ADB Avenue
Ortigas Center, Pasig City

We were engaged to audit, in accordance with Philippine Standards on Auditing, the consolidated financial statements of Cyber Bay Corporation and a Subsidiary (the Group), as at December 31, 2024 and 2023 for each of the three years in the years ended December 31, 2024, and have issued our report dated February 26, 2025.

We were engaged for the purpose of forming an opinion on the basic consolidated financial statements taken as a whole. The Supplementary Schedule on Financial Soundness Indicators, including their definitions, formulas, calculation, and their appropriateness or usefulness to the intended users, are the responsibility of the Group's management. These financial soundness indicators are not measures of operating performance defined by Philippine Financial Reporting Standards (PFRS) Accounting Standards and may not be comparable to similarly titled measures presented by other companies.

This schedule is presented for the purpose of complying with the Revised Securities Regulation Code Rule 68 issued by the Securities and Exchange Commission, and is not a required part of the basic consolidated financial statements prepared in accordance with PFRS Accounting Standards.

Firm Regulatory Registration & Accreditation:
PRC-BOA Registration No. 0003, valid until September 20, 2026
IC Accreditation No. 0003-IC, Group A, valid for five (5) years covering the audit of 2020 to 2024
financial statements (2019 financial statements are covered by IC Circular Letter (CL) No. 2019-39, Transition clause)
BSP Accreditation No. 0003-BSP, Group A, valid for five (5) years covering the audit of 2020 to 2024
financial statements (2019 financial statements are covered by BSP Monetary Board Resolution No. 2161, Transition clause)



The components of these financial soundness indicators have been traced to the Group's consolidated financial statements as at December 31, 2024 and 2023 and for the three years in the years ended December 31, 2024. Because of the significance of the matter described in the *Basis for Disclaimer of Opinion* paragraphs of our report on the consolidated financial statements, it is inappropriate to and we do not express an opinion on the supplementary information referred to above.

R.G. MANABAT & CO.

A handwritten signature in black ink, appearing to read 'John Molina', written over the printed name.

JOHN MOLINA

Partner

CPA License No. 0092632

Tax Identification No. 109-916-107

BIR Accreditation No. 08-001987-023-2022

Issued June 2, 2022; valid until June 2, 2025

PTR No. MKT 10467187

Issued January 2, 2025 at Makati City

February 26, 2025

Makati City, Metro Manila

CYBER BAY CORPORATION AND A SUBSIDIARY

FINANCIAL SOUNDNESS INDICATORS

As of December 31, 2024

(Amounts are in '000s except for ratios)

Ratio	Formula	Current Year	Prior Year
Current ratio	<p>Total Current Assets divided by Total Current Liabilities</p> <p>Total Current Assets P716,466</p> <p>Divide by: Total Current Liabilities 2,144,087</p> <p>Current ratio 0.334</p>	0.334	0.335
Acid test ratio	<p>Quick assets (Total Current Assets less Inventories and Other Current Assets) divided by Total Current Liabilities</p> <p>Quick Assets:</p> <p>Total Current Assets P716,466</p> <p>Less: Inventories -</p> <p>Other Current Assets -</p> <p>716,466</p> <p>Divide by: Total Current Liabilities 2,144,087</p> <p>Acid test ratio 0.334</p>	0.334	0.335
Solvency ratio	Net Income and Non-cash Expenses divided by Total Liabilities	N/A*	N/A*
Debt to equity ratio	<p>Total Liabilities divided by Total Equity (Capital Deficiency)</p> <p>Total Liabilities P2,144,087</p> <p>Divide by: Capital Deficiency (1,425,048)</p> <p>Debt to equity ratio (1.505)</p>	(1.505)	(1.506)
Asset to equity ratio	<p>Total Assets divided by Total Equity (Capital Deficiency)</p> <p>Total Assets P719,039</p> <p>Divide by: Capital Deficiency (1,425,048)</p> <p>Asset to equity ratio (0.505)</p>	(0.505)	(0.506)

Interest rate coverage ratio	Income from Operations divided by Bank Interest Expense and Other Financing Charges	N/A*	N/A*
------------------------------	---	------	------

Forward

Ratio	Formula	Current Year	Prior Year
Return on equity	Net Income (Loss) divided by Total Equity (Capital Deficiency) Net Income (Loss) (P3,816) Divide by: Capital Deficiency (1,425,048) <hr/> Return on equity (0.003)	0.003	0.002
Return on assets	Net Income (Loss) divided by Total Assets Net Income (Loss) (P3,816) Divide by: Total Assets P719,039 <hr/> Return on assets (0.005)	(0.005)	(0.004)
Net profit margin	Net Income divided by Net Sales	N/A*	N/A*

*The Group has no operations as at December 31, 2024 and 2023.



SECURITIES AND EXCHANGE COMMISSION

THE SEC HEADQUARTERS 7907 Makati Avenue, Salcedo Village, Bel-Air, Makati City
1209 Trunk Line No:02-5322-7696 Email Us:www.sec.gov.ph/imessagemo@sec.gov.ph



The following document has been received:

Receiving: ICTD ERMD

Receipt Date and Time: February 28, 2025 07:29:44 PM

Company Information

SEC Registration No.: 0000165539

Company Name: CYBER BAY CORPORATION

Industry Classification: K70120

Company Type: Stock Corporation

Document Information

Document ID: OST10228202583087188

Document Type: Financial Statement

Document Code: FS

Period Covered: December 31, 2024

Submission Type: Annual

Remarks: None

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

for
AUDITED FINANCIAL STATEMENTS

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NONE

636-6980/633-9757

NONE

624

December 22

December 31

Cheryl S. Saldana-De Leon
Patricia Ann Bulawit

loydeleon@gselawfirm.com
pat@gsemsi.com

633-9757

24th Floor GSE Law, Suite 2402, Discovery Centre, ADB Avenue, Ortigas Center, Pasig City

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



CYBER BAY CORPORATION

**STATEMENT OF MANAGEMENT'S RESPONSIBILITY
FOR FINANCIAL STATEMENTS**

The management of **Cyber Bay Corporation** (the Company) is responsible for the preparation and fair presentation of the financial statements including the schedules attached therein, for the years ended December 31, 2024 and 2023, in accordance with the prescribed financial reporting framework indicated therein, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

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

R.G. Manabat and Co., the independent auditors appointed by the stockholders, has audited the financial statements of the Company in accordance with Philippine Standards on Auditing and in its report to the stockholders, has expressed its opinion on the fairness of presentation upon completion of such audit.

MARIA FARAH Z.G. NICOLAS-SUCHIANCO

Chairman of the Board

RAUL TITO MAXELMO A. ESTRELLA

President

PATRICIA ANN L. BULAWIT

Treasurer

FEB 26 2025

Signed this ____ day of ____ 2025

SUBSCRIBED AND SWORN TO before me this 26 February 2025 at Pasig City, affiant exhibiting to me the following as competent proof of their identities and known to me be the same persons who executed the foregoing document:

Name	Competent Evidence of Identities
Maria Farah Z.G. Nicolas-Suchianco	TIN: 165-102-272
Raul Tito Maxelmo A. Estrella	TIN: 150-130-441
Patricia Ann L. Bulawit	TIN: 344-033-564

ANNE DENISE C. MUNOZ

Notary Public for the City of Pasig and Municipality of Pateros

Commission until 31 December 2025

Notary Office Center 25 ADB Ave., Ortigas Center Pasig City

APPL No. 158 (2024-2025) – Roll No. 86638

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CYBER BAY CORPORATION

SEPARATE FINANCIAL STATEMENTS
December 31, 2024 and 2023

With Independent Auditors' Report



R.G. Manabat & Co.
The KPMG Center, 6/F
6787 Ayala Avenue, Makati City
Philippines 1209
Telephone +63 (2) 8885 7000
Fax +63 (2) 8894 1985
Internet www.home.kpmg/ph
Email ph-inquiry@kpmg.com

REPORT OF INDEPENDENT AUDITORS

The Board of Directors and Stockholders
Cyber Bay Corporation
Suite 2402 Discovery Centre, ADB Avenue
Ortigas Center, Pasig City

Report on the Audit of the Separate Financial Statements

Disclaimer of Opinion

We were engaged to audit the separate financial statements of Cyber Bay Corporation (the "Company"), which comprise the separate statements of financial position as at December 31, 2024 and 2023, and the separate statements of comprehensive loss, separate statements of changes in capital deficiency and separate statements of cash flows for the years then ended, and notes, comprising material accounting policies and other explanatory information.

We do not express an opinion on the accompanying separate financial statements of the Company. Because of the significance of the matter described in the *Basis for Disclaimer of Opinion* section of our report, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these separate financial statements.

Firm Regulatory Registration & Accreditation:

PRC-BOA Registration No. 0003, valid until September 20, 2026

IC Accreditation No. 0003-IC, Group A, valid for five (5) years covering the audit of 2020 to 2024

financial statements (2019 financial statements are covered by IC Circular Letter (CL) No. 2019-39, Transition clause)

BSP Accreditation No. 0003-BSP, Group A, valid for five (5) years covering the audit of 2020 to 2024

financial statements (2019 financial statements are covered by BSP Monetary Board Resolution No. 2161, Transition clause)



Basis for Disclaimer of Opinion

Note 1 to the separate financial statements discusses the legal case and its outcome involving the Company's wholly-owned subsidiary, Central Bay Reclamation and Development Corporation ("Central Bay") with respect to its Joint Venture (JV) Agreement with the Philippine Reclamation Authority (PRA), formerly Public Estates Authority covering the reclamation and horizontal development of a portion of the Manila-Cavite Coastal Road and Reclamation Project (the "Project"). On February 7, 2023, the Supreme Court rendered final judgment that Central Bay may only recover the amount of P714.9 million. The Company and Central Bay filed with the PRA its claim for P714.9 million in accordance with the Supreme Court decision and that as at December 31, 2024, the Company and Central Bay has completed the submission of all the requirements to the PRA and is waiting for PRA to process the payment of the judgment award.

The Company's accumulated deficit as at December 31, 2024 and 2023 amounted to P11.387 billion and P11.383 billion, respectively. The capital deficiency as at December 31, 2024 and 2023 amounted to P1.515 billion and P1.511 billion, respectively.

As stated in Note 1, the Group's management has embarked on a study of the business opportunities and the equity restructuring the Group may undertake given the amount of the award with a view of continuing the business of the Group. As at year end, the Group has not been able to complete the study and there is no timeline set for its completion and Board of Directors approval of any plans. In addition to this, there is uncertainty on the timing of release of reimbursement pursuant to the Supreme Court decision and on whether or not the actual collection thereof would change the Group's future plans. As a result of these matters, we are unable to obtain sufficient appropriate audit evidence to conclude as to the use of the going concern assumption in the preparation of these consolidated financial statements.

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

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

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

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



Auditors' Responsibilities for the Audit of the Separate Financial Statements

Our responsibility is to conduct an audit of the Company's separate financial statements in accordance with Philippine Standards on Auditing and to issue an auditors' report. However, because of the matter described in the *Basis for Disclaimer of Opinion* section of our report, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these separate financial statements.

We are independent of the Company in accordance with the Code of Ethics for Professional Accountants in the Philippines (Code of Ethics) together with the ethical requirements that are relevant to our audit of the separate financial statements in the Philippines, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics.

Report on the Supplementary Information Required Under Revenue Regulations No. 15-2010 of the Bureau of Internal Revenue

We were engaged for the purpose of forming an audit opinion on the basic separate financial statements taken as a whole. The supplementary information in Note 13 to the separate financial statements is presented for purposes of filing with the Bureau of Internal Revenue and is not a required part of the basic separate financial statements. Such supplementary information is the responsibility of management. Because of the significance of the matters described in the *Basis for Disclaimer of Opinion* paragraphs, it is inappropriate to and we do not express an opinion on the supplementary information referred to above.

The engagement partner on the audit resulting in this independent auditors' report is Mr. John Molina.

R.G. MANABAT & CO.

JOHN MOLINA

Partner

CPA License No. 0092632

Tax Identification No. 109-916-107

BIR Accreditation No. 08-001987-023-2022

Issued June 2, 2022; valid until June 2, 2025

PTR No. MKT 10467187

Issued January 2, 2025 at Makati City

February 26, 2025

Makati City, Metro Manila

CYBER BAY CORPORATION
SEPARATE STATEMENTS OF FINANCIAL POSITION

		December 31	
	Note	2024	2023
ASSETS			
Current Assets			
Cash in banks	4	P946,828	P1,597,588
Noncurrent Assets			
Investment in and receivables from a subsidiary - net	4, 6	613,474,562	613,221,682
Other noncurrent assets - net	7	2,572,894	2,201,710
Total Noncurrent Assets		616,047,456	615,423,392
		P616,994,284	P617,020,980
LIABILITIES AND CAPITAL DEFICIENCY			
Current Liabilities			
Accounts payable and accrued expenses	4, 8	P10,978,149	P9,877,592
Amounts owed to related parties	4, 9	2,120,727,245	2,118,299,771
Total Liabilities		2,131,705,394	2,128,177,363
Capital Deficiency			
Capital stock	10	6,970,081,395	6,970,081,395
Additional paid-in capital	10	2,902,072,772	2,902,072,772
Deficit	1	(11,386,865,277)	(11,383,310,550)
Capital Deficiency		(1,514,711,110)	(1,511,156,383)
		P616,994,284	P617,020,980

See Notes to the Separate Financial Statements.

CYBER BAY CORPORATION
SEPARATE STATEMENTS OF COMPREHENSIVE LOSS

		Years Ended December 31	
	Note	2024	2023
REVENUE			
Interest income		P847	P1,190
EXPENSES			
General and administrative	11	3,555,574	2,425,346
NET LOSS/TOTAL COMPREHENSIVE LOSS	1	(P3,554,727)	(P2,424,156)

See Notes to the Separate Financial Statements.

CYBER BAY CORPORATION
SEPARATE STATEMENTS OF CHANGES IN CAPITAL DEFICIENCY

		Years Ended December 31			
		2024		2023	
	Note	Number of Shares	Amount	Number of Shares	Amount
CAPITAL STOCK					
Preferred stock - P0.10 par value					
Authorized - 7,000,000,000 shares					
Issued and outstanding		6,467,950,603	P646,795,060	6,467,950,603	P646,795,060
Common shares - P1 par value					
Authorized - 7,300,000,000 shares					
Issued and outstanding		5,985,061,853	5,985,061,853	5,985,061,853	5,985,061,853
Subscribed shares (net of subscriptions receivable of P483,592,518)		821,817,000	338,224,482	821,817,000	338,224,482
Balance at end of year	10	821,817,000	338,224,482	821,817,000	338,224,482
			6,970,081,395		6,970,081,395
ADDITIONAL PAID-IN CAPITAL			2,902,072,772		2,902,072,772
DEFICIT					
Balance at beginning of year			(11,383,310,550)		(11,380,886,394)
Net loss/total comprehensive loss for the year	1		(3,554,727)		(2,424,156)
Balance at end of year	1		(11,386,865,277)		(11,383,310,550)
			(P1,514,711,110)		(P1,511,156,383)

See Notes to the Separate Financial Statements.

CYBER BAY CORPORATION
SEPARATE STATEMENTS OF CASH FLOWS

		Years Ended December 31	
	<i>Note</i>	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES			
Net loss before income tax		(P3,554,727)	(P2,424,156)
Adjustments for interest income		(847)	(1,190)
Operating loss before working capital changes		(3,555,574)	(2,425,346)
Increase in:			
Other noncurrent assets		(371,184)	(188,640)
Accounts payable and accrued expenses		1,100,557	511,571
Cash absorbed by operations		(2,826,201)	(2,102,415)
Interest received		847	1,190
Net cash used in operating activities		(2,825,354)	(2,101,225)
CASH FLOWS FROM AN INVESTING ACTIVITY			
Increase in receivables from a subsidiary		(252,880)	(208,544)
CASH FLOWS FROM A FINANCING ACTIVITY			
Cash advances from a related party	9	2,427,474	2,716,780
NET INCREASE IN CASH IN BANKS		650,760	407,011
CASH IN BANKS AT BEGINNING OF YEAR	4	1,597,588	1,190,577
CASH IN BANKS AT END OF YEAR	4	P946,828	P1,597,588

See Notes to the Separate Financial Statements.

CYBER BAY CORPORATION
NOTES TO THE SEPARATE FINANCIAL STATEMENTS

1. Reporting Entity and Status of Operations

a. Reporting Entity

Cyber Bay Corporation (Cyber Bay or the "Parent Company") was incorporated in the Philippines in 1989. Cyber Bay is involved in real estate development (except real estate subdivision) and reclamation. The registered office address of Cyber Bay is at Suite 2402 Discovery Centre, ADB Avenue, Ortigas Center, Pasig City.

Section 11 of the Revised Corporation Code states that a corporation shall have perpetual existence unless the articles of incorporation provides otherwise. Corporations with certificates of incorporation issued prior to the effectivity of the Revised Corporation Code, and which continue to exist, shall have the perpetual existence, unless the corporation, upon vote of its stockholders representing a majority of its outstanding capital stock, notifies the Securities and Exchange Commission (SEC) that it elects to retain its specific corporate term pursuant to its articles of incorporation: Provided, that any change in the corporate term under this section is without prejudice to the appraisal right of dissenting stockholders in accordance with the provisions of the Revised Corporation Code.

On March 30, 1996, the Parent Company, Central Bay Reclamation and Development Corporation (Central Bay or the "Subsidiary") and certain shareholders of Central Bay entered into a Memorandum of Agreement which involved the restructuring of the Parent Company and the consolidation of certain businesses and assets of the Parent Company and the Subsidiary.

The restructuring of the Parent Company entailed the transfer to Prime Orion Philippines, Inc. (POPI) of the Parent Company's investments in the following corporations: Tutuban Properties Inc., Guoco Property Development Inc., Manila Southcoast Development Corporation, Mandaue Resources and Realty Corporation, Luck Hock Venture Holdings, Inc., First Lepanto Ceramic Wares Inc. and First Lepanto Realty, Inc. and the settlement of all intercompany liabilities relating to such corporations.

The business consolidation involved the issuance by the Parent Company of 4 billion shares of stock (with par value P1.00 per share) to certain Central Bay shareholders in exchange for 4.8 million Central Bay shares of stock (with par value of P100.00 per share) held by the Central Bay shareholders. Upon completion of the business consolidation, the Parent Company assumed full ownership of the Subsidiary, including the latter's Joint Venture Agreement (JVA) with the Philippine Reclamation Authority (PRA) (formerly known as the Public Estates Authority) entered into on April 25, 1995. This is for the complete and entire reclamation and horizontal development of a portion of the Manila-Cavite Coastal Road and Reclamation Project (the "Project") consisting of three partially reclaimed and substantially eroded islands (the "Three Islands") along Emilio Aguinaldo Boulevard in Parañaque and Las Piñas, Metro Manila with a combined total area of 157.8 hectares, another area of 242.2 hectares contiguous to the Three Islands and, at the Subsidiary's option as approved by the PRA, an additional 350 hectares more or less to regularize the configuration of the reclaimed area. The Subsidiary proceeded with the implementation of the Project after having obtained all the government licenses, environmental and other permits and approvals necessary for the reclamation.

With the project, the Parent Company is afforded a unique flagship waterfront development; at 750 hectares, it is intended to be a substantial fully integrated township that can spearhead the redevelopment of the Manila Bay in tandem with the government's progressive Bay City Development.

However, as ruled and decided by the Supreme Court on July 9, 2002 and after filing for motion for reconsideration and motion for re-deliberation, the JVA is considered to be null and void *ab initio* on the ground that the reclaimed parcels of land are part of the public domain and cannot be disposed of by the PRA to private corporations.

Despite the nullity of the JVA, the Subsidiary is not precluded by the Supreme Court from recovering from the PRA, costs and expenses incurred in implementing the JVA prior to its nullification.

The Subsidiary has spent a considerable amount on the Project which continues to be charged with interest costs. Without prejudice to any other rights and remedies to which the Subsidiary may be entitled to pursuant to the JVA and/or the law, the claims for reimbursements must be submitted to the PRA.

The Parent Company and the Subsidiary pursued the filing of the claims with the PRA for the reimbursements of the total project development cost, project-related receivables and the corresponding interest thereon.

On August 10, 2007, the Parent Company, on behalf of the Subsidiary, filed its claim for reimbursement with the PRA amounting to P10.23 billion for the initial payment of all costs, losses, liabilities and expenses computed as at December 31, 2006. On August 17, 2007, the PRA requested for the details and supporting documents of the claims which the Parent Company provided on September 5, 2007.

On July 15, 2008, the Parent Company requested for an update on the status of the claim and on July 18, 2008, the PRA responded that it is still evaluating the claim with the supporting documents submitted by the Parent Company.

On November 20, 2009, the Parent Company, through a letter sent to the PRA, demanded for the payment of approximately P13.4 billion. This amount represents all costs, losses, liabilities and expenses incurred by the Subsidiary computed as at September 2009 pursuant to the JVA.

On February 8, 2010, the PRA, through a letter, informed the Subsidiary that based on the books and records of the PRA, it was able to verify a total amount of P1.004 billion of the Subsidiary's claims which are still subject to audit by the Commission on Audit (COA). In this regard, the Subsidiary is directed to furnish PRA with duly certified details of the said amount including all supporting documents, official receipts and other proof of payments as well as audited financial statements. The Subsidiary provided the requested documents on March 5, 2010. Management intends to cooperate with the PRA in order to process its claims.

On December 13, 2010, the Subsidiary filed a petition with the COA to claim for reimbursement the revised amount of P11.5 billion (from the initial claim of P13.4 billion) and not P1.004 billion as initially verified by the PRA. Considering that the PRA has already validated and acknowledged the Subsidiary's claim for reimbursement amounting to P1.004 billion, the only issue submitted to the COA is whether or not the other claims are likewise rightful items for reimbursement. The Subsidiary and the PRA panel engaged in weekly meetings and discussions from May to October 2011 in order to discuss and validate the Parent Company's claim for reimbursement for project costs. The Subsidiary submitted its final report on November 8, 2011.

On February 3, 2014, the PRA informed the Subsidiary that it has verified an additional amount for reimbursement bringing the total validated amount to P1.027 billion.

On October 14, 2016, the Subsidiary and the PRA entered into a Compromise Agreement where the PRA shall cede to the Subsidiary parcels of land with value equal to the Subsidiary's validated claim of P1.027 billion. In exchange, the Subsidiary shall waive all other claims which is the subject of the pending petition filed with the COA and any other claims arising from or in connection with the JVA.

On November 22, 2016, the Subsidiary and the PRA filed a Joint Motion for Judgment ("Joint Motion") based on the Compromise Agreement with the COA. On May 23, 2019, the COA rendered a decision declaring the Compromise Agreement as invalid, and partially granted the Subsidiary's money claims against the PRA amounting to P714.9 million (the "Decision"), subject to availability of funds and the usual accounting and auditing rules and regulations. On July 25, 2019, a Motion for Reconsideration on the Decision was filed by the Subsidiary with the COA.

On July 30, 2020, the Subsidiary received a notice dated June 28, 2020 that the COA issued a resolution to deny the Motion for Reconsideration filed by the Subsidiary. On August 19, 2020, the Subsidiary filed a Petition for Certiorari (the "Petition") with the Supreme Court praying that the COA resolution be reversed and set aside, and that the Compromise Agreement dated October 14, 2016 be approved and adopted. On September 8, 2020, the Supreme Court required the COA and the PRA to comment on the Petition. On December 16, 2020, the Subsidiary received a Motion for Extension dated December 7, 2020 filed by the Office of the Solicitor General (OSG) praying that he be granted an additional extension of sixty days from December 12, 2020 or until February 10, 2021 to file the Comment on the Petition.

On February 4, 2021, the Subsidiary received a Supreme Court resolution dated January 5, 2021 granting the OSG's Motion for Extension. On February 17, 2021, the Subsidiary received the COA's Comment dated February 3, 2021. On March 22, 2021, the Subsidiary received a Supreme Court resolution dated March 2, 2021 requiring the Subsidiary to file a Reply to the COA's Comment which the later filed on April 23, 2021.

The PRA subsequently filed a Motion to Admit with attached Manifestation and Comment dated September 30, 2021. In its Motion, the PRA prayed that the Supreme Court admit its Comment which was belatedly filed. The PRA substantially adopted the findings of the COA as its Comment on the Subsidiary's Petition for Certiorari. Specifically, while it confirmed that the PRA-validated claim amounted to P1.004 billion, it echoed the COA's findings that only the amount of P714.9 million may be allowed as supported by original documents or evidence.

On the mode of payment to the Subsidiary, the PRA manifested that it shall endeavor to pay in cash whatever the Supreme Court finds the Subsidiary to be entitled to, after due proceedings.

In a Decision dated April 5, 2022, the Supreme Court declared the Compromise Agreement between the Subsidiary and the PRA void for being contrary to the 1987 Constitution, Executive Order No. 292, Administrative Code of 1987, and the Government Auditing Code of the Philippines. Further, the Supreme Court disallowed the Subsidiary's money claims except for the amount of P714.9 million representing advance payment for the reclamation and project development. The Subsidiary then filed a Motion for Reconsideration dated December 15, 2022.

On February 7, 2023, the Supreme Court rendered final judgment that the Company may only recover the amount of P714.9 million.

On March 20, 2023, the Supreme Court issued the Entry of Judgment in the said case. Upon receipt of the Entry of Judgment, the Subsidiary filed its claim with the PRA for the judgment award. As at December 31, 2024, the Company has completed the submission of all the requirements to the PRA and is waiting for PRA to process the payment of judgment award.

b. Status of Operations

For the years 2024 and 2023, the Parent Company continues to reduce its operational expenses and, through the efforts of its limited personnel and utilizing very restricted resources, the Parent Company and the Subsidiary were able to consolidate all the records pertaining to the Project from its local and foreign partners.

Due to the cessation of the Project, the Parent Company failed to honor its loan commitments and has incurred significant losses from accumulating interest costs and penalties. Net losses incurred for the years ended December 31, 2024 and 2023 amounted to P3.6 million and P2.4 million, respectively. As at December 31, 2024 and 2023, the Parent Company has a deficit amounting to P11.387 billion and P11.383 billion, respectively and a capital deficiency amounting to P1.515 billion and P1.511 billion, respectively. All of these matters indicate the existence of a material uncertainty which casts significant doubt about the ability of the Parent Company to continue as going concern entities, and therefore, they may be unable to realize their assets and discharge their liabilities in the normal course of business.

Further, the Company's management has also embarked on a study of the business opportunities and the equity restructuring the Company may undertake given the amount of the award with a view of continuing the business of the Company.

2. Basis of Preparation

Statement of Compliance

The financial statements have been prepared in compliance with PFRS Accounting Standards. PFRS Accounting Standards are based on IFRS Accounting Standards issued by the International Accounting Standards Board (IASB). PFRS Accounting Standards consist of PFRS Accounting Standards, Philippine Accounting Standards (PAS) and Philippine Interpretations issued by the Philippine Financial and Sustainability Reporting Standards Council (FSRSC).

In full compliance with PFRS 10, *Consolidated Financial Statements*, the Parent Company also prepares and issues consolidated financial statements for the same period in which it consolidates its investment in a subsidiary. Such consolidated financial statements provide information about the economic activities of the Parent Company and the Subsidiary. The consolidated financial statements are available through the Philippine Stock Exchange.

Approval of Separate Financial Statements

The separate financial statements were approved and authorized for issuance by the Board of Directors (BOD) on February 21, 2025.

Basis of Measurement

The separate financial statements have been prepared on a historical cost basis of accounting.

Functional and Presentation Currency

The separate financial statements are presented in Philippine peso, which is the functional currency of the Parent Company. All financial information are rounded off to the nearest peso, except when otherwise indicate.

Use of Judgments, Estimates and Assumptions

The preparation of the separate financial statements in accordance with PFRS requires the Parent Company to make judgments, estimates and assumptions that affect the application of accounting policies and the amounts of assets, liabilities, income and expenses reported in the separate financial statements at the reporting date. However, uncertainty about judgments, estimates and assumptions could result in an outcome that could require a material adjustment to the carrying amount of the affected asset or liability in the future.

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. Revisions are recognized in the period in which the judgment and estimates are revised and in any future periods affected.

Judgments

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

Going Concern

The Parent Company has reported a deficit amounting to P11.387 billion and P11.383 billion as at December 31, 2024 and 2023, respectively. The ability of the Parent Company to continue as a going concern will depend on the recoverability of the Subsidiary's claims for reimbursement from the PRA and on the success of any business that the Parent Company may undertake.

Management assessed that the Subsidiary will be able to recover the amount granted to the Subsidiary to allow the Parent Company and the Subsidiary to operate on a going concern basis. Accordingly, these separate financial statements are prepared on a going concern basis.

Provisions and Contingencies

The Parent Company, in the ordinary course of business, sets up appropriate provisions for its present legal or constructive obligations, if any, in accordance with its policies on provisions and contingencies. In recognizing and measuring provisions, management takes risks and uncertainties into account.

As at December 31, 2024 and 2023, the Parent Company does not have any legal or constructive obligations that require provision.

Estimates and Assumptions

The key estimates and assumptions used in the separate financial statements are based upon the Parent Company's evaluation of relevant facts and circumstances as at the date of the separate financial statements. Actual results could differ from such estimates.

Assessment of Expected Credit Loss (ECL) on Receivables

The Parent Company, applying the simplified approach in the computation of ECL, initially uses a provision matrix based on historical default rates for receivables. The Parent Company also uses appropriate groupings if its historical credit loss experience shows significantly different loss patterns for different customer segments. The Parent Company then adjusts the historical credit loss experience with forward-looking information on the basis of current observable data affecting each customer segment to reflect the effects of current and forecasted economic conditions.

The Parent Company has assessed that based on the forward-looking default rate component of its ECL and the current conditions and forward-looking information, its receivables are fully impaired as at December 31, 2024 and 2023.

As at December 31, 2024 and 2023, the Parent Company's allowance for impairment losses on its receivables amounted to P7.490 million (see Note 5). As at December 31, 2024 and 2023, the Parent Company's allowance for impairment losses on receivables from a Subsidiary and receivables from related parties amounted to P4.654 billion (see Notes 6 and 7).

The Parent Company has assessed that the forward-looking default rate component of its ECL on receivable from a subsidiary related to claims from the PRA is not material because management and its legal counsel believe that the receivable is recoverable. The amount is supported by a Supreme Court decision (dated July 9, 2002) which provides for the reimbursement of expenses that benefited the PRA (see Notes 1 and 5). Moreover, based on management's assessment, current conditions and forward-looking information does not indicate a significant increase in credit risk exposure of the Parent Company from its receivables.

Estimating Allowance for Impairment Losses on Nonfinancial Assets

The Parent Company assesses impairment on other noncurrent assets and nonfinancial assets whenever events or changes in circumstances indicate that the carrying amount of such assets may not be recoverable. The factors that the Parent Company considers important which could trigger an impairment review include the following:

- significant underperformance relative to the expected historical or projected future operating results;
- significant changes in the manner of use of the acquired assets or the strategy for overall business; and
- significant negative industry or economic trends.

An impairment loss is recognized whenever the carrying amount of an asset exceeds its recoverable amount.

As at December 31, 2024 and 2023, allowance for impairment losses on investment in a Subsidiary amounted to P4.260 billion (see Note 6). As at December 31, 2024 and 2023, allowance for impairment losses on other noncurrent assets amounted to P3.049 million (see Note 7).

Estimating Realizability of Deferred Tax Assets

The Parent Company reviews the carrying amounts of deferred tax assets at each reporting date and reduces deferred tax assets to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax assets to be utilized.

As at December 31, 2024 and 2023, deferred tax assets in respect of temporary differences and unused net operating loss carryover (NOLCO) have not been recognized because management believes that the Parent Company may not have sufficient future taxable profits available to allow all or part of these deferred income tax assets to be utilized (see Note 12).

3. Summary of Material Accounting Policies

The accounting policies set out below have been applied consistently to all years presented in these consolidated financial statements.

Adoption of New or Revised Standards, Amendments to Standards and Interpretations

The Group has adopted the following new standards, amendments to standards and interpretations starting January 1, 2024, and accordingly, changed its accounting policies. Except as otherwise indicated, the adoption did not have any significant impact on the Group's consolidated financial statements.

- *Classification of Liabilities as Current or Noncurrent - 2020 amendments and Non-Current Liabilities with Covenants - 2022 amendments (Amendments to PAS 1, Presentation of Financial Statements).* To promote consistency in application and clarify the requirements on determining whether a liability is current or noncurrent, the amendments: removed the requirement for a right to defer settlement of a liability for at least twelve months after the reporting period to be unconditional and instead requires that the right must have substance and exist at the end of the reporting period;
 - clarified that only covenants with which a company must comply on or before the reporting date affect the classification of a liability as current or non-current and covenants with which the entity must comply after the reporting date do not affect a liability's classification at that date;
 - provided additional disclosure requirements for non-current liabilities subject to conditions within twelve months after the reporting period to enable the assessment of the risk that the liability could become repayable within twelve months; and
 - clarified that settlement of a liability includes transferring an entity's own equity instruments to the counterparty, but conversion options that are classified as equity do not affect classification of the liability as current or noncurrent.

Summary of Material Accounting Policies

Financial Instruments

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

i. Recognition and Initial Measurement

The Parent Company recognizes a financial asset or a financial liability in the separate statements of financial position when it becomes a party to the contractual provisions of the instrument.

A financial asset or financial liability is initially measured at the fair value of the consideration given or received. The initial measurement of financial instruments, except for those designated as financial assets at fair value through profit or loss (FVPL), includes transaction costs.

ii. Classification and Subsequent Measurement

Financial Assets

The Parent Company classifies its financial assets at the initial recognition, as subsequently measured at amortized cost, fair value through other comprehensive income (FVOCI) and FVPL. The classification depends on the contractual cash flow characteristics of the financial assets and the business model of the Parent Company for managing the financial assets.

Subsequent to initial recognition, financial assets are not reclassified unless the Parent Company changes the business model for managing financial assets. All affected financial assets are reclassified on the first day of the reporting period following the change in the business model.

The business model refers to how the Parent Company manages the financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

The Parent Company considers the following information in assessing the objective of the business model in which a financial asset is held at a portfolio level, which reflects the way the business is managed and information is provided to the Parent Company:

- the stated policies and objectives for the portfolio and the operation of those policies in practice;
- how the performance of the portfolio is evaluated and reported to the Parent Company;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- how employees of the business are compensated; and
- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

The Parent Company considers the contractual terms of the instrument in assessing whether the contractual cash flows are solely payments of principal and interest. The assessment includes whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. The Parent Company considers the following in making the assessment:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable rate features;
- prepayment and extension features; and
- terms that limit the Parent Company's claim to cash flows from specified assets.

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract. Additionally, for a financial asset acquired at a discount or premium to its contractual par amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable additional compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

For purposes of subsequent measurement, financial assets are classified in the following categories: financial assets at amortized cost, financial assets at FVOCI (with or without recycling of cumulative gains and losses) and financial assets at FVPL.

The Parent Company has no financial assets at FVOCI and financial assets at FVPL as at December 31, 2024 and 2023.

Financial Assets at Amortized Cost

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as at FVPL:

- it is held within a business model with the objective of holding financial assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortized cost are subsequently measured using the effective interest method and are subject to impairment. Gains and losses are recognized in the separate statements of comprehensive income when the financial asset is derecognized, modified or impaired.

The Parent Company's cash in banks, receivables and security deposits are included under this category.

Financial Liabilities

The Parent Company classifies its financial liabilities, at initial recognition, in the following categories: financial liabilities at FVPL and other financial liabilities. The Parent Company determines the classification of its financial liabilities at initial recognition. All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings, net of directly attributable transaction costs.

The Parent Company has no financial liabilities at FVPL as at December 31, 2024 and 2023.

Other Financial Liabilities

This category pertains to financial liabilities that are not designated or classified as at FVPL. After initial measurement, other financial liabilities are carried at amortized cost using the effective interest method. Amortized cost is calculated by taking into account any premium or discount and any directly attributable transaction costs that are considered an integral part of the effective interest rate of the liability.

The Parent Company's accounts payable and accrued expenses and amounts owed to related parties are included under this category.

iii. *Derecognition of Financial Assets and Liabilities*

Financial Assets

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

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

When the Parent Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the Parent Company continues to recognize the transferred asset to the extent of the Parent Company's continuing involvement. In that case, the Parent Company also recognizes the associated liability. The transferred asset and the associated liability are measured on the basis that reflects the rights and obligations that the Parent Company has retained.

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

Financial Liabilities

A financial liability is derecognized when the obligation under the liability is discharged or cancelled, or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the separate statements of comprehensive income.

iv. *Impairment of Financial Assets*

The Parent Company recognizes allowance for ECL on financial assets at amortized cost.

ECLs are probability-weighted estimates of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e., the difference between the cash flows due to the Parent Company in accordance with the contract and the cash flows that the Parent Company expects to receive), discounted at the effective interest rate of the financial asset, and reflects reasonable and supportable information that is available without undue cost or effort about past events, current conditions and forecasts of future economic conditions.

The Parent Company recognizes an allowance for impairment based on either 12-month or lifetime ECLs, depending on whether there has been a significant increase in credit risk since initial recognition.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Parent Company considers 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 Parent Company's historical experience and informed credit assessment and including forward-looking information.

The Parent Company recognizes lifetime ECLs for receivables that do not contain significant financing component. The Parent Company uses provision matrix that is based on the Parent Company's historical credit loss experience, adjusted for forward-looking factors specific to the borrowers and the economic environment.

At each reporting date, the Parent Company assesses whether these financial assets at amortized cost are credit-impaired. A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred. Evidence that a financial asset is credit-impaired include observable data about the following events:

- significant financial difficulty of the issuer or the borrower;
- a breach of contract, such as a default or past due event;
- the lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider;
- it is becoming probable that the borrower will enter bankruptcy or other financial reorganization;
- the disappearance of an active market for that financial asset because of financial difficulties; or
- the purchase or origination of a financial asset at a deep discount that reflects the incurred credit losses.

The Parent Company considers a financial asset to be in default when a counterparty fails to pay its contractual obligations, or there is a breach of other contractual terms, such as covenants.

The Parent Company directly reduces the gross carrying amount of a financial asset when there is no reasonable expectation of recovering the contractual cash flows on a financial asset, either partially or in full. This is generally the case when the Parent Company determines that the borrower 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 Parent Company's procedures for recovery of amounts due.

The ECLs on financial assets at amortized cost are recognized as allowance for impairment losses against the gross carrying amount of the financial asset, with the resulting impairment losses (or reversals) recognized in the separate statements of comprehensive income.

The gross carrying amount of a financial asset is written off when the Parent Company has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof.

v. Offsetting Financial Instruments

Financial assets and financial liabilities are offset and the net amount is reported in the separate statements of financial position if, and only if, there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Investment in a Subsidiary

The investment is carried in the separate statements of financial position at cost less any impairment in value. The Parent Company recognizes income from the investment only to the extent that the Parent Company receives distributions from accumulated profits of the Subsidiary arising after the date of acquisition. Distributions received in excess of such profits are regarded as recovery of investment and are recognized as a reduction of the cost of the investment.

A subsidiary is an entity controlled by the Company. The Company controls an entity when it is exposed 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.

The reporting dates of the Parent Company and its subsidiary are identical and their accounting policies conform to those used by the Parent Company for like transactions and events in similar circumstances.

Impairment of Nonfinancial Assets

The carrying amount of investment in a subsidiary is reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable. If any such indication exists, and if the carrying value exceeds the estimated recoverable amount, the asset is written down to its recoverable amount. The recoverable amount of the asset is the greater of fair value less costs of disposal and value in use. The fair value less costs to sell is the amount obtainable from the sale of an asset in an arm's length transaction between knowledgeable, willing parties, less costs of disposal while value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Impairment losses of continuing operations are recognized in the separate statements of comprehensive income in those expense categories consistent with the function of the impaired asset.

An assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the recoverable amount is estimated.

A previously recognized impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognized. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increased amount cannot exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the separate statements of comprehensive income.

Equity

Common Shares

Common shares are classified as equity. Incremental costs directly attributable to the issue of common shares are recognized as a deduction from equity, net of any tax effects.

Preferred Shares

Preferred shares are classified as equity if they are non-redeemable, or redeemable only at the Parent Company's option, and any dividends within equity upon approval by the Parent Company's BOD.

Preferred shares are classified as liability if they are redeemable on a specific date or at the option of the stockholders, or if dividend payments are not discretionary. Dividends thereon are recognized as "interest expense" in the separate statements of comprehensive income as accrued.

Additional Paid-in Capital

When the shares are sold at a premium, the difference between the proceeds and the par value is credited to the "Additional paid-in capital" account. When shares are issued for a consideration other than cash, the proceeds are measured by the fair value of the consideration received. In case the shares are issued to extinguish or settle the liability of the Parent Company, the shares are measured either at the fair value of the shares issued or fair value of the liability settled, whichever is more reliably determinable.

Deficit

Deficit represent the accumulated net losses, net of any dividend distributions and other capital adjustments.

Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Parent Company and the revenue can be measured reliably. Revenue is measured at the fair value of the consideration received or receivable.

Interest Income

Interest income is recognized using the effective interest method. In calculating interest income, the effective interest rate is applied to the gross carrying amount of the asset.

Expense Recognition

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

Borrowing Costs

Borrowing costs are recognized as expenses when incurred, except to the extent capitalized. Borrowing costs are capitalized if they are directly attributable to the acquisition or construction of a qualifying asset. Capitalization of borrowing costs commences when the activities to prepare the asset are in progress and expenditures and borrowing costs are being incurred. Borrowing costs are capitalized until the assets are substantially ready for their intended use. If the carrying amount of the asset exceeds its recoverable amount, an impairment loss is recognized.

Income Taxes

Income tax for the year is comprised of current and deferred tax. Income tax is recognized in the separate statements of comprehensive income except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity.

Current Income Tax

Current income tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Current income tax relating to items directly recognized in equity is recognized in equity and not in the separate statements of comprehensive income. Management periodically evaluates positions taken in the tax return with respect to situations in which applicable tax regulations are subject to interpretation and established provision as appropriate.

Deferred Income Tax

Deferred tax assets and liabilities are recognized for the future tax consequences attributable to temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes and the carryforward tax benefit of net operating loss carryover (NOLCO). The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the reporting date.

A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefits will be realized.

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

Related Parties

Parties are considered related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control. Related parties may be individuals or corporate entities.

Provisions

Provisions are recognized only when the Parent Company has: (a) a present obligation (legal or constructive) as a result of a past event; (b) it is probable (i.e., more likely than not) that an outflow of resources embodying economic benefits will be required to settle the obligation; and (c) a reliable estimate can be made of the amount of the obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessment of the time value of money and, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognized as interest expense. Where the Parent Company expects a provision to be reimbursed, the reimbursement is recognized as a separate asset but only when the receipt of the reimbursement is virtually certain. Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate.

Contingencies

Contingent liabilities are not recognized in the separate financial statements. These are disclosed in the notes to the separate financial statements unless the possibility of an outflow of resources embodying economic benefits is remote. Contingent assets are not recognized in the separate financial statements but are disclosed in the notes to the separate financial statements when an inflow of economic benefits is probable.

Events After the Reporting Date

Any event after the reporting date that provides evidence of conditions that existed at the end of the reporting date (adjusting event) is recognized in the separate financial statements. Any event after the reporting date that is not an adjusting event is disclosed in the notes to the separate financial statements when material.

4. Financial Risk Management

The Parent Company has exposure to the following risks from its use of financial instruments:

- Credit Risk
- Liquidity Risk

This note presents information about the Parent Company's exposure to each of the above risks, the Parent Company's objectives, policies and processes for measuring and managing risks, and the Parent Company's management of capital.

The BOD has overall responsibility for the establishment and oversight of the Parent Company's risk management framework, and for development and monitoring of the Parent Company's risk management policies.

The Parent Company's risk management policies are established to identify and analyze the risk faced by the Parent Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Parent Company's activities.

Credit Risk

Credit risk is the risk of financial loss to the Parent Company if a counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Parent Company's cash in banks, receivables, receivables from a subsidiary, receivables from related parties and security deposits.

Generally, the maximum credit risk exposure of financial assets is the carrying amount of the financial assets as shown in the face of the separate statements of financial position or in the notes to the separate financial statements, as summarized below.

	<i>Note</i>	2024	2023
Cash in banks		P946,828	P1,597,588
Receivables from a Subsidiary - net	6	613,474,562	613,221,682
		P614,421,390	P614,819,270

Credit Quality

The credit quality of the Parent Company's financial assets classified into credit grades as of December 31, 2024 and 2023 are as follows:

	December 31, 2024			
	High Grade	Standard Grade	Low Grade	Total
Cash in banks	P946,828	P -	P -	P946,828
Receivables from third parties	-	-	7,489,854	7,489,854
Receivables from a subsidiary	-	613,474,562	4,653,539,556	5,267,014,118
Receivables from related parties	-	-	195,854	195,854
Security deposits	-	-	139,740	139,740
	P946,828	P613,474,562	P4,661,365,004	P5,275,786,394

	December 31, 2023			
	High Grade	Standard Grade	Low Grade	Total
Cash in banks	P1,597,588	P -	P -	P1,597,588
Receivables from third parties	-	-	7,489,854	7,489,854
Receivables from a subsidiary	-	613,221,682	4,653,539,556	5,266,761,238
Receivables from related parties	-	-	195,854	195,854
Security deposits	-	-	139,740	139,740
	P1,597,588	P613,221,682	P4,661,365,004	P5,276,184,274

High grade financial assets pertains to financial assets that are secured or covered with collaterals; standard grade pertains to financial assets that are unsecured but with good paying habits; and low grade pertains to financial assets that are unsecured and with allowance for the collectability.

As at December 31, 2024 and 2023, the credit quality of the Parent Company's financial assets were determined as follows:

- Cash in banks - high grade, given that the credit risk for cash in banks is considered negligible, since the counterparties are reputable entities with high quality external credit rating.
- Receivables - high grade pertains to receivables that are secured or covered with collaterals; standard grade pertains to receivables that are unsecured but with good paying habits; low grade pertains to receivables that are unsecured and with allowance for the uncollectability.
- Security deposits are generally collectible at end of lease term.

The table below presents the summary of the Parent Company's exposure to credit risk as of December 31, 2024 and 2023 and shows the credit quality of the assets by indicating whether the assets are subjected to 12-month ECL or lifetime ECL. Assets that are credit-impaired are separately presented.

2024

	Financial Assets at Amortized Cost			
	12-month ECL	Lifetime ECL - not Credit Impaired	Lifetime ECL - Credit Impaired	Total
Cash in banks	P946,828	P -	P -	P946,828
Receivables from third parties	-	-	7,489,854	7,489,854
Receivables from a subsidiary	-	613,474,562	4,653,539,556	5,267,014,118
Receivables from related parties	-	-	195,854	195,854
Security deposits	-	-	139,740	139,740
	P946,828	P613,474,562	P4,661,365,004	P5,275,786,394

2023

	Financial Assets at Amortized Cost			
	12-month ECL	Lifetime ECL - not Credit Impaired	Lifetime ECL - Credit Impaired	Total
Cash in banks	P1,597,588	P -	P -	P1,597,588
Receivables from third parties	-	-	7,489,854	7,489,854
Receivables from a subsidiary	-	613,221,682	4,653,539,556	5,266,761,238
Receivables from related parties	-	-	195,854	195,854
Security deposits	-	-	139,740	139,740
	P1,597,588	P613,221,682	P4,661,365,004	P5,276,184,274

Liquidity Risk

Liquidity risk is the risk that the Parent Company will not be able to meet its financial obligations as they fall due. The Parent Company is exposed to the possibility that adverse changes in the business environment and/or operations would result in substantially higher working capital requirements and the subsequent difficulty in financing additional working capital.

As discussed in Note 1, the ability of the Parent Company to continue as a going concern entity will depend on the recoverability of the Subsidiary's claims for reimbursement from the PRA and on the success of any business that the Parent Company may undertake.

The following are the contractual maturities of financial liabilities, including estimated interest payments and excluding impact of netting agreements:

	Note	As at December 31, 2024				
		Carrying Amount	Contractual Cash Flow	6 Months or Less	6 - 12 Months	Over One Year
Nonderivative Financial Liabilities						
Accounts payable and accrued expenses*	8	P10,939,449	P10,939,449	P10,939,449	P -	P -
Amounts owed to related parties	9	2,120,727,245	2,120,727,245	2,120,727,245	-	-
		P2,131,666,694	P2,131,666,694	P2,131,666,694	P -	P -

*Excluding withholding tax payable amounting to P38,700

	Note	As at December 31, 2023				
		Carrying Amount	Contractual Cash Flow	6 Months or Less	6 - 12 Months	Over One Year
Nonderivative Financial Liabilities						
Accounts payable and accrued expenses*	8	P9,839,192	P9,839,192	P9,839,192	P -	P -
Amounts owed to related parties	9	2,118,299,771	2,118,299,771	2,118,299,771	-	-
		P2,128,138,963	P2,128,138,963	P2,128,138,963	P -	P -

*Excluding withholding tax payable amounting to P38,400

Fair Values

The carrying amounts of financial assets and liabilities approximate their fair values as at December 31, 2024 and 2023.

The following summarizes the major methods and assumptions used in estimating the fair values of financial instruments:

Cash in Banks and Receivables

The carrying amounts of cash in banks and receivables approximate their fair values due to the relatively short-term maturities of these financial assets. Receivables are reported at their net realizable amounts or at total amounts less allowances for estimated uncollectible accounts.

Security Deposits

The carrying amounts of security deposits approximate their fair values since the Parent Company does not anticipate the carrying amount to be significantly different from the actual values that these would eventually be collected. These are reported at their net realizable amounts or at total amounts less allowances for estimated uncollectible accounts.

Accounts Payable and Accrued Expenses and Amounts Owed to Related Parties

The carrying amounts of accounts payable and accrued expenses and amounts owed to related parties approximate their fair values due to the relatively short-term maturities of these financial liabilities.

Capital Management

As discussed in Note 1 to the separate financial statements, significant events have occurred indicating the existence of a material uncertainty which casts significant doubt about the ability of the Parent Company to continue as a going concern entity. The ability of the Parent Company to continue as a going concern entity will depend on the recoverability of the Subsidiary's claims for reimbursement from the PRA and on the success of any future business that the Parent Company and the Subsidiary may undertake.

The Parent Company monitors capital on the basis of the debt-to-equity ratio which is calculated as total debt divided by total equity. Total debt is equivalent to accounts payable and accrued expenses and amounts owed to related parties. Total equity comprises capital stock, additional paid-in capital and deficit.

There were no changes in the Parent Company's approach to capital management during the year.

The Parent Company is not subject to externally-imposed capital requirements.

5. Receivables

This account consists of receivables from:

	Note	2024	2023
Tenants		P7,327,297	P7,327,297
Others		162,557	162,557
	4	7,489,854	7,489,854
Less allowance for impairment losses		(7,489,854)	(7,489,854)
		P -	P -

6. Investment in and Receivables from a Subsidiary

This account consists of:

	Note	2024	2023
Subsidiary:			
Investment in shares of stock		P4,259,559,247	P4,259,559,247
Receivables	4	5,267,014,118	5,266,761,238
		9,526,573,365	9,526,320,485
Less allowance for:			
Impairment in value of shares of stock		4,259,559,247	4,259,559,247
Impairment losses on receivables		4,653,539,556	4,653,539,556
		8,913,098,803	8,913,098,803
	9	P613,474,562	P613,221,682

Receivables are non-interest bearing, unsecured and due and demandable.

The impairment losses on receivables amounting to P4.654 billion represents the amount that the Subsidiary used to finance the initial phase of the Project and for working capital requirements. In 2012, the Parent Company extended advances to the Subsidiary for payment of income tax amounting to P5.2 million. The Parent Company also provides advances to the Subsidiary to finance its working capital requirements such as professional fees and taxes and licenses.

As at December 31, 2024 and 2023, the Subsidiary has negative working capital, with no available cash.

The summarized financial information of Central Bay Reclamation and Dev't Corp as at and for the years ended December 31 is as follows:

	2024	2023
Total assets	P715,518,809	P715,518,809
Total liabilities	5,279,394,980	5,279,134,100
Capital deficiency	(4,563,876,171)	(4,563,615,291)
Net Income (loss)	(260,880)	(215,544)

7. Other Noncurrent Assets

This account consists of:

	<i>Note</i>	2024	2023
Prepaid taxes		P5,256,317	P4,885,132
Receivables from related parties	4	195,854	195,854
Security deposits	4	139,740	139,740
Others		30,142	30,143
		5,622,053	5,250,869
Less allowance for impairment losses on:			
Prepaid taxes		2,693,423	2,693,423
Receivables from related parties		195,854	195,854
Security deposits		139,740	139,740
Others		20,142	20,142
		3,049,159	3,049,159
		P2,572,894	P2,201,710

Prepaid taxes consist of input taxes and tax refund.

8. Accounts Payable and Accrued Expenses

This account consists of:

	<i>Note</i>	2024	2023
Accrued expenses	4	P9,000,916	P7,900,659
Payable to third party	4	1,938,533	1,938,533
Withholding tax payable		38,700	38,400
		P10,978,149	P9,877,592

Accrued expenses represent liabilities to suppliers for various expenses incurred by the Parent Company and the Subsidiary. The settlement of this account is highly dependent on the collection of claims from the PRA.

Payable to third party pertains to non-interest bearing advances.

9. Related Party Transactions

In the ordinary course of business, the Parent Company has transactions with related parties summarized as follows:

Category	Year	Ref	Amount of Transaction	Outstanding Balances		Terms	Conditions
				Amounts Owed by Related Parties	Amounts Owed to Related Parties		
Shareholders							
POPI							
Cash advances	2024	a	P -	P -	P6,968,217	Due and demandable; interest bearing	Unsecured
	2023		-	-	6,968,217		
Interest on cash advances	2024	a	-	-	18,459,695		
	2023		-	-	18,459,695		
Parent Company							
Advances	2024	d	252,880	613,474,562	-	Due and demandable; non-interest bearing; with impairment	Unsecured
	2023		208,544	613,221,682	-		
Other Shareholders							
Cash advances	2024	a	-	-	31,849,787	Due and demandable; interest bearing	Unsecured
	2023		-	-	31,849,787		
Interest on cash advances	2024	a	-	-	2,031,173,102		
	2023		-	-	2,031,173,102		
Primera Comercio Holding, Inc. (Primera)							
Cash advances	2024	b	2,427,474	-	30,240,879	Due and demandable; non-interest bearing	Unsecured
	2023		2,716,780	-	27,813,405		
Italian Thai							
Cash advance	2024	c	-	-	2,035,565	Due and demandable; non-interest bearing	Unsecured
	2023		-	-	2,035,565		
	2024			P613,474,562	P2,120,727,245		
	2023			P613,221,682	P2,118,299,771		

- a) Cash advances from POPI and other shareholders bear interest at 15% per annum, compounded annually until fully paid. The payment terms are stipulated in the Repayment Agreement for such advances and were approved by the BOD on March 14, 2003.

At the option of the above shareholders, the advances shall be settled and paid according to any or a combination of the following:

- In cash by the Parent Company;
- In common shares of the Parent Company, through the issuance, at par value, by the Parent Company of new common shares. Under this option, the shareholder must exercise his right to convert the Project-related payable into common shares of the Parent Company when the weighted average market price of the shares within a 30 trading day period is at P0.95 or above, at a price approximate to the par value of the shares; and
- Through assignment by the Parent Company of all its rights, titles and interest in and to any salable portion of the reclaimed land in the Project, as identified by the above shareholders and subject to the BOD's approval.

In 2016, the Parent Company and the other shareholders entered into an agreement wherein the interest due on the advances under the Repayment Agreement will be waived and will no longer accrue starting in 2016 until the advances are fully paid except for advances from POPI. Accordingly, in 2018, the Parent Company and the other shareholders entered into same agreement and the interest pertaining to advances from POPI will no longer accrue starting 2018.

- b) The Parent Company obtains non-interest bearing cash advances from Primera to support its day-to-day operations. These advances are payable on demand. As at December 31, 2024 and 2023, Primera has not provided options for the Parent Company's settlement of the advances.
- c) The Parent Company obtains non-interest bearing cash advances from Italian Thai to be settled in cash. These advances are due and demandable as at December 31, 2024 and 2023.
- d) The Parent Company has no key management compensation in 2023 and 2022. Management function is handled by a related party without any charge.

As at December 31, 2024 and 2023, the Parent Company has receivables from related parties amounting to P0.2 million which is fully provided with allowance for impairment losses (see Note 7).

Unless otherwise stated, outstanding balances of amounts owed to related parties are expected to be settled in cash.

10. Capital Stock

Common Stock

The Parent Company had its only public offering for common stocks in 1991. Common stock issued since the public offering amounted to P6.16 billion divided into 6.16 billion shares. These shares are registered with the SEC and traded in the PSE.

Preferred Stock

The preferred stock which may be issued in tranches or series, is redeemable at the option of the Parent Company, non-voting, entitled to preferential and cumulative dividends at a rate not exceeding 12% per annum, and shall have such other rights, preferences, restrictions and qualifications consistent with the Parent Company's By-laws and the Articles of Incorporation, as may be fixed by the BOD at the time of their issuance.

As a result of the conversion of payables to equity on November 13, 2012, the Parent Company issued shares in full settlement of payable to stockholders amounting to P647.0 million and loan payable amounting to P3.6 billion. The additional paid-in capital, net of direct transaction costs, amounted to P2.9 billion. Direct transaction costs for the issuance of shares amounted to P9.08 million.

The table below shows the equivalent number of common and preferred shares issued to the stockholders of the Parent Company in relation to the conversion of debt to equity:

Stockholders	Number of Shares	
	Common	Preferred
One Bacolod Express Holdings, Inc.	364,577,424	1,609,359,778
Primera	167,578,190	4,858,590,825
Cosco Land Corporation	56,132,206	-
David Go Securities Corporation	42,924,628	-
POPI	15,666,405	-
	646,878,853	6,467,950,603

In 2005, the BOD also approved the conversion to equity of the Parent Company's payable to POPI and Orion Land, Inc. (a wholly-owned subsidiary of POPI) amounting to P44.5 million and P2.4 million, respectively, as partial payment for their subscriptions. The application for conversion of debt to equity has not been filed with the SEC as at December 31, 2024.

11. General and Administrative Expenses

This account consists of:

	2024	2023
Professional fees	P3,221,355	P2,063,560
Listing and filing fees	253,500	260,250
Taxes and licenses	14,857	15,957
IT expenses	10,250	10,250
Office supplies	-	6,500
Others	55,612	68,829
	P3,555,574	P2,425,346

12. Income Taxes

The Parent Company has no current income tax in 2024 and 2023.

The reconciliation of income tax benefit computed at the statutory income tax rate to the income tax expense in profit or loss follows:

	2024	2023
Loss before income tax	(P3,554,727)	(P2,424,156)
Income tax benefit at statutory rate of 25%	(P888,682)	(P606,039)
Tax effects of:		
Movement in unrecognized deferred tax assets	888,682	606,039
Interest income subject to final tax	(212)	(298)
	P -	P -

Deferred tax assets on the following temporary differences and unused NOLCO have not been recognized as the Parent Company may not have sufficient taxable income in the future to realize the benefits of the related deferred tax assets:

	Note	2024	2023
Allowance for impairment in value and impairment losses on investment and receivables	6	P8,913,098,803	P8,913,098,803
Allowance for impairment losses on receivables	5	7,489,854	7,489,854
NOLCO		12,210,308	8,793,294
Allowance for impairment losses on other noncurrent assets	7	3,049,159	3,049,159
		P8,935,848,124	P8,932,431,110

As at December 31, 2024, the Parent Company's NOLCO which could be applied against future taxable income and deduction against future income tax payable, respectively, is as follows:

Year Incurred	Amount Incurred	Expired During the Year	Remaining Balance	Year of Expiration
2020	P2,136,008	P -	P2,136,008	2025
2021	1,865,901	-	1,865,901	2026
2022	2,366,039	-	2,366,039	2025
2023	2,425,346	-	2,286,786	2026
2024	3,555,574	-	3,555,574	
	P12,348,868	P -	P12,210,308	

13. Supplementary Information Required by the Bureau of Internal Revenue (BIR)

In addition to the disclosures mandated under PFRS, and such other standards and/or conventions as may be adopted, companies are required by the BIR to provide in the notes to the separate financial statements, certain supplementary information for the taxable year. The amounts relating to such information may not necessarily be the same with those amounts disclosed in the separate financial statements which were prepared in accordance with PFRS. The following is the tax information required for the taxable year ended December 31, 2024:

A. Value-added Tax (VAT)

Input VAT

Beginning of year	P3,679,771
Services lodged under other accounts	371,184
Balance at end of year	P4,050,955

The Company has outstanding allowance for impairment losses on input VAT amounting to P4,050,955.

B. Withholding Taxes

Expanded withholding taxes	P141,505
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C. All Other Taxes (Local and National)

<i>Other taxes paid during the year recognized under "Taxes and licenses" account under General and Administrative Expenses</i>	
License and permit fees	P14,857

D. Tax Assessments and Tax Cases

As at December 31, 2024, the Parent Company has no pending tax court cases and has not received tax assessment notices from the BIR.

Information on landed cost of imports, customs duties and tariff fees paid or accrued and the amounts of output VAT, excise taxes and documentary stamp tax are not applicable since there were no transactions during the year subject to these taxes.



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