

JACKSTONES, INC.

593 Antonio Drive, Bagumbayan, Taguig City 1630

NOTICE OF ANNUAL STOCKHOLDERS' MEETING

To the Stockholders:

Please be advised that the Annual Meeting of the Stockholders of **JACKSTONES, INC.** ("Corporation") will be held on **04 August 2025 at 9:00 A.M.** in **593 Antonio Drive, Bagumbayan, Taguig City, Philippines** (please refer to Annex A for the registration instructions) to discuss the following:

AGENDA

1. Call to Order;
2. Determination of Existence of Quorum;
3. Approval of Minutes of the 10 June 2024 Annual Stockholders' Meeting;
4. Report of the President;
5. Approval of Audited Financial Statements for Calendar Year ("CY") 2024;
6. Ratification of All Acts and Resolutions of the Board of Directors and Management Adopted from 10 June 2024 to 04 August 2025;
7. Election of Directors (*including the Independent Directors*);
8. Appointment of External Auditor;
9. Reaffirmation of the validity of the Stockholders' Resolution ratifying the Amendment of the Corporation's By-Laws;
10. Consideration of Such Other Business as May Properly Come Before the Meeting; and
11. Adjournment

A brief explanation of each agenda item which requires Stockholders' approval and/or ratification is provided herein. The Information Statement accompanying this Notice contains additional information regarding the agenda items particularly those to be voted upon.

For your convenience in registering your attendance, please refer to the attached "**Annex A**" of this Information Statement.

We are NOT SOLICITING PROXIES. If, however, you would be unable to attend the meeting but would like to be represented thereat, you may accomplish the **attached proxy form**. All proxy forms must be received, either through mailing of hardcopies or through email to mcdelafuente@grubalaw.com, by the Corporate Secretary for inspection and recording not later than **14 July 2025**. Proxies shall be validated on **21 July 2025 at 10:00 A.M.** at the Office of the Corporate Secretary, 27th Floor, 88 Corporate Center Building, 139 Sedeño St, Salcedo Village, Makati, 1227 Metro Manila, whereby the Corporate Secretary shall verify the signature of the Stockholder designating the Proxy and other identification documents presented by the Proxy for recording purposes.

Registration shall start at **8:00 AM** and will close at exactly **8:45 AM**. Only stockholders of record as of **25 July 2025** shall be entitled to vote.

The Organizational Meeting of the Board of Directors will follow soon after the Annual Meeting of the Stockholders with the following agenda:

AGENDA

1. Call to Order;
2. Secretary's Proof of the Notice of the Meeting and Certification of Quorum;
3. Election of Officers;
4. Other Matters; and
5. Adjournment

By order of the Board of Directors,

JUAN MIGUEL VICTOR C. DE LA FUENTE
Corporate Secretary

ANNUAL STOCKHOLDERS' MEETING
04 August 2025

EXPLANATION OF AGENDA ITEMS FOR STOCKHOLDERS' APPROVAL

Approval of Minutes of the 10 June 2024 Annual Stockholders Meeting

Copies of the Minutes will be distributed to the Stockholders, in accordance with existing regulations, before the Meeting and will be presented to the Stockholders for approval.

Report of the President and Audited Financial Statements for 2024

The Annual Report and the Audited Financial Statements for the preceding fiscal year will be presented to the Stockholders for approval.

Ratification of All Acts and Resolutions of the Board of Directors and Management Adopted During the Preceding Year

The acts of the Corporation's Board of Directors, committees, officers, and management since the last Annual Stockholders' Meeting up to the current Stockholders' Meeting will be presented to the Stockholders for ratification.

Election of Directors (including the Independent Directors)

The new members of the Board of Directors of the Corporation will be duly elected by the Stockholders during the Annual Stockholders' Meeting. A brief description of the respective business experience of the incumbent directors is provided in this Information Statement.

Appointment of External Auditor

The Corporation's external auditor is Isla Lipana & Co., a Philippine member firm of Pricewaterhouse Coopers, and will be nominated for reappointment for the current fiscal year.

Reaffirmation of the validity of the Stockholders' Resolution ratifying the Amendment of the Corporation's By-Laws

Due to the length of time needed for the amendment of the Corporation's By-Laws, Stockholders' Resolution No. 06-2021-Jun14 shall be subject to reaffirmation for it to continue its validity for another year.

Consideration of Such Other Business as May Properly Come Before the Meeting

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

PROXY

KNOW ALL MEN BY THESE PRESENTS:

The undersigned stockholder of **JACKSTONES, INC.** ("**JAS**") do hereby name, constitute and appoint

[Name of Authorized Signatory]

as my proxy, with right of substitution and revocation, to vote for and in my behalf, all shares registered in my name in the books of **JAS**, or owned by me pursuant to the procedures provided, and to represent me at the Annual Meeting of the Stockholders on 04 August 2025 and at any and all adjournments or postponements thereof, upon any election or question which may lawfully be brought before such meeting, as fully to all intents and purposes as I might do if present and acting in person, hereby ratifying and confirming all that my said proxy shall lawfully do or cause to be done by virtue of these presents.

1. Approval of Minutes of the 10 June 2024 Annual Stockholders Meeting;
 Yes No Abstain
2. Approval of Audited Financial Statements for 2024;
 Yes No Abstain
3. Reaffirmation of the validity of the Stockholder's Resolution approving the amendment of the Corporation's By-Laws;
 Yes No Abstain
4. Election of Directors (including the Independent Directors);
 Yes No Abstain

Mariano Chua Tanenglian	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Abstain
Aleta So Tanenglian	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Abstain
Maximilian So Tanenglian	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Abstain
Vandermir Carnegie Tan Say	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Abstain
Jonathan A. Ong Carranceja	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Abstain
Adaline Daryl T. Ong Carranceja	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Abstain
William Tiu (<i>Independent Director</i>)	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Abstain
Santos Tan (<i>Independent Director</i>)	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Abstain
William Chong Lee (<i>Independent Director</i>)	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Abstain
5. Appointment of External Auditor;
 Yes No Abstain
6. Ratification of All Acts and Resolutions of the Board of Directors and Management Adopted from 10 June 2024 to 04 August 2025; and
 Yes No Abstain
7. Consideration of such other business as may properly come before the Meeting;
 Yes No Abstain

IN CASE OF NON-ATTENDANCE OF MY PROXY NAMED ABOVE OR IN CASE OF IMPROPER EXECUTION OF THIS PROXY, I AUTHORIZE AND EMPOWER THE PRESIDENT OF THE MEETING TO FULLY EXERCISE ALL RIGHTS AS MY PROXY AT SUCH MEETING.

This proxy shall continue until such time as the same is withdrawn by me through notice in writing delivered to the Corporate Secretary at least three (3) working days before the scheduled meeting on 04 August 2025, but shall not apply in instances where I personally attend the meeting.

The undersigned hereby declares that the issuance of this proxy is within the undersigned's powers and authority, which powers and authority are duly registered in accordance with Philippine laws.

IN WITNESS WHEREOF, I have hereunto signed these presents this ___ day of _____, 2025 in _____.

PRINTED NAME OF STOCKHOLDER

SIGNATURE OF STOCKHOLDER/AUTHORIZED
SIGNATORY

ADDRESS OF STOCKHOLDER

CONTACT TELEPHONE NUMBER

A PROXY SUBMITTED BY A CORPORATION SHOULD BE ACCOMPANIED BY A CORPORATE SECRETARY'S CERTIFICATE QUOTING THE BOARD RESOLUTION DESIGNATING A CORPORATE OFFICER TO EXECUTE THE PROXY. PROXIES EXECUTED BY BROKERS MUST BE ACCOMPANIED BY A CERTIFICATION UNDER OATH STATING THAT THE BROKER HAS OBTAINED THE WRITTEN CONSENT OF THE ACCOUNT HOLDER. UPON RECEIPT OF THE CORPORATE SECRETARY OF THE SAID PROXY, IT SHALL VERIFY THE AUTHENTICITY OF THE SIGNATURE OF THE STOCKHOLDER MAKING SUCH PROXY AS WELL AS THE IDENTIFICATION DOCUMENTS PRESENTED.

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 20-IS

INFORMATION STATEMENT PURSUANT TO SECTION 20
OF THE SECURITIES REGULATION CODE

1. Check the appropriate box:
 Preliminary Information Statement
 Definitive Information Statement
2. Name of Registrant as specified in its charter:
JACKSTONES, INC. (formerly NEXTSTAGE, INC.)
3. Province, country, or other jurisdiction of incorporation or organization:
Republic of the Philippines
4. SEC Identification Number:
24986
5. BIR Tax Identification Code:
000-275-073
6. Address of principal office:
593 Antonio Drive, Bagumbayan, Taguig City 1630
7. Registrant's telephone number, including area code:
(+632) 83723052
8. Date, time and place of the meeting of security holders:
04 August 2025 at 9:00 A.M in 593 Antonio Drive, Bagumbayan, Taguig City, Philippines
(please refer to Annex A)
9. Approximate date on which the Information Statement is first to be sent or given to security holders:
On or before 14 July 2025
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 Stock	250,059,097
11. In case of Proxy Solicitations: **No proxy solicitation is being made.**

12. Are any or all of registrant's securities listed in a Stock Exchange?

Yes No

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

Philippine Stock Exchange

167,559,179

PART I.

INFORMATION REQUIRED IN INFORMATION STATEMENT

A. GENERAL INFORMATION

Item 1. Date, time and place of meeting of security holders.

Date, Time and Place of Meeting:	04 August 2025 9:00 a.m. 593 Antonio Drive Bagumbayan, Taguig City, Philippines
Complete Mailing Address of the Registrant:	Jackstones, Inc. 593 Antonio Drive Bagumbayan, Taguig City 1630
Approximate date on which the Information Statement is first to be sent or given to Security holders:	On or before 14 July 2025

Item 2. Dissenters' Right of Appraisal

Pursuant to Section 80 of the Revised Corporation Code of the Philippines, any stockholder of the corporation shall have the right to dissent and demand payment of the fair value of his/her shares on any matter that may be acted upon such as in the following instances:

1. In case any amendment to the Articles of Incorporation has the effect of changing or restricting the rights of any stockholder or class of shares, or of authorizing preferences in any respect superior to those of outstanding shares of any class, or of extending or shortening the term of corporate existence;
2. In case of sale, lease, exchange, transfer, mortgage, pledge, or other disposition of all or substantially all of the corporate property and assets;
3. In case of merger or consolidation; and
4. In case of investment of corporate funds for any purpose other than the primary purpose of the corporation.

If, at any time after this Information Statement has been sent out, an action which may give rise to the right of appraisal is proposed at the meeting, any Stockholder who voted against the proposed action and who wishes to exercise such right must make a written demand, within thirty (30) days after the date of the meeting or when the vote was taken, for the payment of the fair market value of his shares. Failure to make a demand within such period shall be deemed a waiver of the appraisal right. The value shall be determined as of the day prior to the date when the vote was taken, excluding any appreciation or depreciation in anticipation of such corporate action. Upon payment, he must surrender his certificate of stock. No payment shall be made to any dissenting Stockholder unless the Corporation has unrestricted retained earnings in its books to cover such payment. Within ten (10) days after demanding payment for his shares, a dissenting Stockholder shall submit to the Corporation the certificate(s) of stock representing his/her shares for notation that the shares are dissenting shares.

No corporate action is being proposed or submitted in the meeting that may call for the exercise of a stockholder's right of appraisal under Title X of the Revised Corporation Code.

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

- a. None of the incumbent directors and officers of the Corporation has any undisclosed substantial interest, direct or indirect, by security holdings or otherwise, in any matter to be acted upon;
- b. The Corporation has not received any information from any director that he/she intends to oppose any matter to be acted upon in the meeting.

B. CONTROL AND COMPENSATION INFORMATION

Item 4. Voting Securities and Principal Holders Thereof

- a. The Corporation has 250,059,097 common shares of stock subscribed and outstanding as of 30 June 2025. The Corporation does not have any class of shares other than the said common shares. Each share is entitled to one (1) vote.
- b. Of the 250,059,097 outstanding common shares, 254,046 shares, or about 0.1015944% are owned by foreigners as of 30 June 2025. The Corporation does not have any class of shares other than the said common shares.
- c. All Stockholders of record as of the close of business on 25 July 2025 are entitled to notice of, and to vote at, the Annual Stockholders' Meeting.
- d. Action will be taken with respect to the election of Directors to which persons solicited have cumulative voting rights. At every meeting of the Stockholders of the Corporation, every Stockholder entitled to vote shall be entitled to one vote for each share of stock outstanding in his/her name in the book of the Corporation, except with respect to the election of directors, when each Stockholder may accumulate his votes as provided in the Revised Corporation Code. Every Stockholder entitled to vote at any meeting of Stockholders may vote by proxy as well as in person.
- e. Security ownership Certain Record and Beneficial Owners and Management.
 - i. Security ownership of certain record and beneficial owners (more than 5% of voting securities) as of 30 June 2025 are as follows:

Title of Class	Name and Address of Record Owner/Relationship with Issuer	Name of Beneficial Owner/ Relationship with Record Owner	Citizenship	No. of Shares	Percent of Class
Common	<p>Ketton Holdings Inc.</p> <p><i>Bagumbayan, Taguig City</i></p> <p>Ketton Holdings Inc. owns 69.18% of the common shares of Jackstones, Inc.</p>	<p>Ketton Holdings Inc. is a domestic corporation incorporated on 9 October 2014.</p> <p>A proxy will be issued in favor of Ketton Holdings Inc.'s authorized representative to vote its shares.</p>	Filipino	172,981,927	69.18%
Common	<p>PCD Nominee Corporation¹</p> <p><i>G/F Makati Stock Exchange Bldg. 6767 Ayala Avenue, Makati City</i></p> <p>No relationship with the Corporation</p>	<p>PCD Nominee Corporation, a wholly-owned subsidiary of the Philippine Depository and Trust Corporation (PDTC), is the registered owner in the books of the Corporation's stock transfer agent. The beneficial owners entitled to the same are PDTC's participants, who hold the shares either in their own behalf or on behalf of their clients.</p> <p>The following PDTC participants hold more than 5% of the Corporation's voting securities:</p> <ul style="list-style-type: none"> • Star Alliance Securities Corp. 	Filipino	54,639,759	21.85%

¹ The breakdown of the PCD Nominee Corporation participants is attached herein as "Annex G".

		<p>It is expected that PCD Nominee Corporation will issue a proxy in favor of the PDTC Participants.</p> <p>A list of the PDTC Participants as of 31 March 2024 has been attached to this Information Statement.</p>			
Common	<p>Estate of David T. Fernando</p> <p>14 Paraguay Street, Loyola Grand Villas, Quezon City</p> <p>No relationship with the Corporation.</p>	<p>David T. Fernando died in September 2009. The shares are now with the Estate of David Fernando. A proxy was issued to his daughter Catherina Fernando to vote the shares thereof in the Corporation.</p>	Filipino	20,824,419	8.33%

ii. Security Ownership of Management as of 30 June 2025:

Title of Class	Name of Beneficial Owner	Amount and Nature of Beneficial Ownership	Citizenship	Percent of Class
Common	Mariano Chua Tanenglian	84,761,144 indirectly owned through <i>Ketton Holdings, Inc.</i>	Filipino	33.8964%
		10,053,540 indirectly owned through <i>Star Alliance Securities Corporation</i>		4.0205%
Common	Aleta So Tanenglian	83,031,325 indirectly owned through <i>Ketton Holdings, Inc.</i>	Filipino	33.2047%
		8,377,950 indirectly owned through <i>Star Alliance Securities Corporation</i>		3.3504%
Common	Maximilian So Tanenglian	1,729,819 indirectly owned through <i>Ketton Holdings, Inc.</i>	Filipino	0.6918%
		1,675,589 indirectly owned through <i>Star Alliance Securities Corporation</i>		0.6701%
Common	Beryl Fayette Tanenglian Say	1,729,819 indirectly owned through <i>Ketton Holdings, Inc.</i>	Filipino	0.6918%
Common	Adaline Daryl T. Ong Carranceja	1,729,819, indirectly owned through <i>Ketton Holdings, Inc.</i>	Filipino	0.6918%
		1,675,590 indirectly owned through <i>Star Alliance Securities Corporation</i>		0.6701%
Common	Jonathan Siegfried A. Ong-Carranceja	1,675,590 indirectly owned through <i>Star Alliance Securities Corporation</i>	Filipino	0.6701%
Common	Vandermir Carnegie Tan Say	1,675,590 indirectly owned through <i>Star Alliance Securities Corporation</i>	Filipino	0.6701%
Common	Stilwell Tan Sy	1,000 directly owned	Filipino	0.0000%
Common	Amando Musni Velasco	1,000 direct owned	Filipino	0.0000%
Common	William Chong Lee	1 indirectly owned	Filipino	0.0000%
TOTAL		198,117,777		79.2284%

iii. Voting Trust Holders of 5% or more

There are no voting trust holders of 5% or more of the common shares.

iv. Changes in Control

There has been no change in the control of the Corporation since the beginning of its last fiscal year.

Item 5. Directors and Executive/Corporate Officers

a. Directors, Executive Officers, Promoters and Control Persons

Directors and Corporate Officers of Jackstones, Inc. as of 30 June 2025:

Name	Age	Position	Citizenship
Mariano Chua Tanenglian	85	President/Vice Chairman	Filipino
Aleta So Tanenglian	76	Chairman/Treasurer	Filipino
Maximilian So Tanenglian	47	Director	Filipino
Vandermir Carnegie Tan Say	51	Vice President	Filipino
Jonathan A. Ong Carranceja	53	Vice President	Filipino
Adaline Daryl T. Ong Carranceja	52	Assistant Corporate Secretary	Filipino
Santos Chua Tan	75	Independent Director	Filipino
William Wong Tiu	75	Independent Director	Filipino
William Chong Lee	70	Independent Director	Filipino
Juan Miguel Victor C. De La Fuente	44	Corporate Secretary & CIO	Filipino
Charlane Sancio	50	Compliance Officer	Filipino
Patricia Dela Rosa	30	Assistant CIO	Filipino
Elden Rocamora	27	Assistant CIO	Filipino

All Directors shall hold office until a new Board of Directors is elected during the Corporation's Annual Stockholders' Meeting on 04 August 2025. Further, the following individuals were duly nominated for the membership in the Board of Directors:

1. Mariano Chua Tanenglian
2. Aleta So Tanenglian
3. Maximilian So Tanenglian
4. Vandermir Carnegie Tan Say
5. Jonathan A. Ong Carranceja
6. Adaline Daryl T. Ong Carranceja
7. William Chong Lee (*Independent Director*)
8. Santos Chua Tan (*Independent Director*)
9. William Wong Tiu (*Independent Director*)

Found to possess the qualifications and none of the disqualifications enumerated in the Corporation's Amended By-Laws, the incumbent Independent Directors, as gleaned above, were each recommended by the Chairman of the Board and the President, and were nominated by the Corporate Governance Committee, which stands as the Nomination and Compensation Committee of the Corporation as well. The Corporate Governance Committee and Nomination and Compensation Committee is currently composed of William Wong Tiu as Chairman, and with William Chong Lee, Santos Chua Tan, and Maximilian So Tanenglian as members. The

recommending officers are not related to the Independent Directors recommended and nominated.

A certification to the effect that no Director or Officer is connected with any government agency or its instrumentalities is attached to this Information Statement.

The Amended By-Laws of the Corporation, incorporating the procedure for election of Independent Directors, in accordance with Republic Act No. 8799 or the Securities Regulation Code ("SRC") Rule 38 (Requirements on Nomination and Election of Independent Directors), was approved by the Commission on 27 September 2006. The Corporation has adopted and complied with such procedures and regulations.

The business experience of the members of the Board and Executive Officers for the last five (5) years is as follows:

Mariano Chua Tanenglian

President/Vice Chairman

Appointment: June 10, 2024 to present

Date of Birth: February 27, 1940

Citizenship: Filipino

Term of Office: 1 year

Period Served: 1 year

Mr. Mariano Chua Tanenglian is currently the CEO of Wonderoad Corp. and the Chairman of Ketton Holdings, Inc. He obtained his Bachelor of Science in Commerce from the Far Eastern University.

Mr. Tanenglian was a Director and a former Treasurer of Allied Banking Corporation. He was also the Chairman of the Board of Oceanic Holdings (BVI) Ltd., a former Vice Chairman and former Treasurer of Philippines Airlines, Inc., as well as a former Vice Chairman of MacroAsia Corporation.

Mr. Tanenglian was also a former Treasurer of several companies, including Foremost Farms, Inc., Manufacturing Services and Trade Corporation, Dominion Realty and Construction Corporation, Asia Brewery, Inc., Progressive Farms, Inc., Himmel Industries, Inc., Grandspan Development Corporation, Allied Commercial Bank, Fortune Tobacco Corporation, Shareholdings, Inc., The Charter House, Inc., and Lucky Travel Corporation. He was also a Treasurer/Director of Allied Bankers Insurance Corporation, Allied Leasing and Finance Corporation, and Pan-Asia Securities Corporation. Mr. Tanenglian was a former Director of Abacus Distribution System Phils., Inc., Tanduay Distillery, Inc., Asian Alcohol Corporation, Allied Banking Corporation (HK) Ltd., Oceanic Bank, Maranaw Hotels and Resort Corporation, Basic Holdings Corporation, Allied Bank Phils., (UK) PLC and Macroasia Eurest Catering Services, Inc.

Aleta So Tanenglian

Chairman/Treasurer

Appointment: June 10, 2024 to present

Date of Birth: September 23, 1948

Citizenship: Filipino

Term of Office: 1 year

Period Served: 1 year

Ms. Aleta So Tanenglian holds a Bachelor's degree in Accountancy. She is the current president of Wonderoad Corporation.

Vandermir Carnegie Tan Say

Vice President

Appointment: June 10, 2024 to present

Date of birth: January 24, 1974

Citizenship: Filipino

Term of Office: 1 year
Period Served: 1 year

Mr. Vandermir Carnegie Tan Say, CFA, MCom (Hons)(Fin), Grad Dip (Bkg & Fin), is currently the President of Wimax Philippines Inc. He is also a Director of Toaster BrainWorks Lab Inc., and Sevenofus Foods Inc.

Aside from being a Director and the Assistant Vice President of Jackstones, Inc., Mr. Say was the President of the CFA Society of the Philippines in 2008, and Treasurer of the same society in 2007. Mr. Say is a Chartered Financial Analyst of the CFA Institute and a Director of the BEVA Pte Ltd in Singapore.

Mr. Say was previously the Vice President of Citigroup, an Associate Director of UBS AG, an Analyst for Corporate Finance of UBS Warburg, an Equity Analyst for SBC Warburg Dillon Read, and a Research Assistant for Cualoping Securities Corporation.

He received his Master of Commerce in Finance and graduated with honors from the Melbourne Business School, of The University of Melbourne. He also received a Graduate Diploma in Banking and Finance from Monash University. He attained his Bachelor of Science in Management, Major in Legal Management, from the Ateneo de Manila University and was a Merit Scholar.

Jonathan A. Ong Carranceja

Vice President
Appointment: June 10, 2024 to present
Date of Birth: September 10, 1971
Citizenship: Filipino
Term of Office: 1 year
Period Served: 1 year

Mr. Jonathan Ong Carranceja is the current President of SG&D Global Transport Inc., a freight forwarding company. He is also the President of Reach High Dig Deep General Merchandising Corp., a company dealing with industrial products.

Mr. Ong Carranceja was the Former Assistant Manager of Far Eastern Diesel Supply Co. and the Former Asst. Manager of Kirsiphider Co. Inc. He obtained a Bachelor of Arts in Asian Studies.

Adaline Daryl T. Ong Carranceja

Assistant Corporate Secretary
Appointment: June 10, 2024 to present
Date of birth: December 9, 1972
Citizenship: Filipino
Term of Office: 1 year
Period Served: 1 year

Ms. Adaline Ong Carranceja is the current President of Spyder Creative Works, Inc. – a graphic design company and supplier of social invitation. She is also the current Corporate Secretary of SG&D Global Transport Inc. Ms. Ong Carranceja obtained a Bachelor's degree in Fine Arts.

William Chong Lee

Independent Director
Appointment: June 10, 2024 to present
Date of Birth: November 12, 1954
Citizenship: Filipino
Term of Office: 1 year
Period Served: 1 year

Mr. William Lee was the Senior Vice President and overall Head of LTGC Purchasing Group of Fortune Tobacco Corporation. He was also the Senior Vice President for Logistic and Purchasing Department and Special Assistant to the Chairman of Philippine Airlines. He was also Senior Vice President for Logistics for Asia Brewery, Inc. and concurrent Special Assistant to the Chairman and CEO of Philippine Airlines.

A copy of the Certification of Qualification of Independent Director is attached herewith as **“Annex B”**.

Santos Chua Tan

Independent Director
Appointment: June 10, 2024 to present
Date of Birth: April 4, 1950
Citizenship: Filipino
Term of Office: 1 year
Period Served: 1 year

Mr. Santos Chua Tan holds a bachelor's degree in Commerce from Far Eastern University. He is currently the VP for External Affairs of two companies namely, Basic Holdings Corporation and Fortune Tobacco Corp.

A copy of the Certification of Qualification of Independent Director is attached herewith as **“Annex C”**.

William Wong Tiu

Independent Director
Appointment: June 10, 2024 to present
Date of Birth: April 4, 1950
Citizenship: Filipino
Term of Office: 1 year
Period Served: 1 year

Mr. Tiu is Senior Auditor from 1990-1995 in Basic Holdings Co, Purchasing Manager from 1996-2000 in Philippine Airlines and Senior Manager for General Services from 2000-2003 at PNB. He was also Purchasing Manager from 2003-2004 in Macroasia Catering Services Inc. He was also AVP Warehouse Management from PAL from 2004-2013 and currently Manager/OIC of Chinese Journal Today Publication Inc.

He graduated from Dela Salle University Manila with a Bachelor's Degree in Computer Science.

A copy of the Certification of Qualification of Independent Director is attached herewith as **“Annex D”**.

Juan Miguel Victor C. De La Fuente

Corporate Secretary and CIO
Appointment: 24 June 2021 to the present
Date of Birth: 2 January 1981
Citizenship: Filipino
Term of Office: 1 year
Period Served: 1 year

Atty. Juan Miguel Victor De La Fuente graduated with a Juris Doctor degree from the Ateneo De Manila University School of Law. He specializes in Taxation and Corporate Practice.

Atty. De La Fuente also serves as a general counsel for a group of Philippine companies engaged in gaming and leisure operations and advises a domestic outsourcing information technology firm in connection with its initial public offer. He is also currently a Director of Rural Bank of Atimonan.

Patricia Dela Rosa

Assistant CIO

Appointment: 10 July 2024 to the present

Citizenship: Filipino

Term of Office: 1 year

Period Served: 11 months

Atty. Patricia Dela Rosa specializes in general corporate law, taxation, and litigation and dispute resolution. She handles matters such as incorporation of domestic and foreign corporations and drafting and assisting clients on their corporate documentations and reportorial requirements to various government agencies.

Atty. Dela Rosa also advises a publicly listed company in its corporate disclosures and policy implementations, and also represents the latter before the Securities and Exchange Commission and the Philippine Stock Exchange on matters concerning the company's compliance with the Securities and Regulations Code and Code of Corporate Governance for Publicly Listed Companies.

Atty. Dela Rosa graduated with a Bachelor of Arts degree in Interdisciplinary Studies at the Ateneo de Manila University. She pursued further studies in law and graduated from San Beda College Alabang – School of Law. She was admitted to the Philippine Bar in 2023.

Elden Rocamora

Assistant CIO

Appointment: 10 July 2024 to the present

Citizenship: Filipino

Term of Office: 1 year

Period Served: 11 months

Atty. Elden Rocamora specializes in general corporate law, taxation, and litigation and dispute resolution. He handles matters such as drafting and managing client's corporate documents and reporting requirements to different government agencies.

Atty. Rocamora also advises a publicly listed company in its corporate disclosures and policy implementations, and also represents the latter before the Securities and Exchange Commission and the Philippine Stock Exchange on matters concerning the company's compliance with the Securities and Regulations Code and Code of Corporate Governance for Publicly Listed Companies.

Atty. Rocamora graduated with degrees in Bachelor of Science in Legal Management at the De La Salle University Manila. He pursued further studies and graduated with a Juris Doctor degree from the Ateneo De Manila University School of Law. He was admitted to the Philippine Bar in 2023.

Charlane Sancio

Compliance Officer

Appointment: June 10, 2024 to the present

Citizenship: Filipino

Term of Office: 1 year

Period Served: 1 year

Ms. Sancio has a Bachelor of Sciences degree in Accountancy from University of the Philippines.

b. Significant Employees

The Corporation is not highly dependent on any individual who is not an executive officer.

The Corporation has six (6) regular employees namely: (1) Maximilian Tanenglian; (2) Vandermir Carnegie Tan Say; (3) Beryl Fayette Tanenglian Say; (4) Adaline Daryl T. Ong Carranceja; (5) Juan Miguel Victor Dela Fuente and (6) Jonathan Ong Carranceja.

The record keeping of its transactions is outsourced to a third-party consultant.

c. Family Relationships

Mariano Chua Tanenglian is married to Aleta So Tanenglian; and the father of Beryl Fayette Tanenglian Say, Maximilian So Tanenglian, and Adaline Daryl T. Ong Carranceja.

Maximilian So Tanenglian, Beryl Fayette Tanenglian Say and Adaline Daryl T. Ong Carranceja are siblings.

Beryl Fayette Tanenglian Say is married to Vandermir Carnegie Tan Say.

Adaline Daryl T. Ong Carranceja is married to Jonathan A. Ong Carranceja.

There are no other family relationships known to the registrant other than those that have been disclosed above.

d. Involvement in Certain Legal Proceedings

The Corporation and its subsidiaries or any of its affiliates are not currently involved in various legal proceedings in the ordinary conduct of their business.

To the best of the Corporation's knowledge and belief and after due inquiry, and except as otherwise disclosed, none of the directors or the executive officers have, during the last five years and to date, been subject to any of the following:

- i. 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;
- ii. Any conviction by final judgment, including the nature of the offense, 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;
- iii. 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
- iv. 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.

e. Interest on Certain Matters to be Acted Upon

No director or officer of Jackstones has undisclosed substantial interest, direct or indirect, in any matter to be acted upon in the meeting.

f. Certain Relationship and Related Transactions

There are no transactions with or involving the Corporation or any of its subsidiaries in which a director, executive officer, or stockholder owns ten percent (10%) or more of total outstanding shares and members of their immediate family had or is to have a direct or indirect material interest during the last two (2) years.

g. Resignation or Refusal to Stand for Re-election by Members of the Board of Directors

No director has resigned nor declined to stand for re-election to the Board since the date of the last annual meeting of security holders because of a disagreement on any matter relating to the operations, policies or practices.

Item 6. Compensation of Directors and Executive Officers

According to the Amended By-laws of the Corporation, as approved by the SEC on July 6, 2015, a per diem of Two Thousand Pesos (Php2,000.00) shall be granted to each Director for their attendance in a regular or special board meeting.

There are no arrangements for additional compensation of directors other than that provided in the Corporation's Amended By-Laws.

Further, there is no executive officer with contracts or with compensatory plan or arrangement having terms or compensation significantly dissimilar to the regular compensation package, or separation benefits under JAS's group retirement plan, for the managerial employees of JAS.

There are no Outstanding Warrants or Options held by the Directors and Executive Officers.

a. Executive Compensation

The compensation for its executive officers for the years 2023, 2024 (actual), 2025 (projected) and 2026 (projected) are shown below:

ALL OFFICERS	
Year	Directors' Fees (Php)
2026 (estimated)	Php72,000.00
2025 (estimated)	Php72,000.00
2024	Php72,000.00
2023	Php72,000.00

CEO AND FOUR MOST HIGHLY COMPENSATED OFFICERS	
Year	Directors' Fees (Php)
2026 (estimated)	Php2,360,712.48
2025 (estimated)	Php2,360,712.48
2024	Php2,360,712.48
2023	Php2,360,712.48

Note that the aggregate amount of compensation paid in 2023 and 2024 and estimated amount expected to be paid in 2025 and 2026, as presented in the above table, are for the following executive officers:

Officer	Position	Monthly salary	Bonus
Maximilian Tanenglian	President/Vice Chairman	Php30,000.00	Php15,000.00
Vandermir Carnegie Tan Say	Vice President	Php15,000.00	Php15,000.00
Adaline Daryl T. Ong Carranceja	Assistant Corporate Secretary	Php15,000.00	Php15,000.00
Beryl Fayette Tanenglian Say	Consultant	Php15,000.00	Php15,000.00
Juan Miguel Victor Dela Fuente	Corporate Secretary, CIO	Php115,476.00	-

ALL OFFICERS			
Year	Salary/Bonus (Php)	Others (Php)	Total Amount (Php)
2025 (estimated)	Php2,360,712.48	Php72,000.00	Php2,432,712.48
2024 (estimated)	Php2,360,712.48	Php72,000.00	Php2,432,712.48
2023	Php2,360,712.48	Php72,000.00	Php2,432,712.48
2022	Php2,360,712.48	Php72,000.00	Php2,432,712.48

Item 7. Independent Public Accountants

The appointment, approval, or ratification of the Corporation's independent public external auditor will be submitted to the shareholders for ratification at the Annual Stockholders' Meeting on 04 August 2025.

The Audit Committee has recommended, and the Board of Directors has approved, the reappointment of the auditing firm of Isla Lipana & Co. For the Audited Financial Statements for 2024, the certifying partner was Mr. Dennis M. Malco.

Isla Lipana & Co. took over from SGV & Co. in 2003 upon its appointment at the shareholders' meeting in 26 November 2003. The certifying partner of Isla Lipana & Co. primarily responsible for the audit of the Corporation's financial accounts is rotated at least once every five (5) years, with a two (2) year cooling off period as applicable, in accordance with SRC Rule 68, Part 3(b)(iv)(ix).

The Corporation's Audited Financial Statements for 2023 as certified by Mr. Dennis M. Malco, is attached to this Information Statement as an Exhibit to the Annual Report. The Corporation has been advised that the auditors of Isla Lipana & Co. assigned to render audit related services have no shareholdings in the Corporation, or a right, whether legally enforceable or not, to nominate persons or to subscribe to the securities of the Corporation, consistent with the professional standards on independence set by the Board of Accountancy and the Professional Regulation Commission.

Representatives of Isla Lipana & Co. are expected to be present at the scheduled stockholders meeting. They will have the opportunity to make a statement should they desire to do so and will be available to respond to appropriate questions.

A. External Audit Fees and Services

Audit and Audit-Related Fees

For 2024, the external auditors were engaged primarily to express an opinion on the financial statements of the Corporation. The procedures conducted for these engagements included those that are necessary under auditing standards generally accepted in the Philippines but did not include detailed verification of the accuracy and completeness of the reported income and costs and expenses.

The following table sets out the aggregate fees paid by the Corporation for each of the last two (2) years for professional fees rendered by Isla Lipana & Co.:

Fee Type	Year Ended December 31, 2024	Year Ended December 31, 2025
Audit Fee	Php 150,000.00	Php 150,000.00
Value Added Tax	Php 18,000.00	Php 18,000.00
Total	Php 168,000.00	Php 168,000.00

Tax Fees

The Corporation did not engage the external auditors for any service related to tax accounting, compliance, advice, planning or any other form of tax services for 2024 and 2023.

All Other Fees

The Corporation did not engage the external auditors for any other service other than those described in the audit and audit-related fees above for 2024 and 2023.

Audit Committee's Approval Policies and Procedures

The Corporation's incumbent Audit Committee is composed of Mr. William Chong Lee (Chairman / Independent Director), Mr. Santos Chua Tan (Independent Director), Mr. William Wong Tiu (Independent Director) and Ms. Aleta So Tanenglian as members.

The Audit Committee was incorporated on April 2015. An Audit Committee Charter in compliance with SEC Memorandum Circular No. 4, Series of 2012 or the Guidelines for Assessment of Performance of Audit Committees of Companies Listed on the Exchange was approved and adopted by the Corporation last 27 December 2019. The Audit Committee's approval policies and procedures for external audit fees and services are stated in the Corporation's Audit Committee Charter. As stated further in the Audit Committee Charter, the Audit Committee performs oversight functions over the Corporation's external auditors. Prior to the commencement of audit work, the independent accountants shall make a presentation of their audit program and schedule to the Audit Committee, including a discussion of anticipated issues on the audit work to be done.

After audit work, the independent accountants shall present its comprehensive report discussing the work carried out, areas of interest and their key findings and observations to the Audit Committee.

The independent accountants shall also prepare reports based on agreed upon procedures on the Corporation's quarterly financial results. The reports shall be presented to the Audit Committee for their approval and endorsement to the Board of Directors.

B. Changes in and Disagreements with Accountants on Accounting and Financial Disclosures

There was no change in the Corporation's independent accountants during the two most recent calendar years.

SRC Rule 68, Part 3(b)(iv)(ix) provides that "[t]he independent auditors or in the case of an audit firm, the signing partner, of the aforementioned regulated entities shall be rotated after every five (5) years of engagement. A two-year cooling off period shall be observed in the engagement of the same signing partner or individual auditor." The Corporation is compliant with this rule.

There has been no disagreement with the independent accountants on accounting and financial disclosure.

C. ISSUANCE AND EXCHANGE OF SECURITIES

Item 9. Authorization or Issuance of Securities other than for Exchange

As previously approved by the SEC last 7 February 2018, the Corporation amended the Seventh Article of its Articles of Incorporation increasing its authorized capital stock from Php170,000,000.00 divided into 170,000,000 shares with a par value of Php1.00 per share to Php500,000,000.00 divided into 500,000,000 shares with a par value of Php1.00 per share. Out of the said increase, 82,500,000 shares had been subscribed and partially paid by Ketton Holdings, Inc. The rest of the shares will be applied for listing at a future date as a secondary offering to be sold to the investing public.

There is no preferred stock offered.

No additional movement in the securities issued by the Corporation occurred for 2024 and until 31 March 2025.

Item 10. Modification or Exchange of Securities.

There is no action to be taken with respect to the modification of any class of securities of the Corporation, or the issuance or authorization for issuance of one class of securities of the Corporation in exchange for outstanding securities of another class.

Item 11. Financial and Other Information

A. Information Required

1. The Annual Report and Financial Statements for Fiscal Year 2024 are attached herewith as “**Annex E**”.
2. Kindly refer to “**Annex F**” for Management’s Discussion and Analysis and Plan of Operation.
3. Representatives of the principal accountants for the recently completed fiscal year, Isla Lipana & Co., are expected to be present at the Annual Meeting of the Shareholders on 04 August 2025.

Item 12. Mergers, Consolidations, Acquisitions, and Similar Matters

There is no Stockholders’ action to be taken with regard to the following: (1) the merger or consolidation of the Corporation into or with any other person or of any other person into or with the Corporation; (2) the acquisition by the Corporation or any of its security holders of securities of another person; (3) the acquisition by the Corporation of any other going business or of the assets thereof; (4) the sale or other transfer of all or any substantial part of the assets of the Corporation; and (5) the liquidation or dissolution of the Corporation.

Also, the Corporation’s shares are being traded before the Philippine Stock Exchange, the only stock exchange in the Philippines with business address at PSE Tower, 5th Avenue cor. 28th Street, Bonifacio Global City, Taguig City.

As appearing in the records of the PSE, the quarterly price history of the shares of the Corporation for the past two (2) fiscal years are as follows:

Quarter	High	Low
1 January 2023 to 31 March 2023	1.84000	1.58000
1 April 2023 to 30 June 2023	1.84000	1.51000
1 July 2023 to 30 September 2023	1.88000	1.43000
1 October 2023 to 31 December 2023	1.66000	1.20000
1 January 2024 to 31 March 2024	1.84000	1.58000
1 April 2024 to 30 June 2024	1.84000	1.51000
1 July 2024 to 30 September 2024	1.88000	1.43000
1 October 2024 to 31 December 2024	1.66000	1.20000
1 January 2023 to 31 March 2023	1.84000	1.58000

Further, the Corporation did not have any of the following for 2024:

- a. any sales of unregistered or exempt securities including recent issuance of securities constituting an exempt transaction; and
- b. any declaration of cash dividends or other dividends, or any restriction that limit the payment of dividend on the shares of the Corporation.

Item 13. Acquisition or Disposition of Property

There is no action to be taken with respect to the acquisition or disposition of any property.

Item 14. Restatement of Accounts

There is no action to be taken with respect to the restatement of any asset, capital, or surplus account of the Corporation.

D. OTHER MATTERS

Item 15. Action with Respect to Reports

The following matters are included in the agenda of the Annual Stockholders' Meeting for the approval of the stockholders:

- a. Approval of Minutes of the 10 June 2024 Annual Stockholders' Meeting;
- b. Report of the President;
- c. Approval of the Annual Report and the Audited Financial Statements for 2024;
- d. Ratification of All Acts and Resolutions of the Board of Directors and Management Adopted from 10 June 2024 to 04 August 2025;
- e. Election of Directors (including the Independent Directors);
- f. Appointment of External Auditor;
- g. Reaffirmation of the validity of the Stockholders' Resolution ratifying the amendment of the Corporation's By-Laws.

As for the reaffirmation of the validity of Stockholders' Resolution No. 06-2021-Jun14 approving the amendment of the Corporation's By-Laws, this agenda item is reproduced for this year's ASM to keep the option of amending the Corporation's By-Laws open, should the Corporation decide to proceed with the same.

The resolution is hereby reproduced for the Stockholders' consideration:

Stockholders' Resolution No. 06-2021-Jun14

RESOLVED, AS IT IS HEREBY RESOLVED, that the stockholders of JACKSTONES, INC. ("**Company**"), by a vote of 196,442,187 shares out of 250,059,097 shares of the Company's outstanding capital stock, representing 78.5583% hereby approve and confirm the amendments to Article III, Sections 1, 2, 4, and 5 of the Company's By-Laws, and will now be read as follows:

By-Laws Section	Present Provisions	New Wordings
Section 1	General - The Officers of the Corporation shall be composed of a Chairman, a President, a Vice-President, a Secretary, and a Treasurer. The Board of Directors may also appoint additional officers as may deem necessary. All officers except the Chairman, the President and the Vice-President shall be non-members of the Board of Directors and shall be elected to their offices by a majority vote of the Board of Directors. To the discretion of the Board of Directors, any person may be elected or appointed to one or more offices, provided that the functions are not incompatible. Any vacancy which may occur in such offices may be filled by a majority vote of the Board of Directors at any regular meeting or at any special meeting called for the purpose.	General - The Officers of the Corporation shall be composed of a Chairman, a President, a Vice President, a Secretary, and a Treasurer. The Board of Directors may also appoint additional officers as may deem necessary. All officers, except the Chairman, the President and the Vice-President , and the President, shall be non-members of the Board of Directors and shall be elected to their offices by a majority vote of the Board of Directors. To the discretion of the Board of Directors, any person may be elected or appointed to one or more offices, provided that the functions are not incompatible. Any vacancy which may occur in such offices may be filled by a majority vote of the Board of Directors at any regular meeting or at any special meeting called for the purpose.
Section 2	Election - The newly elected Board of Directors, at its first meeting after the annual meeting of the stockholders, shall elect the officers of the Corporation, namely: a Chairman, a	Election - The newly elected Board of Directors, at its first meeting after the annual meeting of the stockholders, shall elect the officers of the Corporation, namely: a Chairman, a President, a Vice

	President, a Vice President, one or more Assistant Vice-Presidents, a Secretary and a Treasurer. Additional officers may be appointed at such meeting, or at any special meeting called for the purpose. All officers so elected or appointed shall hold office until their respective successors shall have been elected or appointed and shall have been qualified as such.	President, one or more Assistant Vice-Presidents, a Secretary, and a Treasurer. Additional officers may be appointed at such meeting, or at any special meeting called for the purpose. All officers so elected or appointed shall hold office until their respective successors shall have been elected or appointed and shall have been qualified as such.
Section 4	Vice-President - The Vice-President shall be elected by the Board of Directors from its own numbers. He shall be vested with the powers and authorities of and required to perform all the duties of the President during the absence or incapability of the latter for any cause, and shall also perform such other duties as the Board of Directors or the President may from time to time assign to him.	<i>[To be totally deleted]</i>
Section 5	Assistant Vice Presidents - The Assistant Vice Presidents shall be elected by the Board of Directors and he may or may not be a stockholder of the Corporation and shall not be a member of the Board of Directors. They shall exercise such privileges and perform such duties as the Board of Directors or the President may provide or assign to them in its discretion.	<i>[To be totally deleted]</i>

Item 16. Matters Not Required to be Submitted

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

Item 17. Amendment of Charter, By-Laws or Other Documents

Aside from the items to be amended in the By-Laws as thoroughly discussed in Item 15 of this Information Statement, there are no matters or actions to be taken up in the meeting with respect to any amendment of the Corporation's Articles of Incorporation or By-laws.

Note that the option of reorganization of corporate officers via an amendment of the By-Laws is still an open option that the Corporation may take. There is still no action on the matter. The purpose of such amendment is for reorganization purposes.

Item 18. Other Proposed Action

After the Annual Stockholders' Meeting, the appointment of the officers for the present fiscal year will ensue.

Item 19. Voting Procedures

- a. Every Shareholder shall be entitled to one (1) vote for each share of stock standing in his name on the books of registrant, unless the law provides otherwise. Cumulative voting may be used in the election of the members of the Board of Directors.
- b. The votes required for (1) ratification of reports, acts, and resolutions of the Board of Directors and Management, and (2) appointment of external auditor shall be the majority vote of the Shareholders.

- c. Voting shall be conducted either onsite or in absentia. Onsite voting is reserved for shareholders who will be physically present during the Annual Stockholders' Meeting on 04 August 2025, whereas in absentia voting will be facilitated for those participating remotely in accordance with the instructions provided in Annex A herein. The tallying and counting of votes shall be conducted by the Corporate Secretary (or his duly authorized representative).

In relation to the said procedures, the results of last year's Annual Stockholders' Meeting were as follows:

- a. The voting stockholders casted their vote in absentia from the period of 01 June 2024 to 12 June 2024. The result of the voting in absentia were tallied by the Nomination and Compensation Committee.
- b. Among other results approved, as disclosed in the PSE Edge, were as follows:
- The Minutes of the previous Annual Stockholders' Meeting held last 10 June 2024;
 - Re-ratification of the Amendment of the Company's By-Laws, which now reads as follows:

By-Laws Section	Present Provisions	New Wordings
Section 1	General - The Officers of the Corporation shall be composed of a Chairman, a President, a Vice-President, a Secretary, and a Treasurer. The Board of Directors may also appoint additional officers as may deem necessary. All officers except the Chairman, the President and the Vice-President shall be non-members of the Board of Directors and shall be elected to their offices by a majority vote of the Board of Directors. To the discretion of the Board of Directors, any person may be elected or appointed to one or more offices, provided that the functions are not incompatible. Any vacancy which may occur in such offices may be filled by a majority vote of the Board of Directors at any regular meeting or at any special meeting called for the purpose.	General - The Officers of the Corporation shall be composed of a Chairman, a President, a Vice-President , a Secretary, and a Treasurer. The Board of Directors may also appoint additional officers as may deem necessary. All officers, except the Chairman, the President and the Vice-President and the President, shall be non-members of the Board of Directors and shall be elected to their offices by a majority vote of the Board of Directors. To the discretion of the Board of Directors, any person may be elected or appointed to one or more offices, provided that the functions are not incompatible. Any vacancy which may occur in such offices may be filled by a majority vote of the Board of Directors at any regular meeting or at any special meeting called for the purpose.
Section 2	Election - The newly elected Board of Directors, at its first meeting after the annual meeting of the stockholders, shall elect the officers of the Corporation, namely: a Chairman, a President, a Vice President, one or more Assistant Vice-Presidents, a Secretary and a Treasurer. Additional officers may be appointed at such meeting, or at any special meeting called for the purpose. All officers so elected or appointed shall hold office until their respective successors shall have been elected or appointed and shall have been qualified as such.	Election - The newly elected Board of Directors, at its first meeting after the annual meeting of the stockholders, shall elect the officers of the Corporation, namely: a Chairman, a President, a Vice President, one or more Assistant Vice-Presidents , a Secretary, and a Treasurer. Additional officers may be appointed at such meeting, or at any special meeting called for the purpose. All officers so elected or appointed shall hold office until their respective successors shall have been elected or appointed and shall have been qualified as such.
Section 4	Vice-President - The Vice-President shall be elected by the Board of Directors from its own numbers. He shall be vested with the powers and authorities of and required to perform all the duties of the President during the absence or incapability of the latter for any cause, and shall also perform such other duties	<i>[To be totally deleted]</i>

	as the Board of Directors or the President may from time to time assign to him.	
Section 5	Assistant Vice Presidents - The Assistant Vice Presidents shall be elected by the Board of Directors and he may or may not be a stockholder of the Corporation and shall not be a member of the Board of Directors. They shall exercise such privileges and perform such duties as the Board of Directors or the President may provide or assign to them in its discretion.	[To be totally deleted]

- The President's Report and the Audited Financial Statements for the calendar year ended 31 December 2024;
- Ratification of all acts and resolutions of the Board of Directors, Officers, and the Management of the Company during the preceding year;
- The election of the following directors to serve as such for the succeeding year and until the election and qualification of their successor(s):
 - Mariano Chua Tanenglian
 - Aleta So Tanenglian;
 - Maximilian So Tanenglian;
 - Vandermir Carnegie Tan Say;
 - Jonathan A. Ong Carranceja;
 - Adaline Daryl T. Ong Carranceja;
 - Santos Chua Tan;
 - William Wong Tiu; and
 - William Chong Lee

Santos Chua Tan, William Wong Tiu and William Chong Lee were elected as Independent Directors.
- The re-appointment of Isla Lipana & Co. (member firm of PricewaterhouseCoopers) as external auditor of the Company for the ensuing year.

All of the foregoing results were unanimously approved by the Board of Directors and unanimously ratified by the attending Stockholders, namely:

Stockholder	Shares Owned (direct)	Shares Owned (indirect)	Total
Ketton Holdings, Inc.	172,981,927		172,981,927
Mariano Chua Tanenglian		10,053,540	10,053,540
Aleta So Tanenglian*		8,377,950	8,377,950
Maximilian Tanenglian		1,675,589	1,675,589
Jonathan Ong-Carranceja		1,675,590	1,675,590
Adaline Ong-Carranceja*		1,675,590	1,675,590
Vandermir Tan Say		1,675,590	1,675,590
Stilwell Tan Sy	1,000		1,000
Amando Musni Velasco	1,000		1,000
William Chong Lee	1		1
Total	172,983,927	25,133,849	198,117,777

*attendance via proxy

- c. The Chairman gave the attending Stockholders an opportunity to ask questions, queries, or clarifications. There were no additional questions, queries, or clarifications raised by the attending Stockholders.
- d. The voting results for each agenda item are as follows:
 - The Minutes of the previous Annual Stockholders' Meeting held last 10 June 2024;

Yay	Nay	Abstain
198,117,777	0	0
79.2284%	0%	0%

- The President's Report and the Audited Financial Statements for the calendar year ended 31 December 2024;

Yay	Nay	Abstain
198,117,777	0	0
79.2284%	0%	0%

- Ratification of all acts and resolutions of the Board of Directors, Officers, and the Management of the Company during the preceding year;

Yay	Nay	Abstain
198,117,777	0	0
79.2284%	0%	0%

- The election of the directors to serve as such for the succeeding year and until the election and qualification of their successor(s):

Nominee	No. of Votes
Mariano Chua Tanenglian	198,117,777
Aleta So Tanenglian	198,117,777
Maximilian Tanenglian	198,117,777
Adaline Daryl T. Ong Carranceja	198,117,777
Jonathan Ong-Carranceja	198,117,777
Vandermir Carnegie Tan Say	198,117,777
Santos Chua Tan	198,117,777
William Wong Tiu	198,117,777
William Chong Lee	198,117,777
Total Votes	1,783,059,993

- The re-appointment of Isla Lipana & Co. (member firm of PricewaterhouseCoopers) as external auditor of the Company for the ensuing year.

Yay	Nay	Abstain
198,117,777	0	0
79.2284%	0%	0%

- Re-affirmation of the Validity of the Stockholder's Resolution Approving the By-Laws' Amendment

Yay	Nay	Abstain
198,117,777	0	0
79.2284%	0%	0%

- e. A summary of the appraisals and performance report for the Board is reproduced below:

	Board	Board Committees	Individual Members	Chairman	Management
Maximilian Tanenglian	4.0952	4.0000	4.9444	N/A	4.6250
Mariano Tanenglian	4.1905	5.0000	4.9444	5.0000	4.6875
Santos Chua Tan	3.9524	3.6667	4.0000	N/A	N/A
Jonathan Ong Carranceja	3.9524	4.0000	4.0000	N/A	N/A
William Wong Tiu	4.0000	3.6667	4.0000	N/A	N/A
William Chong Lee	4.0000	3.5556	4.0000	N/A	N/A

Item 20. Participation of Stockholders by Remote Communication

Considering that some stockholders still face health risks associated with attending in person, the Corporation will maintain the option for remote communication to accommodate their needs. This measure aims to prioritize the safety and well-being of these stockholders.

In order for the Corporation to properly conduct validation procedures, stockholders who have not sent their proxies or registered on the voting in absentia website wish to participate via remote communication must notify the Corporation by email to mcdelafuente@grubalaw.com on or before 14 July 2025.

Please refer to “**Annex A**” for the detailed guidelines for participation via remote communication and the procedures for registration.

UPON WRITTEN REQUEST OF THE STOCKHOLDER, THE CORPORATION UNDERTAKES TO FURNISH SAID STOCKHOLDER WITH A COPY OF THE CORPORATION’S ANNUAL REPORT ON SEC FORM 17-A, AS FILED WITH THE SEC, FREE OF CHARGE. ANY WRITTEN REQUEST SHALL BE ADDRESSED TO:

JUAN MIGUEL VICTOR C. DE LA FUENTE
Corporate Secretary

JACKSTONES, INC.
c/o 27th Floor, 88 Corporate Center Building,
139 Seden St, Salcedo Village, Makati,
1227 Metro Manila

PART II.

OPERATIONAL AND FINANCIAL INFORMATION

Item I. Market Information

The shares of the Corporation are being traded before the Philippine Stock Exchange, the only stock exchange in the Philippines with business address at PSE Tower, 5th Avenue cor. 28th Street, Bonifacio Global City, Taguig City.

As appearing in the records of the PSE, the quarterly price history of the shares of the Corporation for the past two (2) fiscal years are as follows:

Quarter	High	Low
1 January 2023 to 31 March 2023	1.84000	1.58000
1 April 2023 to 30 June 2023	1.84000	1.51000
1 July 2023 to 30 September 2023	1.88000	1.43000
1 October 2023 to 31 December 2023	1.66000	1.20000
1 January 2024 to 31 March 2024	1.84000	1.58000
1 April 2024 to 30 June 2024	1.84000	1.51000
1 July 2024 to 30 September 2024	1.88000	1.43000
1 October 2024 to 31 December 2024	1.66000	1.20000

Item II. Holders

As of 31 December 2024, the number of shareholders owning at least 100 shares of the Corporation totals to 307.

Item III. Dividends

The Corporation did not declare any dividend for CY 2024 and CY 2023.

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

For CY 2024 and CY 2023, there were no sales of any unregistered or exempt security of the Corporation nor was there any issuance of securities constituting an exempt transaction.

PART III.

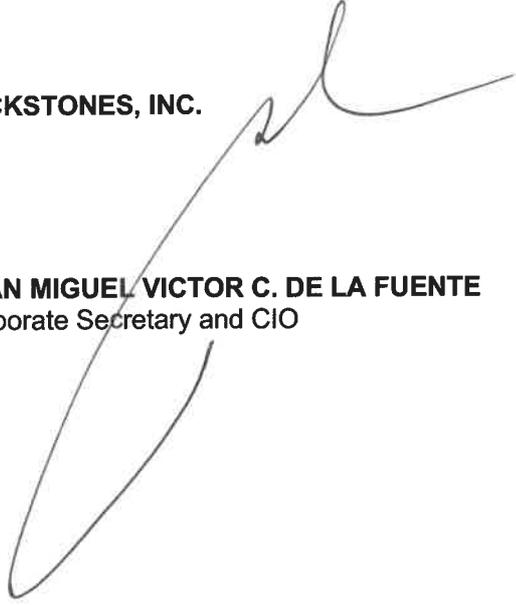
SIGNATURE PAGE

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this report is true, complete and correct. This report is signed in the City of Makati on 11 day of July 2025.

JACKSTONES, INC.

By:

JUAN MIGUEL VICTOR C. DE LA FUENTE
Corporate Secretary and CIO

A handwritten signature in black ink, appearing to read 'JMVF', is written over the printed name and title of the signatory.

JACKSTONES, INC.

593 Antonio Drive, Bagumbayan, Taguig City 1630

Annex A

2025 ANNUAL STOCKHOLDERS' MEETING OF JACKSTONES, INC. PROCEDURES FOR REGISTRATION AND PARTICIPATION

1. Stockholders may register for the 04 August 2025 Annual Stockholders' Meeting by emailing the following information at investorrelations@jackstonesinc.com starting 16 July 2025 to 23 July 2025:

For individual Stockholders:

- a. Complete Name (Last Name, First Name, Middle Name);
- b. Birthdate;
- c. Address;
- d. Mobile Number;
- e. Phone Number;
- f. Email Address;
- g. Registered ZOOM Account Name;
- h. Current photograph of the Stockholder, with the face fully visible (uploaded in PDF or JPEG format);
- i. Valid government-issued ID exhibiting the signature of the Stockholder (uploaded in PDF or JPEG format);
- j. For Stockholders with joint accounts: A scanned copy of an authorization letter signed by all Stockholders, identifying who among them is authorized to cast the vote for the account (uploaded in PDF or JPEG format);

For corporate/organizational Stockholders:

- a. SEC/DTI Registered Name;
- b. Address;
- c. Mobile Number;
- d. Phone Number;
- e. Email Address;
- f. Registered ZOOM Account Name;
- g. Complete Name (Last Name, First Name, Middle Name) of the individual authorized to cast the vote for the account (the "Authorized Voter");
- h. Current photograph of the individual authorized to cast the vote for the account (the "Authorized Voter");
- i. Valid government-issued ID of the Authorized Voter exhibiting his or her signature (uploaded in PDF or JPEG format);
- j. A scanned copy of the Secretary's Certificate or other valid authorization in favor of the Authorized Voter (uploaded in PDF or JPEG format)

Should the said Stockholders be unable to attend or vote but would like to be represented thereat, a duly filled out Proxy Form, together with the following information shall be emailed by the said Stockholder on or before 14 July 2025 to the Corporate Secretary at mcdela Fuente@grubalaw.com:

- a. Complete Name of authorized Proxy (Last Name, First Name, Middle Name);
- b. Birthdate;
- c. Address;
- d. Mobile Number;
- e. Phone Number;
- f. Email Address;
- g. Registered ZOOM Account Name;
- h. Current photograph of the Proxy, with the face fully visible (uploaded in PDF or JPEG format);

- i. Valid government-issued ID of the Proxy exhibiting his or her signature (uploaded in PDF or JPEG format);
2. Upon verification, the Company shall send a reply email confirming the identity of the said individual or corporation/organization as a stockholder of the Company and its respective current shareholding as of the same date.
3. For those shareholders who will be unable to attend onsite, the voting ballot will be emailed together with the email confirmation stated in the preceding section for (i) approval of the items in the Agenda requiring stockholders' approval, and (ii) election of the members of the Board of Directors, including the Independent Directors for CY2025.

The voting ballot shall be filled out, electronically signed, and emailed back to the Company on or before Five o' Clock in the afternoon on 21 July 2025.

4. Upon receipt of the ballot, the Company shall verify and tally the said votes and confirm via email reply to the Stockholder the receipt thereof, together with the Meeting ID and the Meeting Password.
5. For purposes of quorum, only the following Stockholders shall be counted as present:
 - a. Attending stockholder who have registered from 10 June 2024 to 21 July 2025;
 - b. Stockholders who have sent their proxies (to be represented by registered and attending stockholders) via email to mcdelafuente@grubalaw.com before 14 July 2025;
6. Questions and comments on the items in the Agenda must be sent to mcdelafuente@grubalaw.com. Questions or comments received on or before 30 July 2025 may be responded to during the meeting. Any additional inquiries or questions may be raised during the actual meeting and could be addressed upon discussion of Consideration of Such Other Business as May Properly Come Before the Meeting. Any question not answered during the meeting shall be answered via email.

CERTIFICATION OF INDEPENDENT DIRECTOR

I, **SANTOS CHUA TAN**, Filipino, of legal age and a resident of 588 Units Manga Avenue, Sampaloc, Manila after having been duly sworn to in accordance with law do hereby declare that:

1. I am a nominee for independent director of Jackstones, Inc. (formerly Nextstage, Inc.) and have been its independent director since June 10, 2024.
2. I am affiliated with the following companies or organizations:

COMPANY/ORGANIZATION	POSITION/RELATINOSHIP	PERIOD OF SERVICE
Basic Holdings Co.	VP for External Affairs	Present
Fortune Tobacco Corp.	VP for External Affairs	Present

3. I possess all the qualifications and none of the disqualifications to serve as an Independent Director of Jackstones, Inc. (formerly Nextstage, Inc.), as provided for in Section 38 of the Securities Regulation Code, its Implementing Rules and Regulations and Jackstones, Inc.'s (formerly Nextstage, Inc.) By-Laws and Manual on Corporate Governance.
4. To the best of my knowledge, I am not the subject of any criminal or administrative investigation or proceeding pending in court.
5. To the best of my knowledge, I am neither an officer nor an employee of any government agency or government-owned and controlled corporation.
6. I shall faithfully and diligently comply with my duties and responsibilities as independent director under the Securities Regulation Code and its Implementing rules and Regulations, and Jackstones, Inc.'s (formerly Nextstage, Inc.) By-Laws and Manual on Corporate Governance.
7. I shall inform the Corporate Secretary of Jackstones, Inc. (formerly Nextstage, Inc.) of any changes in the abovementioned information within five days from its occurrence.

Done, this JUL 15 2025, at CITY OF MAKATI.

Santos C. Tan
SANTOS CHUA TAN
Affiant

SUBSCRIBED AND SWORN to before me this JUL 15 2025 at CITY OF MAKATI affiant personally appeared before me and exhibited to me his SSS 03-2402984-8.

Patricia Mae E. Dela Rosa

PATRICIA MAE E. DELA ROSA
 Appointment No. M-302 (2025-2026)
 Notary Public for Makati City
NOTARY PUBLIC
 27th Floor, 88 Corporate Center
 141 Sedeño St., Salcedo Village, Makati City
 Roll of Attorney's No. 91423
 PTR No. 10465804 / 01-02-2025 / Makati City
 IBP No. 511050 / 12-19-2024 / Makati City Chapter
 Admitted to the Bar 2023

Doc. No. 405 ;
 Page No. 82 ;
 Book No. I ;
 Series of 2025.



CERTIFICATION OF INDEPENDENT DIRECTOR

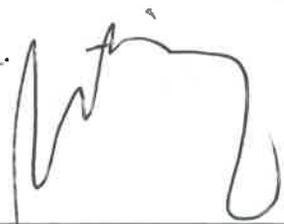
I, **WILLIAM CHONG LEE**, Filipino, of legal age and a resident of 27 Dona Aurora St., Parang, Marikina City, after having been duly sworn to in accordance with law do hereby declare that:

1. I am a nominee for independent director of Jackstones, Inc. (formerly Nextstage, Inc.) and have been its independent director since June 13, 2017.
2. I am affiliated with the following companies or organizations:

COMPANY/ORGANIZATION	POSITION/RELATINOSHIP	PERIOD OF SERVICE
Scrapcenter Service, Inc.	President	2018-Present
Goldsmart Packaging & Commodities, Inc.	Consultant	Present

3. I possess all the qualifications and none of the disqualifications to serve as an Independent Director of Jackstones, Inc. (formerly Nextstage, Inc.), as provided for in Section 38 of the Securities Regulation Code, its Implementing Rules and Regulations and Jackstones, Inc.'s (formerly Nextstage, Inc.) By-Laws and Manual on Corporate Governance.
4. To the best of my knowledge, I am not the subject of any criminal or administrative investigation or proceeding pending in court.
5. To the best of my knowledge, I am neither an officer nor an employee of any government agency or government-owned and controlled corporation.
6. I shall faithfully and diligently comply with my duties and responsibilities as independent director under the Securities Regulation Code and its Implementing rules and Regulations, and Jackstones, Inc.'s (formerly Nextstage, Inc.) By-Laws and Manual on Corporate Governance.
7. I shall inform the Corporate Secretary of Jackstones, Inc. (formerly Nextstage, Inc.) of any changes in the abovementioned information within five days from its occurrence.

Done, this JUL 15 2025, at CITY OF MAKATI.



WILLIAM CHONG LEE
Affiant

SUBSCRIBED AND SWORN to before me this JUL 15 2025 at CITY OF MAKATI affiant personally appeared before me and exhibited to me his National ID 6493-0197-6315-6241.



PATRICIA MAE E. DELA ROSA
Appointment No. M-302 (2025-2026)
Notary Public for Makati City
NOTARY PUBLIC
27th Floor, 88 Corporate Center
141 Sedeño St., Salcedo Village, Makati City
Roll of Attorney's No. 91423
PTR No. 10465804 / 01-02-2025 / Makati City
IBP No. 511050 / 12-19-2024 / Makati City Chapter
Admitted to the Bar 2023

Doc. No. 404;
Page No. 82;
Book No. I;
Series of 2025.



CERTIFICATION OF INDEPENDENT DIRECTOR

I, **WILLIAM WONG TIU**, Filipino, of legal age and a resident of 16D Lee Tower, 921 Sabino Padilla St., Binondo, Manila, after having been duly sworn to in accordance with law do hereby declare that:

- 1. I am a nominee for independent director of Jackstones, Inc. (formerly Nextstage, Inc.) and have been its independent director since June 10, 2024.
- 2. I am affiliated with the following companies or organizations:

COMPANY/ORGANIZATION	POSITION/RELATINOSHIP	PERIOD OF SERVICE
Chinese Journal Today Publication Inc.	Manager/OIC	2013-Present
Philippine Airlines	AVP - Warehouse Mgmt.	2004-2013

- 3. I possess all the qualifications and none of the disqualifications to serve as an Independent Director of Jackstones, Inc. (formerly Nextstage, Inc.), as provided for in Section 38 of the Securities Regulation Code, its Implementing Rules and Regulations and Jackstones, Inc.'s (formerly Nextstage, Inc.) By-Laws and Manual on Corporate Governance.
- 4. To the best of my knowledge, I am not the subject of any criminal or administrative investigation or proceeding pending in court.
- 5. To the best of my knowledge, I am neither an officer nor an employee of any government agency or government-owned and controlled corporation.
- 6. I shall faithfully and diligently comply with my duties and responsibilities as independent director under the Securities Regulation Code and its Implementing rules and Regulations, and Jackstones, Inc.'s (formerly Nextstage, Inc.) By-Laws and Manual on Corporate Governance.
- 7. I shall inform the Corporate Secretary of Jackstones, Inc. (formerly Nextstage, Inc.) of any changes in the abovementioned information within five days from its occurrence.

Done, this JUL 15 2025, at CITY OF MAKATI.


WILLIAM WONG TIU
Affiant

SUBSCRIBED AND SWORN to before me this JUL 15 2025 at CITY OF MAKATI, affiant personally appeared before me and exhibited to me his Driver's License N04-86-042545 with expiration on 17 May 2034/LTO.


PATRICIA MAE E. DELA ROSA
 Appointment No. M-302 (2025-2026)
 Notary Public for Makati City
 Until December 2026
NOTARY PUBLIC
 27th Floor, 88 Corporate Center
 141 Sedeño St., Salcedo Village, Makati City
 Roll of Attorney's No. 91423
 PTR No. 10465804 / 01-02-2025 / Makati City
 IBP No. 511050 / 12-19-2024 / Makati City Chapter
 Admitted to the Bar 2023

Doc. No. 406 ;
 Page No. 83 ;
 Book No. I ;
 Series of 2025.



JACKSTONES, INC.

593 Antonio Drive, Bagumbayan, Taguig City 1630

SECURITIES AND EXCHANGE COMMISSION

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

STATEMENT OF MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL STATEMENTS

The management of JACKSTONES, INC. 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 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 shareholders.

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

Signature:

Name: **ALETAS TANENGLIAN**
(Chairman of the Board/ Treasurer)

Signature:

Name: **MARIANO C. TANENGLIAN**
(President/Vice Chairman)

Signed this _____ day of **MAY 02 2025** 2025.

SUBSCRIBED AND SWORN to before me this MAY 02 2025 exhibiting to me the following competent proof of identity, as follows:

Name	Competent Proof of Identity	Date and Place of Issuance
Aleta S. Tanenglian	TIN 116-439998	
Mariano C. Tanenglian	TIN 101-194-805	

Doc. No. 126;
Page N. 27;
Book No. I;
Series of 2025.



A handwritten signature in black ink, appearing to read "Patricia Mae E. Dela Rosa".

PATRICIA MAE E. DELA ROSA
Appointment No. M-302 (2025-2026)
Notary Public for Makati City
Until December 2026
27th Floor, 88 Corporate Center
141 Sedeño St., Salcedo Village, Makati City
Roll of Attorney's No. 91423
PTR No. 10465804 / 01-02-2025 / Makati City
IBP No. 511050 / 12-19-2024 / Makati City Chapter
Admitted to the Bar 2023



Independent Auditor's Report

To the Board of Directors and Shareholders of
Jackstones, Inc.
593 Antonio Drive, Bagumbayan
Taguig City, Philippines

Our Opinion

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of Jackstones, Inc. (the "Parent Company") and its subsidiary (collectively referred to as the "Group") as at December 31, 2024 and 2023, and their consolidated financial performance and consolidated cash flows for each of the three years in the period ended December 31, 2024 in accordance with Philippine Financial Reporting Standards (PFRS) Accounting Standards.

What we have audited

The consolidated financial statements of the Group comprise:

- the consolidated statements of financial position as at December 31, 2024 and 2023;
- the consolidated statements of total comprehensive income for each of the three years in the period ended December 31, 2024;
- the consolidated statements of changes in equity for each of the three years in the period ended December 31, 2024;
- the consolidated statements of cash flows for each of the three years in the period ended December 31, 2024; and
- the notes to the consolidated financial statements, comprising material accounting policy information and other explanatory information.

Basis for Opinion

We conducted our audits in accordance with Philippine Standards on Auditing (PSA). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

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

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



Independent Auditor's Report
To the Board of Directors and Shareholders of
Jackstones, Inc.
Page 2

Our Audit Approach

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

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

Key audit matters

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

Key audit matter identified in our audit is recognition of revenue under PFRS 15.

Key Audit Matter	How our audit addressed the Key Audit Matter
<p>Revenue recognition under PFRS 15 - Revenue from Contracts with Customers</p> <p>Refer to notes 9 and 11 to the consolidated financial statements.</p> <p>The Group's revenue recognition for sale of real estate properties involves significant judgment in determining whether the agreements with customers meet the definition of a contract under PFRS 15. The Group accounts for a customer contract under PFRS 15 if it is probable that the Group will collect the consideration to which it is entitled for transferring the goods and services to the customer. In evaluating whether the collectability is probable, the Group considers the customer's ability and intention to pay that amount of consideration when it is due. This is a significant area of judgment because the customer's credit quality is important in determining whether a contract has been identified and is valid.</p>	<p>Our audit procedures to address the relevant assertion over occurrence of sale of real estate properties included the following:</p> <ul style="list-style-type: none">• We obtained an understanding of the Group's policies, processes and procedures for sale of real estate properties.• We obtained and checked the terms and provisions of contracts with customers and checked the management's application of the revenue recognition criteria under PFRS 15.



Independent Auditor's Report
To the Board of Directors and Shareholders of
Jackstones, Inc.
Page 3

Key Audit Matter	How our audit addressed the Key Audit Matter
<p>For the year ended December 31, 2024, the Group recognized revenue from customer contracts amounting to P32,515,282.</p> <p>For contracts with customers where the Group has not established collectability, the consideration received is recorded as contract liability. The contract liability will be recognized as revenue when all criteria for revenue recognition are met.</p> <p>As at December 31, 2024, the Group recognized contract liabilities amounting to P7,104,337.</p>	<ul style="list-style-type: none">• We evaluated management's assessment of revenue recognition criteria under PFRS 15, particularly on the collectability of the consideration (which involves review of customers' payment patterns and practices, probability that customer will exercise the right to refund and bank approval of the customers loan application).

Other Information

Management is responsible for the other information. The other information comprises the information included in the SEC Form 20-IS (Definitive Information Statement), SEC Form 17-A and Annual Report for the year ended December 31, 2024, but does not include the consolidated financial statements and our auditor's report thereon. The SEC Form 20-IS (Definitive Information Statement), SEC Form 17-A and Annual Report for the year ended December 31, 2024 are expected to be made available to us after the date of this auditor's report.

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

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

When we read the SEC Form 20-IS (Definitive Information Statement), SEC Form 17-A and Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.



Independent Auditor's Report
To the Board of Directors and Shareholders of
Jackstones, Inc.
Page 4

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.

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

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with PSA will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with PSA, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.



Independent Auditor's Report
To the Board of Directors and Shareholders of
Jackstones, Inc.
Page 5

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

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

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



Independent Auditor's Report
To the Board of Directors and Shareholders of
Jackstones, Inc.
Page 6

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

The engagement partner on the audit resulting in this independent auditor's report is Dennis M. Malco.

Isla Lipana & Co.

A handwritten signature in black ink that reads "D Malco".

Dennis M. Malco
Partner
CPA Cert. No. 126035
P.T.R. No. 0080034, issued on January 3, 2025, Makati City
TIN 268-146-184
BIR A.N. 08-000745-144-2025; issued on January 24, 2025; effective until January 23, 2028
BOA/PRC Reg. No. 0142, effective until November 14, 2025

Makati City
April 28, 2025



Statement Required by Rule 68 Securities Regulation Code (SRC)

To the Board of Directors and Shareholders of
Jackstones, Inc.
593 Antonio Drive, Bagumbayan
Taguig City, Philippines

We have audited the consolidated financial statements of Jackstones, Inc. (the "Parent Company") and its subsidiary (collectively referred to as the "Group") as at and for the year ended December 31, 2024, on which we have rendered the attached report dated April 28, 2025. The supplementary information shown in the Reconciliation of Retained Earnings Available for Dividend Declaration, a Map Showing the Relationships among the Group and its Ultimate Parent Company and Schedules A, B, C, D, E, F and G, as additional components required by the Revised SRC Rule 68, are presented for purposes of filing with the Securities and Exchange Commission and are not required parts of the consolidated financial statements. Such supplementary information are the responsibility of management and have been subjected to the auditing procedures applied in the audit of the consolidated financial statements. In our opinion, the supplementary information have been prepared in accordance with the Revised SRC Rule 68.

Isla Lipana & Co.

A handwritten signature in black ink, appearing to read "D Malco", written over a faint horizontal line.

Dennis M. Malco

Partner

CPA Cert. No. 126035

P.T.R. No. 0080034, issued on January 3, 2025, Makati City

TIN 268-146-184

BIR A.N. 08-000745-144-2025; issued on January 24, 2025; effective until January 23, 2028

BOA/PRC Reg. No. 0142, effective until November 14, 2025

Makati City
April 28, 2025

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



Statement Required by Rule 68 Securities Regulation Code (SRC)

To the Board of Directors and Shareholders of
Jackstones, Inc.
593 Antonio Drive, Bagumbayan
Taguig City, Philippines

We have audited in accordance with Philippine Standards on Auditing, the consolidated financial statements of Jackstones, Inc. and its Subsidiary (the "Group") as at December 31, 2024 and 2023 and for each of the three years in the period ended December 31, 2024, and have issued our report thereon dated April 28, 2025. Our audits were made 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 SRC Rule 68 issued by the Securities and Exchange Commission, and is not a required part of the basic consolidated financial statements prepared in accordance with PFRS Accounting Standards. 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 each of the three years in the period ended December 31, 2024 and no material exceptions were noted.

Isla Lipana & Co.

A handwritten signature in black ink, appearing to read "D Malco".

Dennis M. Malco

Partner

CPA Cert. No. 126035

P.T.R. No. 0080034, issued on January 3, 2025, Makati City

TIN 268-146-184

BIR A.N. 08-000745-144-2025; issued on January 24, 2025; effective until January 23, 2028

BOA/PRC Reg. No. 0142, effective until November 14, 2025

Makati City
April 28, 2025

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

Jackstones, Inc. and Subsidiary

Consolidated Statements of Financial Position
As at December 31, 2024 and 2023
(All amounts in Philippine Peso)

	Notes	2024	2023
Assets			
Current assets			
Cash and cash equivalents	2	85,048,643	115,910,196
Receivables	8	212,421	66,016
Real estate held for development and sale	3	16,049,808	28,527,470
Contract assets	9	1,783,857	2,265,221
Prepayments and other current assets	4	7,371,963	3,712,741
Total current assets		110,466,692	150,481,644
Non-current assets			
Property and equipment, net	5	6,084,495	986,340
Investment property, net	6	61,184,800	17,555,049
Advances to a related party	8	25,471,964	12,471,964
Right-of-use asset, net	16	-	350,006
Input value-added tax (VAT)	4	1,962,657	1,841,542
Deferred tax asset	15	1,205,471	732,869
Other non-current assets	4	8,069,397	7,499,517
Total non-current assets		103,978,784	41,437,287
Total assets		214,445,476	191,918,931
Liabilities and Equity			
Current liabilities			
Trade payables and other liabilities	7	17,565,822	6,959,547
Advances from shareholders	8	131,677,769	131,677,769
Contract liabilities	9	7,104,337	7,854,066
Lease liabilities	8, 16	3,232,886	3,232,886
Security deposit and advance rental	16	4,259,624	8,743,438
Total liabilities		163,840,438	158,467,706
Equity			
Share capital, net	1,10	211,193,910	188,184,179
Share premium	10	143,334,770	143,334,770
Treasury shares	10	(82)	(82)
Deficit		(303,923,560)	(298,067,642)
Total equity		50,605,038	33,451,225
Total liabilities and equity		214,445,476	191,918,931

The notes on pages 1 to 34 are integral part of these consolidated financial statements.

Jackstones, Inc. and Subsidiary

Consolidated Statements of Total Comprehensive Income
For each of the three years in the period ended December 31, 2024
(All amounts in Philippine Peso)

	Notes	2024	2023	2022
Revenue	11	32,515,282	51,257,791	87,738,361
Cost of sales and services	12	(15,426,996)	(24,120,148)	(59,372,108)
Gross profit		17,088,286	27,137,643	28,366,253
Operating expenses	13	(28,631,162)	(16,934,665)	(16,892,760)
Other income	14	5,576,618	5,341,716	1,086,051
Foreign exchange gain (loss), net	18	24,944	(6,040)	200,517
(Loss) profit from operations		(5,941,314)	15,538,654	12,760,061
Finance costs	8,16	(2,808)	(11,785)	(8,688)
(Loss) profit before income tax		(5,944,122)	15,526,869	12,751,373
Income tax benefit (expense)	15	88,204	(3,727,915)	(3,936,985)
(Loss) profit for the year		(5,855,918)	11,798,954	8,814,388
Other comprehensive income		-	-	-
Total comprehensive (loss) income for the year		(5,855,918)	11,798,954	8,814,388
(Loss) income per share (basic and diluted)	17	(0.0234)	0.0472	0.0352

The notes on pages 1 to 34 are integral part of these consolidated financial statements.

Jackstones, Inc. and Subsidiary

Consolidated Statements of Changes in Equity
For each of the three years in the period ended December 31, 2024
(All amounts in Philippine Peso)

	Share Capital (Note 10)			Share premium (Note 10)	Treasury shares (Note 10)	Deficit	Total equity	
	Subscribed	Subscription receivable						Paid-in
	No. of shares	Amount	Amount					
Balances at January 1, 2022	250,059,179	250,059,179	(61,875,000)	188,184,179	143,334,770	(82)	(318,680,984)	12,837,883
Comprehensive loss								
Income for the year	-	-	-	-	-	-	8,814,388	8,814,388
Other comprehensive income for the year	-	-	-	-	-	-	-	-
Total comprehensive loss for the year	-	-	-	-	-	-	8,814,388	8,814,388
Balances at December 31, 2022	250,059,179	250,059,179	(61,875,000)	188,184,179	143,334,770	(82)	(309,866,596)	21,652,271
Comprehensive income								
Profit for the year	-	-	-	-	-	-	11,798,954	11,798,954
Other comprehensive income for the year	-	-	-	-	-	-	-	-
Total comprehensive income for the year	-	-	-	-	-	-	11,798,954	11,798,954
Balances at December 31, 2023	250,059,179	250,059,179	(61,875,000)	188,184,179	143,334,770	(82)	(298,067,642)	33,451,225
Comprehensive income								
Income for the year	-	-	-	-	-	-	(5,855,918)	(5,855,918)
Other comprehensive income for the year	-	-	-	-	-	-	-	-
Total comprehensive income for the year	-	-	-	-	-	-	(5,855,918)	(5,855,918)
Transaction with shareholders								
Subscription payment from shareholders	-	-	23,009,731	23,009,731	-	-	-	23,009,731
Balances at December 31, 2024	250,059,179	250,059,179	(38,865,269)	211,193,910	143,334,770	(82)	(303,923,560)	50,605,038

The notes on pages 1 to 34 are integral part of these consolidated financial statements.

Jackstones, Inc. and Subsidiary

Consolidated Statements of Cash Flows
For each of the three years in the period ended December 31, 2024
(All amounts in Philippine Peso)

	Notes	2024	2023	2022
Cash flows from operating activities				
(Loss) profit before income tax		(5,944,122)	15,526,869	12,751,373
Adjustment for:				
Depreciation and amortization expense	5, 6	2,221,046	1,662,738	3,079,838
Amortization of right-of-use assets	16	350,006	823,981	732,787
Unrealized foreign exchange (gain) loss	18	(24,944)	6,040	(34,614)
Interest expense on lease liability	8, 16	2,808	11,785	8,688
Interest income	2	(3,795,008)	(4,370,656)	(924,074)
Operating (loss) income before changes in assets and liabilities		(7,190,214)	13,660,757	15,613,998
(Increase) decrease in:				
Receivables	8	(146,405)	3,982,776	(3,794,060)
Real estate held for development and sale	3	12,477,662	19,881,718	47,713,351
Contract asset	9	481,364	(678,672)	(177,178)
Prepayments and other current assets	4	(4,227,244)	1,085,083	4,783,093
Input value-added tax, non-current	4	(121,115)	(148,259)	(133,041)
Other current asset	4	(569,880)	-	-
Increase (decrease) in:				
Trade payables and other liabilities	7	4,499,163	(695,887)	1,388,611
Contract liabilities	9	(749,729)	(152,667)	(5,325,556)
Security deposit and advance rental	16	(4,483,814)	629,869	86,117
Net cash (used in) generated from operations		(30,212)	37,564,718	60,155,355
Interest received	2	3,795,008	4,390,074	750,886
Income taxes paid	15	(384,398)	(3,948,642)	(3,659,785)
Net cash generated from operating activities		3,380,398	38,006,150	57,246,436
Cash flow from investing activities				
Acquisition of short-term investment	2	-	-	(25,124,925)
Proceeds from short term investments	2	-	19,398,721	11,024,033
Acquisition of property and equipment	5	(6,009,923)	(211,500)	(2,924,976)
Acquisition of investment property	6	(38,266,703)	(17,555,049)	-
Advances to contractor	4	-	(6,546,257)	-
Advances made to a related party	8	(13,000,000)	(12,471,964)	-
Net cash used in investing activities		(57,276,626)	(17,386,049)	(17,025,868)
Cash flow from financing activity				
Proceeds from subscription payment from shareholders	10	23,009,731	-	-
Net (decrease) increase in cash		(30,886,497)	20,620,101	40,220,568
Cash and cash equivalents at January 1		115,910,196	95,296,135	55,040,953
Effect of foreign exchange changes on cash and cash equivalents	18	24,944	(6,040)	34,614
Cash and cash equivalents at December 31	2	85,048,643	115,910,196	95,296,135

The notes on pages 1 to 34 are integral part of these consolidated financial statements.

Jackstones, Inc. and Subsidiary

Notes to the Consolidated Financial Statements

As at December 31, 2024 and 2023 and for each of the three years in the period ended December 31, 2024

(All amounts are shown in Philippine Peso, unless otherwise stated)

1 Business information

1.1 General information

Jackstones, Inc. (the "Parent Company") was originally incorporated on April 22, 1964 as Pacific Cement Company, Inc. to engage in the manufacture and trading of cement and related products. In June 2000, the Securities and Exchange Commission (SEC) approved the change in primary purpose of the Company to that of a holding company and changed its corporate name to PACEMCO Holdings, Inc. (PACEMCO). Simultaneous therewith, PACEMCO spun-off its cement manufacturing and mining facility and assets to Pacific Cement Philippines, Inc. (PACEMPHIL), in exchange for 100% of the shares of stock of PACEMPHIL. This investment was subsequently sold in November 2000.

In December 2000, PACEMCO acquired 100% of the share capital of NextStage, Inc., and in June 2001, the SEC approved the merger of PACEMCO and its subsidiary, NextStage, Inc., with PACEMCO as the surviving corporation. Subsequently, the SEC also approved the change in name from PACEMCO to NextStage, Inc.

The Parent Company's shares are listed in the Philippine Stock Exchange (PSE). As a public company, it is covered by Part I Section 2 A (i) (b) of the Revised Securities and Regulation Code (SRC) Rule 68 and also covered by additional requirement under the Revised SRC Rule 68, Part II.

On April 16, 2014, the SEC approved the Parent Company's application to change its corporate name to its present name and the extension of its corporate life for another 50 years immediately after the first 50 years from and after the date of incorporation.

On October 12, 2014, a group of individual and corporate shareholders sold their shares of stock representing 70% of the outstanding share capital of the Parent Company to Ketton Holdings, Inc. and a group of individual investors. The sale effectively transferred control of the Parent Company to Ketton Holdings, Inc., a domestic corporation registered in the Philippine SEC, who became the ultimate controlling party, owning 54% equity interest in the Parent Company.

On March 10, 2017, the Parent Company's BOD, through an amendment of the Parent Company's Articles of Incorporation, approved the increase of the Parent Company's authorized share capital from P170 million divided into 170 million shares with P1 par value per share to P500 million divided into 500 million shares with P1 par value per share. This amendment was approved and ratified by the Parent Company's shareholders during the annual shareholders' meeting on June 13, 2017. The amendment was filed and approved by the SEC on February 7, 2018. Ketton Holdings, Inc. subscribed to additional 82.5 million shares at P82.5 million increasing its equity interest in the Parent Company to 69%.

The Parent Company's registered office, which is also its principal place of business is located at 593 Antonio Drive, Bagumbayan, Taguig City.

As at December 31, 2024, the Company has 307 shareholders (2023 - 307) owning at least 100 shares each. Of the total shares outstanding, 20.77% were publicly held as at December 31, 2024 and 2023.

1.2 Subsidiary information

The Parent Company holds 100% ownership in the shares of stock of Jackstones Properties, Inc. (the "Subsidiary" or "JPI"). The Parent Company and its subsidiary are collectively referred to as the "Group". JPI was incorporated and registered with the Philippine SEC on October 20, 2017 primarily to purchase, acquire, own, hold, use and dispose real property. The registered office address of JPI is located at 593 Antonio Drive, Bagumbayan, Taguig.

1.3 Status of operations

In 2018, JPI purchased land for future development and sale to start its commercial operations. In 2020, JPI obtained approval from Housing and Land Use Regulatory Board (HLURB) for the license to sell saleable units in the purchased land.

In 2021, JPI entered into a Land Management Agreement with its related party, Great Circle Holdings Inc, which generated additional income for the subsidiary during the year (Note 7). In 2023 and 2022, the agreement was renewed, effective up to 2024 and 2023, respectively.

In 2022, JPI entered into another Land Management Agreement with its related party, Bluebell Properties and Holding Corporation, to generate additional income for the subsidiary.

The Parent Company is currently negotiating with various banking institutions to raise new capital. The Parent Company continues to review projects, ventures, businesses and assets that can be included in the holdings of the Parent Company.

Moreover, the shareholders continue to provide financial support to the Group to enable it to meet its financial obligations when they fall due and carry out its business operations, going forward.

1.4 Approval of the consolidated financial statements

These consolidated financial statements of the Group were authorized and approved for issuance by the Parent Company's BOD on April 28, 2025.

2 Cash and cash equivalents

Cash and cash equivalents as at December 31 consist of:

	2024	2023
Cash on hand	-	4,000
Cash in banks	51,283,360	89,494,154
Cash equivalents	33,765,283	26,412,042
	85,048,643	115,910,196

Cash in banks earn interest at the respective bank deposit rate. Cash equivalents represent short-term time deposits with local bank having maturity of less than three (3) months from the date of placement and earning interest ranging from 3.2% to 5.75% per annum.

As at December 31, 2024, the Group has time deposits with a local bank amounting to P33,765,283 (2023 - P26,412,042) having a maturity of thirty-five (35) days from the date of placement and earning interest of 5.75% per annum (2023 - 0.625%).

For the year ended December 31, 2023, the Group has redeemed the short-term investment amounting to P19,398,721 with a local bank.

Interest income earned from bank deposits and cash equivalents for the year ended December 31, 2024, amounted to P3,795,008 (2023 - P4,370,656) (Note 14).

3 Real estate held for development and sale

Real estate held for development and sale represent the construction of Michelia Residences (Note 1), a townhouse project, in which JPI has been granted license to sell by the Housing and Land Use Regulatory Board (HLURB) of the Philippines. In 2024 and 2023, these include real estate held for sale on completed projects.

The movements in real estate held for development and sale for the year ended December 31 follows:

	Note	2024	2023
Balance at January 1		28,527,470	48,409,188
Additions during the year		1,905,594	1,934,761
Charged to cost of sales	12	(14,383,256)	(21,816,479)
Balance at December 31		16,049,808	28,527,470

Critical accounting judgment: Provision for losses on real estate held for development and sale

The Group provides for an allowance to write down real estate held for development and sale whenever the net realizable value becomes lower than cost. The allowance account is reviewed periodically.

As at December 31, 2024 and 2023, the Group has assessed that there is no need to provide any allowance for losses on land held for development and sale.

Critical accounting estimate: Evaluation of net realizable value (NRV) of real estate held for development and sale

The Group adjusts the cost to net realizable value based on its assessment of the recoverability of the real estate held for development and sale. NRV for completed real estate held for development and sale is assessed with reference to market conditions and prices existing at the reporting date and is determined by the Group in the light of recent market transactions. The amount and timing of recorded expenses for any period would differ if different judgments were made or different estimates were utilized. In evaluating NRV, recent market conditions and current market prices have been considered.

4 Prepayments and other current assets; Input VAT, non-current

Prepayments and other current assets as at December 31 consist of:

	2024	2023
Input value-added tax (VAT)	3,673,396	59,225
Creditable withholding taxes	2,269,104	1,614,571
Advances to a contractor	1,060,944	1,628,963
Advances to employees and officer	349,195	395,100
Prepayments	4,442	-
Others	14,882	14,882
	7,371,963	3,712,741

Advances to employees and officers pertain to cash advances for operating expenses which are expected to be liquidated within 12 months from date of receipt.

Input VAT, non-current

The Group presented the input VAT related to the Parent Company amounting to P1,962,657 as at December 31, 2024 (2023 - P1,841,542) as non-current asset since the management assessed that there will be no activities that will generate revenue that are subject to VAT within the next 12 months.

The Group has identified target projects, ventures, businesses and assets that can be included in the holdings and that will generate revenue that are subject to VAT. Management assessed that it is premature to recognize an impairment of the input VAT as management's intention is to apply it against future VAT obligations.

Other non-current assets

Other non-current assets as at December 31 consist of:

	2024	2023
Advances to a contractor	6,546,257	6,546,257
Refundable deposits	1,523,140	953,260
	8,069,397	7,499,517

Advances to a contractor presented as non-current assets represent advance payments for provision of construction services which are expected to be received beyond 12 months from the reporting date.

Refundable deposits pertain to deposits made by the Group for electricity and water service which are expected to be utilized or collected beyond 12 months from reporting date.

Critical accounting judgment: Recoverability of input VAT and creditable withholding taxes

In determining the recoverable amount of input VAT and creditable withholding taxes, management considers the probability of future transactions that will be available against which the input VAT and creditable withholding taxes can be utilized, including adequacy of and compliance with the required documentation for anticipated tax audits in case the entities within the Group opted to file for refund with the tax authorities in the future.

Management uses judgment based on the best available facts and circumstances, including but not limited to, the adequacy of documentation, timely filing of application with the tax authority and evaluation of the individual tax credit claim's future recoverability and utilization. As of reporting date, management believes that it will be able to recover these input VAT and creditable withholding taxes on the following basis:

- Input VAT carried in the VAT returns and creditable withholding taxes carried in income tax returns do not expire and can be used against future output VAT obligations and income tax payable, respectively. As disclosed in Note 1, the Group has identified target projects and business ventures that will generate revenues subject to VAT and income tax; and
- The Group has the option to apply for a tax refund on unused input VAT within a period of two (2) years.

5 Property and equipment, net

Property and equipment as of December 31 consist of:

	Furniture and fixtures	Office equipment	Leasehold improvements	Building improvement	Total
At January 1, 2023					
Cost	114,811	819,495	14,692,134	-	15,626,440
Accumulated depreciation	(49,613)	(481,404)	(12,657,845)	-	(13,188,862)
Net carrying value	65,198	338,091	2,034,289	-	2,437,578
For the year ended December 31, 2023					
Opening net carrying value	65,198	338,091	2,034,289	-	2,437,578
Additions	10,268	201,232	-	-	211,500
Depreciation and amortization expense	(22,100)	(160,950)	(1,479,688)	-	(1,662,738)
Closing net carrying value	53,366	378,373	554,601	-	986,340
At December 31, 2023					
Cost	125,079	1,020,727	14,692,134	-	15,837,940
Accumulated depreciation and amortization	(71,713)	(642,354)	(14,137,533)	-	(14,851,600)
Net carrying value	53,366	378,373	554,601	-	986,340
For the year ended December 31, 2024					
Opening net carrying value	53,366	378,373	554,601	-	986,340
Additions	367,256	170,133	-	5,472,534	6,009,923
Depreciation and amortization expense	(47,698)	(163,535)	(554,601)	(145,934)	(911,768)
Closing net carrying value	372,924	384,971	-	5,326,600	6,084,495
At December 31, 2024					
Cost	492,335	1,190,860	14,692,134	5,472,534	21,847,863
Accumulated depreciation and amortization	(119,411)	(805,889)	(14,692,134)	(145,934)	(15,763,368)
Net carrying value	372,924	384,971	-	5,326,600	6,084,495

Depreciation and amortization expense are charged to profit or loss as follows:

	Notes	2024	2023	2022
Cost of sales and services	12	554,601	1,479,688	2,907,033
Operating expenses	13	357,167	183,050	172,805
		911,768	1,662,738	3,079,838

Critical accounting estimate: Useful lives of property and equipment

The Group determines the estimated useful lives for its property and equipment based on the period over which the assets are expected to be available for use. The Group annually reviews the estimated useful lives of property and equipment based on factors that include asset utilization, internal technical evaluation, technological changes, environmental and anticipated use of assets tempered by related industry benchmark information. It is possible that future results of operations could be materially affected by changes in these estimates brought about by changes in factors mentioned.

Management has assessed that the useful lives of property and equipment are appropriate.

Critical accounting judgment: Impairment of property and equipment

The Group likewise reviews the carrying values of property and equipment and assesses them for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. Management uses judgment based on available facts and circumstances but not limited to evaluation of the future recoverability of property and equipment, in assessing whether a provision for impairment is required.

Management believes that there are no significant events or changes in circumstances which indicate that the carrying amount may not be recoverable at the reporting date.

6 Investment property, net

Investment property as at December 31, consists of:

	Construction in progress	Building	Total
At January 1, 2023			
Cost	-	-	-
Accumulated depreciation	-	-	-
Net carrying value	-	-	-
For the year ended December 31, 2023			
Opening net carrying value	-	-	-
Additions	17,555,049	-	17,555,049
Depreciation and amortization expense	-	-	-
Closing net carrying value	17,555,049	-	17,555,049
At December 31, 2023			
Cost	17,555,049	-	17,555,049
Accumulated depreciation	-	-	-
Net carrying value	17,555,049	-	17,555,049
For the year ended December 31, 2024			
Opening net carrying value	17,555,049	-	17,555,049
Additions	44,939,029	-	44,939,029
Reclassification	(49,097,934)	49,097,934	-
Depreciation expense	-	(1,309,278)	(1,309,278)
Closing net carrying value	13,396,144	47,788,656	61,184,800
At December 31, 2024			
Cost	13,396,144	49,097,934	62,494,078
Accumulated depreciation	-	(1,309,278)	(1,309,278)
Net carrying value	13,396,144	47,788,656	61,184,800

The investment property pertains to a three-story building intended for leasing upon project completion, located at Kanlaon St., Brgy. Sta. Teresita, Quezon City. In May 2024, the construction of Kanlaon Town Center Phase 1 was completed.

The carrying amount of investment property as at December 31, 2024 approximates their fair values as significant portion of the investment property was recently constructed and completed in 2024 and considering that they represent the costs necessary to construct the properties at current market prices. This cost approach is a level 3 fair value measurement, with any changes in the current prices of goods or services necessary to construct the properties directly affecting the fair values of investment properties as at reporting dates.

Acquisition of investment property as shown in the statements of cash flows for the year ended December 31, 2024 amounted to P38,266,703 (2023 - P17,55,049), net of retention payable amounting to P6,672,326 (2023 - nil).

Depreciation and amortization expense are charged to profit or loss as follows:

	Notes	2024	2023	2022
Cost of sales and services	12	139,133	-	-
Operating expenses	13	1,170,145	-	-
		1,309,278	-	-

Critical accounting judgment: Impairment of investment property

The Company reviews the carrying value of its investment property and assesses it for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. Management uses judgment based on available facts and circumstances, but not limited to evaluation of the future recoverability of in the investment property, in assessing whether a provision for impairment is required.

Management believes that there are no significant events or changes in circumstances which indicate that the carrying amount may not be recoverable at the reporting date.

7 Trade payables and other liabilities

Trade payables and other liabilities as at December 31 consist of:

	Note	2024	2023
Trade payables		434,085	434,085
Accrued expenses		8,039,466	4,846,453
Retention payable		6,672,326	-
Payable to regulatory agency		911,421	410,995
Due to a related party	8	893,044	890,236
Advances from customers		615,480	377,778
		17,565,822	6,959,547

Trade payables are non-interest bearing and are normally settled within 30 days.

Accrued expenses mainly consist of accruals for salaries and other employee benefits, security and janitorial services and professional fees.

Retention payable refers to a portion of the contract price related to the Kanlaon Town Center project withheld by the Group from the contractor to ensure completion of the project and satisfactory performance service. The full amount will be released to the contractor one (1) year after the completion of the project.

Advances from customers consist of deposits for utilities to be remitted to Homeowners Association (HOA) once the related property has been turned over to the buyer.

There are neither guarantees nor assets pledged to secure the Group's liabilities at December 31, 2024 and 2023.

The carrying amounts of trade payables and other liabilities approximate their fair values due to their short-term maturities.

8 Related party transactions and balances

The table below summarizes the Group's transactions and balances with its related parties.

	Transactions		2022	Due from (due to)		Terms and conditions
	2024	2023		2024	2023	
Receivables <i>Entity under common control</i>	146,405	66,016	-	212,421	66,016	Receivable from an entity under common control are related to payments made on behalf of Great Circle Holdings Inc. (GCH). These are non-interest bearing, unsecured, collectible in cash and on demand.
Advances to <i>Entity under common control</i>	13,000,000	12,471,964	-	25,471,964	12,471,964	Advances to an entity under common control are related to advances made to Ketton Property Management and Consultancy (KPMC) as the Group's property manager on its investment property under construction. There are no fixed repayment terms and these are non-interest bearing.
	13,146,405	12,537,980	-	25,684,385	12,537,980	

	Transactions		Due from (due to)		Terms and conditions	
	2024	2023	2022	2024		2023
Land management agreement (Lease liability) (Note 16) <i>Entity under common control</i>	-	840,012	801,539	(3,232,886)	(3,232,886)	Due to an entity under common control are related to Land Management Agreement with GCH (Note 16). These are non-interest bearing, unsecured and payable in cash.
Interest on lease (Note 16) <i>Entity under common control</i>	2,808	11,785	8,688	(68,283)	(65,475)	This pertains to the interest on lease liabilities as discussed in Note 16.
Contingent rent fees (Note 16) <i>Entity under common control</i>	-	-	824,761	(824,761)	(824,761)	This pertains to contingent fee in relation to the land management agreement with GCH as discussed in Note 16. These are non-interest bearing, unsecured, payable in cash and on demand.
	2,808	11,785	833,449	(893,044)	(890,236)	
Advances from Shareholders	-	-	-	(131,677,769)	(131,677,769)	Advances are extended for working capital requirements which are payable in cash with no fixed repayment date. These are non-interest bearing, unguaranteed and unsecured.
Key management compensation - Salaries and other short-term benefits (Note 13)	5,475,001	5,409,496	5,098,147	-	-	Key management compensation covering salaries and wages and other short-term benefits are determined based on contract of employment and payable in cash every month. The Parent Company has not provided share-based payments, termination benefits or other long-term benefits to its key management personnel for the years ended December 31, 2024, 2023 and 2022.

In the normal course of the business, the Group receives advances from the shareholders for working capital purposes. The carrying amount of advances from shareholders approximates its fair value due to its short-term maturity. The following related party balances as at December 31 were eliminated for the purpose of preparing the consolidated statements of financial position:

The following related party balances as at December 31 were eliminated for the purpose of preparing the consolidated statements of financial position:

	2024	2023
Due from subsidiary	106,435,732	106,435,732
Advances from Parent Company	106,435,732	106,435,732
Investment in subsidiary	3,326,994	3,326,994
Share capital of the subsidiary	3,125,000	3,125,000

There were no related party transactions identified to be eliminated for the purpose of preparing the consolidated statements of total comprehensive income of the Group for each of the three years in the period ended December 31, 2024.

9 Contract assets; contract liabilities

Contract assets

The Group incurs brokers' commission for each contract to sell that was successfully referred to by the broker. A portion of the commission is paid upon signing of the contract to sell, and the remaining portion is paid upon issuance of the deed of absolute sale to the buyer.

The amount of brokers' commission paid by the Group is recognized as contract assets. Contract assets will be charged to "commission expense" when revenue recognition is met for each customer contract.

The movements in contract assets for the years ended December 31 are as follow:

	Note	2024	2023
Beginning of the year		2,265,221	1,586,549
Additions during the year		1,914,088	2,040,051
Charged to expenses during the year	13	(2,395,452)	(1,361,379)
End of the year		1,783,857	2,265,221

Contract liabilities

Contract liabilities consist of customer deposits and advance payments for additional improvement on bare units which have not been completed as at December 31, 2024 and 2023. A portion of the contract liabilities are refundable if the customers will exercise their right to a refund based on the contract terms and applicable laws in the Philippines. The Group will recognize the revenue as the construction is completed and the collectability of the consideration is certain, which is expected to occur over the next 12 months from the reporting date.

The movements in contract liabilities for the years ended December 31 are as follows:

	Note	2024	2023
Beginning of the year		7,854,066	8,006,733
Additions during the year		8,255,883	33,881,582
Recognized as revenue during the year	11	(23,214,286)	(34,034,249)
End of the year		7,104,337	7,854,066

Critical accounting judgment: Revenue recognition

At contract inception, the Group evaluates the following criteria before it can apply the revenue recognition model under PFRS 15: a) The parties to the contract have approved the contract and are committed to perform their obligations; b) The entity can identify each party's rights regarding the goods or services to be transferred; c) The entity can identify the payment terms for the goods or services to be transferred; d) The contract has commercial substance (i.e., the risk, timing or amount of the entity's future cash flows is expected to change as a result of the contract); and e) It is probable that the entity will collect the consideration to which it will be entitled in exchange for the goods or services that will be transferred to the customer.

If a contract with a customer does not meet the criteria, the Group shall continue to assess the contract to determine whether the criteria are subsequently met. When a contract with a customer does not meet the criteria and the Group receives consideration from the customer, the Group recognizes the consideration received as revenue only when either of the following events has occurred: a) The Group has no remaining obligations to transfer goods or services to the customer and all, or substantially all, of the consideration promised by the customer has been received by the Group and is non-refundable; or b) The contract has been terminated and the consideration received from the customer is non-refundable.

As at December 31, 2024 and 2023, the Group recognized the consideration received from the customers as contract liabilities and will continue to assess if the revenue recognition criteria are subsequently met.

10 Equity

Share capital, net of treasury shares

Details of share capital as at December 31 are as follows:

	Note	2024		2023	
		Shares	Amount	Shares	Amount
Common shares at P1 par value per share					
Authorized share capital	1	500,000,000	500,000,000	500,000,000	500,000,000
Subscribed and issued					
Share capital issued		167,559,179	167,559,179	167,559,179	167,559,179
Treasury shares		(82)	(82)	(82)	(82)
Share capital issued and outstanding, net		167,559,097	167,559,097	167,559,097	167,559,097
Partially paid					
Subscribed share capital		82,500,000	82,500,000	82,500,000	82,500,000
Subscription receivable		(38,865,269)	(38,865,269)	(61,875,000)	(61,875,000)
Subscribed and paid		43,634,731	43,634,731	20,625,000	20,625,000
Share capital, net		211,193,828	211,193,828	188,184,097	188,184,097

Each common share confers upon a common shareholder: a) the right to vote at any shareholder's meeting or on any resolution of the shareholders; and b) the right to distribution of income under such terms and conditions as the BOD may approve. All holders of common shares shall have no pre-emptive rights to acquire new shares (including any common shares, securities convertible or exchangeable into shares, options, warrants or other rights to purchase or subscribe for shares or securities convertible or exchangeable into shares) to be issued by the Parent Company.

The Parent Company's record of registration of its securities under the Securities Regulation Code follows:

Date of approval	February 7, 2018	October 27, 1967
Number of shares registered	330,000,000	170,000,000
Issued/offer price	2.50	2.30

Share premium

In 2013, as part of the Parent Company's equity restructuring and to improve and strengthen the financial condition of the Parent Company without affecting the present ownership, the Board of Directors approved the conversion of the Parent Company's due to related parties, advances from shareholders and deposits for future shares subscriptions aggregating to P112,397,270 to additional paid in capital on April 30, 2013. On the same date, the Parent Company's shareholders approved such conversion into equity (under share premium).

On February 7, 2018, the Parent Company received a subscription payment from stockholders resulting to share premium amounting to P30,937,500.

As at December 31, 2024 and 2023, the share premium amounted to P143,334,770.

Subscription receivable

Details of the subscribed shares and subscription receivable as at December 31, 2024 and 2023 are as follows:

<i>December 31, 2024</i>	Share capital subscribed		Share premium	Total amount
	No. of shares	Amount		
Total subscription	82,500,000	82,500,000	123,750,000	206,250,000
Subscribed and paid, gross of share issuance costs	(43,634,731)	(43,634,731)	(30,937,500)	(74,572,231)
Subscription receivable	38,865,269	38,865,269	92,812,500	131,677,769

<i>December 31, 2023</i>	Share capital subscribed		Share premium	Total amount
	No. of shares	Amount		
Total subscription	82,500,000	82,500,000	123,750,000	206,250,000
Subscribed and paid, gross of share issuance costs	(20,625,000)	(20,625,000)	(30,937,500)	(51,562,500)
Subscription receivable	61,875,000	61,875,000	92,812,500	154,687,500

In 2024, the Parent Company received a subscription payment from stockholders amounting to P23,009,731 (2023 - nil) and the full amount was presented as part of the share capital.

11 Revenue

The Group's revenue from contracts with customers for the years ended December 31 are as follows:

	Note	2024	2023	2022
Sale of real property held for development and sale		23,214,286	34,034,249	71,781,026
Rental income	16	9,300,996	17,223,542	15,957,335
		32,515,282	51,257,791	87,738,361

12 Cost of sale and services

Cost of sale and services for the years ended December 31 consist of:

	Notes	2024	2023	2022
Cost of real property held for development and sale	3	14,383,256	21,816,479	55,732,288
Cost of services				
Depreciation	5, 6	693,734	1,479,688	2,907,033
Amortization of right-of-use asset	16	350,006	823,981	732,787
		15,426,996	24,120,148	59,372,108

Cost of real property held for development and sale includes allocated cost of land acquisition, site developmental cost, house construction cost, and other costs attributable to bringing the real estate inventories to its intended condition.

13 Operating expenses

The components of operating expenses for the years ended December 31 are as follows:

	Notes	2024	2023	2022
Salaries and other employee benefits	8	16,570,693	9,617,982	6,186,660
Professional and consultancy fees		2,472,488	1,952,939	4,614,711
Commission		2,395,452	1,361,379	3,940,854
Depreciation	5, 6	1,527,312	183,050	172,805
Taxes, licenses and regulatory fees		1,472,103	1,506,498	802,987
Utilities		1,251,667	-	-
Meeting		658,624	468,146	204,799
Office supplies		527,866	15,611	61,966
Agency fee		364,440	-	-
Repairs and maintenance		272,992	503,012	112,914
Transportation		67,863	69,577	187,910
Miscellaneous		1,049,662	1,256,471	607,154
		28,631,162	16,934,665	16,892,760

Miscellaneous expense mainly pertains to advertising and promotion, bank charges, representation and web/internet expenses.

14 Other income

The components of other income for the years ended December 31 are as follows:

	Note	2024	2023	2022
Interest income	2	3,795,008	4,370,656	924,074
Other income		1,781,610	971,060	161,977
		5,576,618	5,341,716	1,086,051

Other income pertains to scrap sales, forfeited customer reservation fees and developer's incentives.

15 Income tax

On March 26, 2021, Republic Act No. 11534, also known as the Corporate Recovery and Tax Incentives for Enterprises (CREATE) Act, was enacted into law. One of its key provisions set the Minimum Corporate Income Tax (MCIT) rate at 1% for the period from July 1, 2020, to June 30, 2023. Effective July 1, 2023, the MCIT rate reverted to its previous rate of 2%.

The components of income tax (benefit) expense as shown in statements of total comprehensive income for the years ended December 31 are as follows:

	2024	2023	2022
Current tax expense	384,398	3,936,857	3,780,484
Deferred tax (benefit) expense	(472,602)	(208,942)	156,501
	(88,204)	3,727,915	3,936,985

Deferred income tax assets

The Group has a total deferred income tax (DIT) asset as at December 31, 2024, amounting to P7,348,707 (2023 - P4,864,468), of which P1,202,329 and P3,142 (2023 - P731,210 and P1,659) related to JPI and Parent Company, respectively, was recognized while P832,870 and P5,310,366 (2023 - P4,131,599 and nil) related to JPI and the Parent Company, respectively were unrecognized.

Recognized DIT asset

Recognized DIT asset as at December 31 consists of the tax effect of the following temporary differences:

	2024	2023
<i>Recognized by JPI</i>		
Excess of MCIT over RCIT	382,915	-
Right of use assets	-	(87,502)
Lease liabilities	808,222	808,222
Interest payable on lease	11,192	10,490
	1,202,329	731,210
<i>Recognized by JAS</i>		
Excess of MCIT over RCIT	3,142	1,659
	1,205,471	732,869

In compliance with the tax regulations, the Group shall pay the greater of MCIT and Regular Corporate Income Tax (RCIT), starting 2021. Any excess of MCIT over the RCIT shall be carried forward for the next three consecutive taxable years immediately following the year such MCIT was paid. The Group paid MCIT amounting to P120,699 which is greater than RCIT. The amount was utilized in 2022.

Details of excess of MCIT over RCIT as at December 31, 2024 follows:

Year incurred	Year of expiration	Amount	Utilized	Balance
2021	2024	119,040	(119,040)	-
2022	2025	1,659	-	1,659
2024	2027	384,398	-	384,398
		505,097	(119,040)	386,057

The realization of the future tax benefit related to the deferred tax asset is dependent on the JPI's ability to generate future taxable income.

Management has considered these factors in concluding to recognize a portion of DIT assets in the statements of financial position at December 31, 2024 and 2023.

Movements in the DIT assets for the years ended December 31 are as follows:

	2024	2023	2022
At January 1	732,869	523,927	799,468
Credited (charged) to profit or loss	472,602	208,942	(156,501)
Utilization of MCIT	-	-	(119,040)
At December 31	1,205,471	732,869	523,927

Unrecognized DIT assets

The Group's unrecognized DIT assets as incurred by the Parent Company and subsidiary as at December 31 are as follows:

	2024	2023
<i>Unrecognized by Parent Company</i>		
Net operating loss carryover (NOLCO)	5,316,602	4,157,054
Unrealized foreign exchange loss (gain)	(6,236)	1,511
	5,310,366	4,158,565
<i>Unrecognized by JPI</i>		
NOLCO	832,870	-

In 2020, pursuant to Section 4 (bbb) of Bayanihan II and as implemented under RR 25-2020, the net operating losses of a business or enterprise incurred for taxable years 2020 and 2021 can be carried over as a deduction from gross income for the next five (5) consecutive taxable years following the year of such loss. Any net operating losses of a business that will be incurred for other taxable years can be carried over as a deductible expense from taxable for three (3) consecutive taxable years following the year of such loss.

The details of the Parent Company's NOLCO as of December 31 are as follow:

Year loss was incurred	Year of expiration	2023	Additions during the year	Expired during the year	2024
2020	2025	3,748,706	-	-	3,748,706
2021	2026	5,174,848	-	-	5,174,848
2022	2025	3,955,255	-	-	3,955,255
2023	2026	3,749,406	-	-	3,749,406
2024	2027	-	4,638,191	-	4,638,191
		16,628,215	4,638,191	-	21,266,406
Tax rate		25%	25%		25%
		4,157,054	1,159,548	-	5,316,602

The details of JPI's NOLCO as at December 31, are as follow:

Year loss was incurred	Year of expiration	2023	Additions during the year	Expired during the year	2024
2024	2027	-	3,331,480	-	3,331,480
		-	3,331,480	-	3,331,480
Tax rate	-	25%	25%		25%
-	-	-	832,870		832,870

Realization of the future tax benefits related to the DIT asset is dependent on many factors, including the Parent Company's ability to generate taxable income. Management has considered these factors in reaching a conclusion not to recognize the Parent Company's DIT assets in the consolidated statements of financial position.

The reconciliation of income tax computed at the statutory income tax rate to income tax expense as shown in the statement of total comprehensive income for the years ended December 31 is as follows:

	2024	2023	2022
(Loss) income before income tax	(5,944,122)	15,526,869	12,751,373
Applicable statutory tax rate	25%	25%	25%
Income (loss) before income tax at statutory tax rate	(1,486,031)	3,881,717	3,187,843
Adjustments for:			
Interest income subject to final tax	(948,752)	(1,092,664)	(231,018)
Non-deductible penalties	360,398	-	-
Unrecognized tax benefit on NOLCO	1,992,418	937,351	988,813
Others	(6,236)	1,511	(8,653)
	(88,203)	3,727,915	3,936,985

Critical accounting judgment: Deferred income taxes

PFRS requires the recognition of deferred income tax (DIT) assets to the extent that it is probable that future taxable income will be available against which the temporary differences can be utilized. Determining the realizability of DIT assets requires the estimation of profits expected to be generated from operations.

16 Lease agreement

Group as the lessee

Land Management Agreement

In 2020, JPI and Great Circle Holdings, Inc. (GCH) entered into a Land Management Agreement granting JPI the right to maintain and utilize the property of GCH situated at 593 San Antonio Drive, Taguig Bagumbayan Industrial Park, Taguig City consisting of land and warehouses for leasing activities to third-parties or its related parties. JPI will receive the entire amount of rental income from third parties or its related parties' lessees and in turn, pay GCH a 5% consideration, contingent on the rental income received. This is to allow JPI to recoup the costs incurred to improve the warehouses.

The agreement is for a period of two (2) years beginning May 4, 2020 until May 3, 2022, renewable upon mutual agreement of the parties. During 2023 and 2022, the agreement was renewed for another year. The foregoing agreement qualified as lease under PFRS 16. No further renewal of the agreement in 2024.

In 2022, the Company entered into another Land Management Agreement with its related party, Bluebell Properties and Holding Corporation (BPHC) granting the Company the right to operate the land of BPHC situated at #8 Kanlaon St., Brgy. Sta. Teresita, Quezon City for leasing activities to third-parties or its related parties. The Company is permitted to construct and operate in the land. The Company will receive the entire amount of rental income from third-parties or its related parties' lessees and in turn, pay BPHC a 5% consideration, contingent on the rental income received. As at December 31, 2024 and 2023, construction of phase 1 of the building on this land is completed (Note 6), however, no rental income has been recognized.

The agreement is for an initial period of eight (8) years beginning January 28, 2022, until January 27, 2030, subject to terms and conditions mutually agreed upon by both parties.

Amounts recognized in the statements of financial position as at December 31 are as follows:

	Note	2024	2023
Right-of-use asset			
Beginning of the year		350,006	333,975
Additions during the year		-	840,012
Amortization	13	(350,006)	(823,981)
		-	350,006
Lease liability			
Current		3,232,886	3,232,886
Non-current		-	-
		3,232,886	3,232,886

The movement of lease liabilities for the years ended December 31 are as follows:

	2024	2023
Beginning of the year	3,232,886	2,392,874
Additions during the year	-	840,012
	3,232,886	3,232,886

There are no cash outflow for leases for the year ended December 31, 2024 and 2023.

Amounts recognized in the statements of total comprehensive income for the years ended December 31 are as follows:

	Notes	2024	2023
Amortization expense on right-of-use asset	13	350,006	823,981
Interest expense on lease liability	9	2,808	11,785
		352,814	835,766

Future minimum lease payments under lease liabilities and the net present value of the minimum lease payments as at December 31 follows:

	2024	2023
Not later than 1 year	3,232,886	3,235,693
Later than 1 year but not more than five years	-	-
	3,232,886	3,235,693
Future finance charges	-	(2,807)
	3,232,886	3,232,886

The present value of lease liabilities at December 31 is as follows:

	2024	2023
Not later than 1 year	-	3,232,886
Later than 1 year but not more than five years	-	-
	3,232,886	3,232,886

Group as the lessor

Lease agreement with a third-party lessee

On May 4, 2020, the Group entered into a contract of lease with a third-party lessee for the property of GCH covered under the Land Management Agreement (Note 8). The lease contract is for a period of two (2) years and one (1) month beginning May 4, 2020 and terminating on June 3, 2022, unless pre-terminated or cancelled in accordance with the lease contract. The contract of lease is renewable for a period of one (1) year upon mutual agreement of the parties. The agreement was renewed for another year from June 4, 2022, to June 3, 2023. During the year, the agreement was renewed for another year from June 4, 2023, to June 3, 2024. An escalation of 2.5% will be effected on the rental amount on the second year of the lease.

The contract requires security deposits equivalent to three (3) months of rental amount or P4,259,624, which is refundable without interest, 90 days after the expiration of the contract or termination without prejudice to the lessor's right to deduct from the said deposit any unpaid amount due and owing to the lessor and to deduct any and all expenses which the lessor may incur as a consequence and/or result of the lessee's use of the leased premises. As at December 31, 2024, the refundable deposit amounting P4,259,624 is still outstanding.

The contract also requires advance rental payments equivalent to the last three (3) months of the lease period or P4,483,815. The advance rental shall apply to and be deemed payments for rentals accruing on the last three months of the lease period. In 2024, there is an application for the three (3) months advance rental payment of P4,483,815 from March 2, 2024 to June 3, 2024, and no lease renewal has been made.

On April 25, 2024, the lessee requested a lease extension from June 3 to July 3, 2024. As at December 31, 2024, there is no renewal of the lease contract.

For the year ended December 31, 2024, rental income from the lease contract amounted to P9,300,996 (2023 - P17,223,542) (Note 11).

The total estimated future minimum rental income on the lease of property as at December 31 are as follows:

	2024	2023
Not later than 1 year	4,259,624	8,743,438
Later than 1 year but not more than 5 years	-	-
	4,259,624	8,743,438

17 (Loss) income per share

(Loss) income per share (basic and diluted) for the years ended December 31 was computed as follows:

	2024	2023	2022
(Loss) income for the year	(5,855,918)	11,798,954	8,814,388
Weighted average number of outstanding shares	250,059,097	250,059,097	250,059,097
Basic and diluted (loss) income per share	(0.0234)	0.0472	0.0352

There were no potential dilutive shares in 2024, 2023 and 2022.

18 Foreign currency denominated monetary asset

The Group's foreign currency denominated asset as at December 31, 2024 and 2023 are as follows:

As at December 31, 2024

	US Dollar	Exchange rate at December 31	Peso equivalent
Cash in bank	10,928	57.845	632,141

As at December 31, 2023

	US Dollar	Exchange rate at December 31	Peso equivalent
Cash in bank	10,926	55.567	607,100

Foreign exchange gain for the years ended December 31 consists of:

	2024	2023	2022
Realized foreign exchange gain	-	-	165,903
Unrealized foreign exchange gain (loss), net	24,944	(6,040)	34,614
	24,944	(6,040)	200,517

19 Critical accounting estimates, assumptions and judgments

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

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The Group believes the following represent a summary of these significant estimates, assumptions and judgments and their related impact and associated risks in the consolidated financial statements:

19.1 Critical accounting estimates

- *Evaluation of net realizable value of real estate held for development and sale (Note 3)*
- *Useful lives of property and equipment (Note 5)*
- *Useful lives of investment property (Note 6)*

19.2 Critical judgments in applying the Group's accounting policies

- *Provision for losses on real estate held for development and sale (Note 3)*
- *Recoverability of input VAT and creditable withholding taxes (Note 4)*
- *Impairment of property and equipment and investment property (Note 5)*
- *Impairment of investment property (Note 6)*
- *Revenue recognition (Note 9)*
- *Recoverability of DIT assets (Note 15)*

20 Financial risk and capital management

20.1 Financial risk management

The Group's overall risks management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Group's financial performance.

Foreign exchange risk

The Group is exposed to foreign exchange risk primarily with respect to its cash maintained in U.S. Dollar. The Group's financial position and results of operations are affected by the movement in the U.S. Dollar to Philippine Peso exchange rate. Foreign exchange risk arises when recognized assets denominated in a currency that is not the Parent Company's functional currency.

Transactions denominated in foreign currencies and related exchange rates are monitored by management in order to minimize risk based on Group's policies.

The Group's foreign denominated financial assets are presented in Note 18.

Assuming that all other variables remain constant, a movement of the PHP against USD at reporting date would not result to significant foreign currency exchange risk.

The sensitivity rates used in this assessment represent the rates of change between the foreign currency at December 31, 2024 and 2023 and the foreign currency exchange rates determined 30 days from the reporting period, by which management is expected to realize the Group's financial assets.

Credit risk

Credit risk refers to the risk that a counterparty will cause a financial loss to the Group by failing to discharge an obligation. Significant changes in the economy that may represent a concentration in the Group's business, could result to losses that are different from those provided for at reporting date.

Credit risk arises from cash deposits and short-term investment with banks and financial institutions, as well as credit exposure on receivables. The fair values of these financial assets approximate their net carrying amounts.

The Group has the following financial assets that are subject to credit risks:

Class of financial assets	Notes	At gross amounts	Neither past due nor impaired	Past due but not impaired	Overdue and impaired
<i>December 31, 2024</i>					
Cash and cash equivalents	2	85,048,643	85,048,643	-	-
Receivables	8	212,421	212,421	-	-
Refundable deposits	4	1,523,140	1,523,140	-	-
Total		86,784,204	86,784,204	-	-

Class of financial assets	Notes	At gross amounts	Neither past due nor impaired	Past due but not impaired	Overdue and impaired
<i>December 31, 2023</i>					
Cash and cash equivalents	2	115,906,196	115,906,196	-	-
Receivables	8	66,016	66,016	-	-
Refundable deposits	4	953,260	953,260	-	-
Total		116,925,472	116,925,472	-	-

*Excluding cash on hand amounting to P4,000

The Group applied the expected credit loss model as follows:

Class of financial assets	At gross amounts	Expected credit losses	Net carrying amount	Internal credit rating	Basis for recognition of expected credit loss (ECL)
<i>December 31, 2024</i>					
Cash and cash equivalents	85,048,643	-	85,048,643	Performing	12-month ECL Simplified approach
Receivables	212,421	-	212,421	Performing	12-month ECL
Refundable deposits	1,523,140	-	1,523,140	Performing	12-month ECL
Total	86,784,204	-	86,784,204		

Class of financial assets	At gross amounts	Expected credit losses	Net carrying amount	Internal credit rating	Basis for recognition of expected credit loss (ECL)
<i>December 31, 2023</i>					
Cash and cash equivalents	115,906,196	-	115,906,196	Performing	12-month ECL Simplified approach
Receivables	66,016	-	66,016	Performing	12-month ECL
Deposits	953,260	-	953,260	Performing	12-month ECL
Total	116,925,472	-	116,925,472		

*Excluding cash on hand amounting to P4,000

Cash and cash equivalents

To minimize credit risk exposure from cash and cash equivalents, short-term investment and interest receivable, the Group maintains cash deposits and short-term placements in reputable banks. The Group assesses that cash and cash equivalents have low credit risk considering the bank's external credit ratings.

The Group maintains all of its cash deposits and short-term placements in banks with strong credit ratings to minimize exposure to credit risk. Amounts deposited in these banks as at December 31, are as follows:

	2024	2023
Universal bank	74,048,215	51,588,506
Thrift bank	11,000,428	64,317,690
	85,048,643	115,906,196

The remaining balance of cash and cash equivalents as of December 31, 2024 amounting to nil (2023 - P4,000) represent cash on hand, which is not exposed to significant credit risk (Note 2).

Receivables

The Group trades mainly with recognized, creditworthy third parties. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis with the result that the Group's exposure to bad debts is not significant.

To measure the expected credit losses, these receivables from customers have been grouped based on shared credit risk characteristics and days past due. In calculating the expected credit loss rates, the Group considers historical loss rates for each category of customers and adjusts for forward-looking macroeconomic data. The Group has identified the inflation rate and the gross domestic product to be the most relevant factors, and accordingly adjust the historical loss rates based on expected changes in these factors.

Credit quality of customers classified as performing are customers and counterparty balances without history of default and assessed to be fully recoverable.

Due from related parties

Due from related parties are collectible on demand and therefore, expected credit losses are based on the assumption that repayment of balances outstanding are demanded at the reporting date. Based on assessment of qualitative and quantitative factors that are indicative of the risk of default, including but not limited to, availability of accessible highly liquid asset and internal and external funding of related parties, Parent Company has assessed that the outstanding balances are exposed to low credit risk. Expected credit losses on these balances have therefore been assessed to be insignificant.

Deposits

Deposits are made with various unrated counterparties with no history of default with insignificant credit risk.

Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash to meet its operating cash requirements. The Group manages liquidity risk by monitoring expected cash flows and seeks funding from its shareholders to meet its operating commitments. The Group's financial liabilities as at December 31 are as follows:

	Notes	2024	2023
Trade payables and other liabilities	7	16,315,986	6,170,774
Advances from shareholders	8	131,677,769	131,677,769
Security deposits	16	4,259,624	4,259,623
Lease liabilities including future interest	17	3,232,886	3,235,693
		155,486,265	145,343,859

As at December 31, 2024, trade payables and other liabilities presented above exclude amounts payable to BIR amounting to P634,356 (2023 - P410,995) and advances from customers amounting to P615,480 (2023 - P377,778). Liquidity risk is not significant given the limited amount of financial liabilities payable to third parties.

20.2 Capital management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern, so that it can continue to implement business plans to make the Group profitable in the future.

In order to maintain or adjust the capital structure, the Group may issue new shares. Total capital being managed by the Group as at December 31, 2024 and 2023 consists of:

	Note	2024	2023
Share capital, net	10	211,193,910	188,184,179
Share premium	10	143,334,770	143,334,770
Treasury shares	10	(82)	(82)
Deficit		(303,923,560)	(298,067,642)
		50,605,038	33,451,225

The Group has identified target projects, ventures, businesses and assets that can be included in the holdings of the Group for which the Group may issue shares in exchange for owning them.

As discussed in Note 1, the Parent Company obtained approval from the SEC on February 7, 2018 for the Parent Company's increase in authorized capital stock amounting to P330,000,000. This enabled the Group to generate further capital infusion from its shareholders to support its business plans.

As part of the reforms of the Philippine Stock Exchange (PSE) to expand capital market and improve transparency among listed firms, PSE has required listed entities to maintain a minimum of 20% of their issued and outstanding shares, exclusive of any treasury shares, to be held by the public.

The Parent Company has complied with the minimum public float as at December 31, 2024 and 2023.

21 Summary of material accounting policies

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

21.1 Basis of preparation

The consolidated financial statements of the Group have been prepared in accordance with PFRS Accounting Standards. PFRS Accounting Standards comprise the following authoritative literature:

- PFRS Accounting Standards;
- PAS Standards; and
- Interpretations issued by the International Financial Reporting Interpretations Committee (IFRIC), Philippine Interpretations Committee (PIC), and Standing Interpretations Committee (SIC) as approved by the Financial and Sustainability Reporting Standards Council (FSRSC) and the Board of Accountancy and adopted by the Securities and Exchange Commission (SEC).

These consolidated financial statements have been prepared under the historical cost convention.

The Group is monitored as a single operating segment considering the limited transactions for each of the three years in the period ended December 31, 2024.

The preparation of consolidated financial statements in conformity with PFRS Accounting Standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Group's accounting policies. The areas involving higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 19.

Changes in accounting policies and disclosures

(a) *New and amended standards adopted by the Group*

- Amendments to PAS 1, *Presentation of Financial Statements – Non-current liabilities with covenants*.

The amendments clarified that liabilities are classified as either current or non-current, depending on the rights that exist at the end of the reporting period. Classification is unaffected by the entity's expectations or events after the reporting date (e.g. the receipt of a waiver or a breach of covenant). Covenants of loan arrangements will not affect classification of a liability as current or non-current at the reporting date if the entity must only comply with the covenants after the reporting date. However, if the entity must comply with a covenant either before or at the reporting date, this will affect the classification as current or non-current even if the covenant is only tested for compliance after the reporting date. The amendments require disclosures if an entity classifies a liability as noncurrent and that liability is subject to covenants that the entity must comply with within 12 months of the reporting date. The amendments also clarify what PAS 1 means when it refers to the 'settlement' of a liability. The amendments must be applied retrospectively in accordance with the normal requirements in PAS 8 Accounting Policies, Changes in Accounting Estimates and Errors. The amendments have no significant impact on the Group's financial statements.

(b) *New standards, amendments and interpretations not yet adopted*

- PFRS 18, *Presentation and disclosure in financial statements*

PFRS 18 will replace PAS 1, *Presentation and disclosure in financial statements*, specifically:

- a. Entities are required to classify all income and expenses into five categories in the statement of profit or loss as operating, investing, financing, discontinued operations and income tax categories. Entities are also required to present newly defined operating profit subtotal.
- b. Management defined performance measures are disclosed in a single note in the financial statements.
- c. Enhanced guidance on how to group information in the financial statements.
- d. Entities are required to use operating profit subtotal as the starting point for the Statements of Cash Flows presented using the indirect method.

The application is effective for annual reporting periods beginning on or after January 1, 2027. Earlier application is permitted. In compliance with the new standard, the Group expects to update the structure of the financial statements, disclose management performance measures, and enhance aggregation and disaggregation of information to improve comparability and transparency.

There are no other standards, amendments and interpretations which are effective for the financial year beginning on or after January 1, 2024, that are relevant to and have a material impact on the Group's financial statements.

21.2 Consolidation

Subsidiary

Subsidiary is an entity (including structured entity) over which the Group has control. The Group controls an entity where the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. A subsidiary is fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The acquisition method of accounting is used to account for business combinations that result in the acquisition of a subsidiary by the Group. The cost of a business combination is measured as the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the business combination. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination over the acquirer's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities recognized is recorded as goodwill. Inter-company transactions, balances and unrealized gains on transactions between the Parent Company and its subsidiary are eliminated in full. Intra-group losses are also eliminated but may indicate an impairment that requires recognition in the consolidated financial statements. Accounting policies of the subsidiary have been changed where necessary to ensure consistency with the policies adopted by the Group.

When the Group ceases to have control, any retained interest in the subsidiary is re-measured to its fair value at the date when control is lost, with the change in carrying amount generally recognized in profit or loss. The fair value is the initial carrying amount for purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognized in other comprehensive income in respect of that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognized in other comprehensive income are reclassified to profit or loss.

If the Group surrenders control to a related party within the Group it ultimately belongs, the difference between the consideration received and the fair value of the subsidiary at divestment date, is recognized as other charges to equity.

21.3 Financial assets

Classification

The Group classifies its financial assets in the following measurement categories: (a) those to be measured subsequently at fair value (either through OCI or through profit or loss), and (b) those to be measured at amortized cost.

The classification depends on the Group's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments that are not held for trading, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

The Group reclassifies financial assets when and only when its business model for managing those assets changes.

The Group did not hold financial assets under category (a) during and as at December 31, 2024 and 2023.

Recognition and subsequent measurement

The Group recognizes a financial asset in the statement of financial position when the Group becomes a party to the contractual provisions of the instrument. Regular-way purchases and sales of financial assets are recognized on trade date - the date on which the Group commits to purchase or sell the asset.

At initial recognition, the Group measures a financial asset at its fair value plus transaction costs that are directly attributable to the acquisition of the financial asset.

Subsequently, assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. Interest income from these financial assets is included in finance income using the effective interest rate method.

Impairment

The Group assesses on a forward-looking basis the expected credit losses associated with its financial assets carried at amortized cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Impairment losses are presented within operating expenses in the statement of total comprehensive income.

Loss allowances of the Group are measured on either of the following bases:

- 12-month ECLs: these are ECLs that result from default events that are possible within the 12 months after the reporting date (or for a shorter period if the expected life of the instrument is less than 12 months); or
- Lifetime ECLs: these are ECLs that result from all possible default events over the expected life of a financial instrument or contract asset.

General approach

The Group applies the general approach to provide for ECLs on due from related parties. Under the general approach, the loss allowance is measured at an amount equal to 12-month ECLs at initial recognition.

At each reporting date, the Group assesses whether the credit risk of a financial instrument has increased significantly since initial recognition. When credit risk has increased significantly since initial recognition, loss allowance is measured at an amount equal to lifetime ECLs.

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 includes forward-looking information.

The Group considers a financial asset to be in default when:

- the borrower is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realizing security (if any is held); or
- the financial asset is more than 180 days past due.

The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

Measurement of ECLs

The measurement of expected credit losses is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information as described above. As for the exposure at default, for financial assets, this is represented by the assets' gross carrying amount at the reporting date.

Credit-impaired financial assets

At each reporting date, the Group assesses whether financial assets carried at amortized cost are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the counterparty;
- a breach of contract such as a default; or
- it is probable that the borrower will enter bankruptcy or other financial reorganization.

Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedures for recovery of amounts due.

Derecognition

Financial assets are derecognized when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership. Any gain or loss arising on derecognition is recognized directly in the statement of total comprehensive income and presented in other gains/(losses).

21.4 Financial liabilities

Classification

The Group classifies its financial liabilities as: (i) financial liabilities at fair value through profit or loss and (ii) other financial liabilities measured at amortized cost. The Group does not have any financial liabilities at fair value through profit or loss.

These are included in current liabilities, except for maturities greater than 12 months after the reporting date or when the Group has an unconditional right to defer settlement for at least 12 months after the reporting date which are classified as non-current liabilities.

Recognition

Other financial liabilities at amortized cost are recognized in the consolidated statement of financial position when, and only when, the Group becomes a party to the contractual provisions of the instrument.

Measurement

The Group's financial liabilities are initially measured at fair value plus transaction costs. These are subsequently measured at amortized cost using the effective interest rate method.

Derecognition

Financial liabilities are derecognized when it is extinguished, that is, when the obligation specified in a contract is discharged or cancelled, or when the obligation expires.

21.5 Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the consolidated statement of financial position when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis, or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Group or the counterparty.

The Group did not enter into any legally enforceable master netting agreements or other similar arrangements that would require offsetting of financial assets and liabilities as at December 31, 2024 and 2023.

21.6 Fair value measurement

The fair value of a non-financial asset is measured based on its highest and best use. The asset's current use is presumed to be its highest and best use.

The fair value of financial and non-financial liabilities takes into account non-performance risk, which is the risk that the entity will not fulfill an obligation.

The Group classifies its fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1);
- inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (Level 2); and
- inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (Level 3).

As at December 31, 2024 and 2023, the Group has no assets and liabilities measured at fair value. The fair value of the financial assets and liabilities carried at amortized cost approximates their carrying value due to their short-term maturities.

21.7 Real estate held for development and sale

Real estate held for development and sale is carried at the lower of cost or net realizable value. The cost of real estate under development is determined using the inputs method. Cost includes construction and development costs of the real estate property plus other costs and expenses incurred incidental to the development of the property. Cost is further reduced by any provision for write-down. Net realizable value is the estimated selling price in the ordinary course of business less the estimated cost of completion and the estimated cost necessary to make sale.

The excess of cost of real estate under development and sale over the net realizable value is recognized as write-down in profit or loss. Reversals of previously recorded write-downs are credited to profit or loss based on the result of management's update assessment, considering the available facts and circumstances, including but not limited to net realizable value at the time of disposal.

Real estate under development is derecognized when sold or written-off. When real estate under development is sold, the carrying amount of the asset is recognized as an expense in the period in which the related revenue is recognized.

21.8 Property and equipment

Property and equipment are stated at historical cost less accumulated depreciation and impairment losses, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items, which comprises its purchase price and any directly attributable costs of bringing the asset to its working condition and location for its intended use.

Capital expenditures related to a project which are partially received or incurred are classified as construction in-progress and are stated at historical cost. These are not reclassified to the other property, and equipment accounts and depreciated until such time that the relevant assets are substantially completed and ready for intended use.

Depreciation is calculated using the straight-line method to allocate their costs to their residual values over their estimated useful lives (in years), as follows:

	No. of years
Office equipment	5 years
Furniture and fixture	5 years
Leasehold improvements	5 years or term of lease, whichever is shorter
Building and Improvement	25 years

Leasehold improvements are amortized over the estimated useful lives of the improvements or the anticipated term of the lease, whichever is shorter. Management renews its lease when the term expires.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each reporting date.

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

21.9 Investment property

Investment property pertaining to building held for long-term rental yields and are not occupied by the Group. Investment properties are carried at cost less accumulated depreciation and any impairment, except for land, which is shown at cost less any impairment. Cost is the fair value of the consideration given to acquire the property, including transaction costs such as legal fees and taxes on the purchase of the property. The cost of a self-constructed asset includes all directly attributable costs required to bring the property to its required working condition. Subsequent expenditure should demonstrably enhance the original asset to qualify for recognition. Transfers to investment property do not result in gains or losses.

Depreciation on investment properties other than land is calculated using the straight-line method over the estimated useful life of 25 years.

Derecognition of an investment property will be triggered by a change in use or by sale or disposal. Gain or loss arising on disposal is calculated as the difference between any disposal proceeds and the carrying amount of the related asset and is recognized in profit or loss.

21.10 Impairment of non-financial assets

Non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. Value in use requires entities to make estimates of future cash flows to be derived from the particular asset, and discount them using a pre-tax market rate that reflects current assessments of the time value of money and the risk specific to the asset. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units).

Where an impairment loss subsequently reverses, the carrying amount of the asset or cash-generating unit is increased to the revised estimate of its recoverable amount, but the increased carrying amount should not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset or cash-generating unit in prior years. A reversal of an impairment loss is recognized as income immediately as other operating income in the statement of total comprehensive income.

21.11 Current and deferred income tax

The income tax expense for the period normally comprises current and deferred tax. Income tax expense is recognized in profit or loss within income tax (expense) credit, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case, the tax is also recognized in other comprehensive income or directly in equity, respectively.

DIT assets are recognized for all deductible temporary differences to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilized. DIT liabilities are recognized in full for all taxable temporary differences, except to the extent that the DIT liability arises from the initial recognition of goodwill.

DIT assets are derecognized when it is utilized or when it is no longer probable that future taxable profit can be utilized from the temporary deductible differences. DIT liabilities are derecognized when the temporary taxable differences have been settled.

The Group reassesses at each reporting date the need to recognize a previously unrecognized DIT asset.

21.12 Trade payables and other liabilities

Trade payables and other liabilities are obligations to pay for goods or services that have been acquired in the ordinary course of business. These are recognized in the period in which the related money, goods or services are received or when a legally enforceable claim against the Group is established or when the corresponding assets and expenses are recognized. Trade payables and other liabilities are recognized initially at fair value and subsequently measured at amortized cost using effective interest method. These are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities.

Trade payables and other liabilities are derecognized when it is extinguished, that is, when the obligation specified in a contract is discharged or cancelled, or when the obligation expires.

21.13 Borrowings and borrowing costs

Borrowings are recognized initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortized cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognized in profit or loss over the period of the borrowings using the effective interest method.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

Borrowing costs which are directly attributable to the acquisition, construction or production of a qualifying asset (one that takes a substantial period of time to get ready for use or sale) are capitalized as part of the cost of that asset. Borrowing costs, not directly attributed to a qualifying asset, are recognized and charged to profit or loss in the year in which they are incurred.

Borrowings are derecognized when the obligation is settled, paid or discharged.

21.14 Provisions

Provisions are recognized when the Group has a present legal or constructive obligation as a result of past events; it is more likely than not that an outflow of resources will be required to settle the obligation; and the amount can be reliably estimated. Provisions are not recognized for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required upon settlement is determined by considering the class of obligations as a whole. A provision is recognized even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognized as interest expense.

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources embodying economic benefits will be required to settle the obligation, the provision is reversed and derecognized from the statement of financial position.

21.15 Contingencies

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

21.16 Equity

Share capital

Ordinary shares are stated at par value and are classified as equity. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction from the proceeds.

Share premium

Any amount received by the Group in excess of par value of its shares is credited to share premium which forms part of the non-distributable reserve of the Group and can be used only for purposes specified under corporate legislation.

Subscriptions receivable

Subscriptions receivable pertains to the unpaid subscription price by the shareholder.

Share issuance cost

Share issuance costs incurred for the listing and offering process of the Group are recognized as deduction to share premium in accordance with PIC - Question and Answer (PIC - Q&A) 2011-04.

Retained earnings (deficit)

Retained earnings (deficit) include current and prior years' results, net of transactions with shareholders and dividends declared, if any.

Appropriated retained earnings pertain to the portion of the accumulated profit from operations which are restricted or reserved for a specific purpose, such as capital expenditures for expansion projects, and approved by the Group's Board of Directors.

Unappropriated retained earnings pertain to the unrestricted portion of the accumulated profit from operations of the Group which are available for dividend declaration.

Treasury shares

Where the Group purchases its own equity share capital (treasury shares), the consideration paid, including any directly attributable incremental costs is deducted from equity until the shares are cancelled, reissued or disposed of. Where such shares are subsequently sold or reissued, any consideration received, net of any directly attributable incremental transaction costs and the related income tax effects are included in equity.

21.17 Earnings per share

Basic earnings (loss) per share is computed by dividing profit (loss) for the year attributable to the shareholders by the weighted average number of shares outstanding during the year.

The diluted earnings (loss) per share is calculated by adjusting the weighted average number of shares outstanding to assume conversion of all dilutive potential ordinary shares, if any. The Group has no dilutive potential ordinary shares during and at the end of each reporting period.

21.18 Dividend distribution

Dividend distribution to the Group's shareholders is recognized as a liability in the Group's consolidated financial statements in the period in which the dividends are approved by the Parent Company's BOD.

21.19 Revenue recognition

a) Contract revenues from sale of real estate properties

The Group develops and sells residential units. Under a contract to sell a residential unit, the object is the property itself, which is the normal output of a real estate business. In addition, this contract contains information such as the contracting parties' rights and payment terms, which are essential elements for a valid revenue contract. The contract must be signed by the contracting parties to make it enforceable prior to revenue recognition. The Group assesses the commercial substance of the contract and the probability that it will collect the consideration.

When a contract with a customer does not meet the criteria for revenue recognition and the Group receives consideration from the customer, the Group shall recognize the consideration received as revenue only when either of the following events has occurred:

- a) The entity has no remaining obligations to transfer goods or services to the customer and all, or substantially all, of the consideration promised by the customer has been received by the entity and is non-refundable; or
- b) The contract has been terminated and the consideration received from the customer is non-refundable.

The Group satisfies its performance obligation as it develops the property. Therefore, revenue is recognized over time, i.e. as the related obligations are fulfilled, measured principally on the basis of the estimated completion of a physical proportion of the contract work. Sale of real property held for sale are revenue from contracts with customers recognized at a point in time upon transfer of control to customers. Land and materials delivered on site, which are yet to be installed/attached to the main structure, are excluded from the percentage-of-completion.

For income taxation purposes, income from sale of real estate properties is recognized in full in the year when substantial down payment from the buyer is received following the provisions of the Tax Code. Otherwise, taxable income is based on cash collections under installment method.

b) Contract asset and contract liabilities

Costs incurred as a result of obtaining a contract which are payable upon signing of the contract to sell and deed of absolute sale are capitalized as contract assets considering that this would not have been incurred if the contract had not been obtained. The contract asset is amortized as the related revenue from the contract is recognized.

Contract liabilities presented represent the reservation fees and advance payments for customized improvements that have not yet qualified for revenue recognition. These are classified as current liabilities and will be released to revenue when all criteria for revenue recognition are met.

As a practical expedient, the Group did not disclose the aggregate amount of the transaction price allocated to the performance obligations that are unsatisfied (or partially unsatisfied) as of the end of the reporting period and an explanation of when the Group expects to recognize a revenue from the performance obligation in accordance with paragraph 120 of PFRS 15 since the performance obligation is part of a contract that expected to be completed within 12 months from the reporting date.

c) Rental income

Rental income from operating lease is recognized in profit or loss on a straight-line basis over the lease term. Rental income is shown net of value-added tax. Any difference between the rental income determined on a straight-line basis and the actual lease payment is recognized as a rent receivable or unearned rental income as the case may be. These are included in non-current assets or liabilities, except if the remaining lease period is within one year after the reporting period, which are then classified as current assets or liabilities.

21.20 Leases

Group as the lessee

Assets and liabilities arising from a lease are initially measured on a present value basis. The interest expense is recognized in the profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

(a) Measurement of lease liabilities

Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable
- variable lease payment that are based on an index or a rate
- amounts expected to be payable by the lessee under residual value guarantees
- the exercise price of a purchase option if the lessee is reasonably certain to exercise that option
- payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

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

To determine the incremental borrowing rate, the Group:

- where possible, uses recent third-party financing received by the individual lessee as a starting point, adjusted to reflect changes in financing conditions since third party financing was received,
- uses a build-up approach that starts with a risk-free interest rate adjusted for credit risk for
- leases held for entities which do not have recent third-party financing, and
- makes adjustments specific to the lease (i.e. term, currency and security).

Lease payments are allocated between principal and interest expense. The interest expense is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

(b) Measurement of right-of-use assets

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability,
- any lease payments made at or before the commencement date less any lease incentives received,
- any initial direct costs, and
- restoration costs.

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

Right-of-use assets that are held for rental are accounted for as investment property. The Group's right-of-use asset consisting of land and building held for rental qualify as investment property.

(c) Extension and termination options

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

(d) Short-term leases and leases of low-value assets

Payments associated with short-term leases and leases of low-value assets are recognized on a straight-line basis as an expense in the profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise small items of service tools and equipment.

Group as the lessor

Leases in which the Group does not transfer substantially all the risks and rights for the leased assets to the lessee are classified as operating lease. Assets leased out under operating leases are included in investment properties in the statements of financial position. Rental income is recognized on a straight-line basis over the lease term. Initial direct costs incurred in obtaining an operating lease are added to the carrying amount of the underlying asset and recognized as expense over the lease term on the same basis as rental income. The Group did not need to make any adjustments to the accounting for assets held as lessor as a result of adopting the new leasing standard.

When assets are leased out under a finance lease, the present value of the lease payments is recognized as a receivable. The difference between the gross receivable and the present value of the receivable is recognized as unearned finance income. Lease income is recognized over the term of the lease using the net investment method, which reflects a constant periodic rate of return. The Group has no finance leases during and at the end of each reporting period.

21.21 Related party relationships and transactions

Related party relationships exist when one party has the ability to control, directly or indirectly through one or more intermediaries, the other party or exercises significant influence over the other party in making financial and operating decisions. Such relationships also exist between and/or among entities which are under common control with the reporting enterprise, or between and/or among the reporting enterprise and its key management personnel, directors, or its shareholders. In considering each possible related party relationship, attention is directed to the substance of the relationship, and not merely the legal form.

21.22 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, represented by the Parent Company's Board of Directors who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the primary person that makes strategic decisions.

The Group's operations is managed as a single business segment; consequently, the Group does not prepare a segmental analysis for its consolidated financial statements.

Jackstones, Inc. and Subsidiary

**Consolidated Financial Statements with Supplementary
Schedules for the Securities and Exchange Commission
December 31, 2024**

Jackstones, Inc. and Subsidiary

Consolidated Financial Statements with Supplementary
Schedules for the Securities and Exchange Commission
December 31, 2024

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Consolidated Statements of Changes in Equity
Consolidated Statements of Cash Flows
Notes to Consolidated Financial Statements

SECOND SECTION

- I. Supplementary schedules required by Annex 68-E
 - A. Financial Assets
 - B. Amounts Receivable from Directors, Officers, Employees, Related Parties and Principal Shareholders (Other than Related Parties)
 - C. Amounts Receivable from Related Parties which are Eliminated during the Consolidation of Financial Statements
 - D. Long-Term Debt
 - E. Indebtedness to Related Parties (Long-term Loans from Related Parties)
 - F. Guarantees of Securities of Other Issuers
 - G. Capital Stock
- II. Financial soundness indicators
- III. Reconciliation of retained earnings available for dividend declaration
- IV. A Map Showing the Relationships among the Parent Company and its Ultimate Parent Company, Middle Parent, Subsidiaries or co-subsidiaries and Associates

FIRST SECTION

JACKSTONES, INC.

593 Antonio Drive, Bagumbayan, Taguig City 1630

SECURITIES AND EXCHANGE COMMISSION

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

STATEMENT OF MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL STATEMENTS

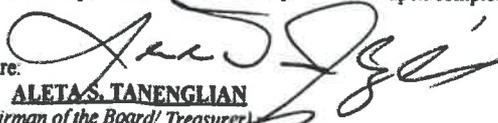
The management of JACKSTONES, INC. is responsible for the preparation and fair presentation of the financial statements including the schedules attached therein, for the years ended December 31, 2024 and 2023, in accordance with the prescribed financial reporting framework indicated therein, and for 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 to do so.

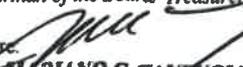
The Board of Directors is responsible for overseeing the Company's financial reporting process.

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

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

Signature: 

Name: ALETAS TANENGLIAN
(Chairman of the Board/ Treasurer)

Signature: 

Name: MARIANO C. TANENGLIAN
(President/Vice Chairman)

Signed this day of MAY 02 2025.

SUBSCRIBED AND SWORN to before me this MAY 02 2025 exhibiting to me the following competent proof of identity, as follows:

Name	Competent Proof of Identity	Date and Place of Issuance
Aleta S. Tanenglian	TIN 116-439998	
Mariano C. Tanenglian	TIN 101-194-805	

Doc. No. 126;
Page N. 27;
Book No. I;
Series of 2025.

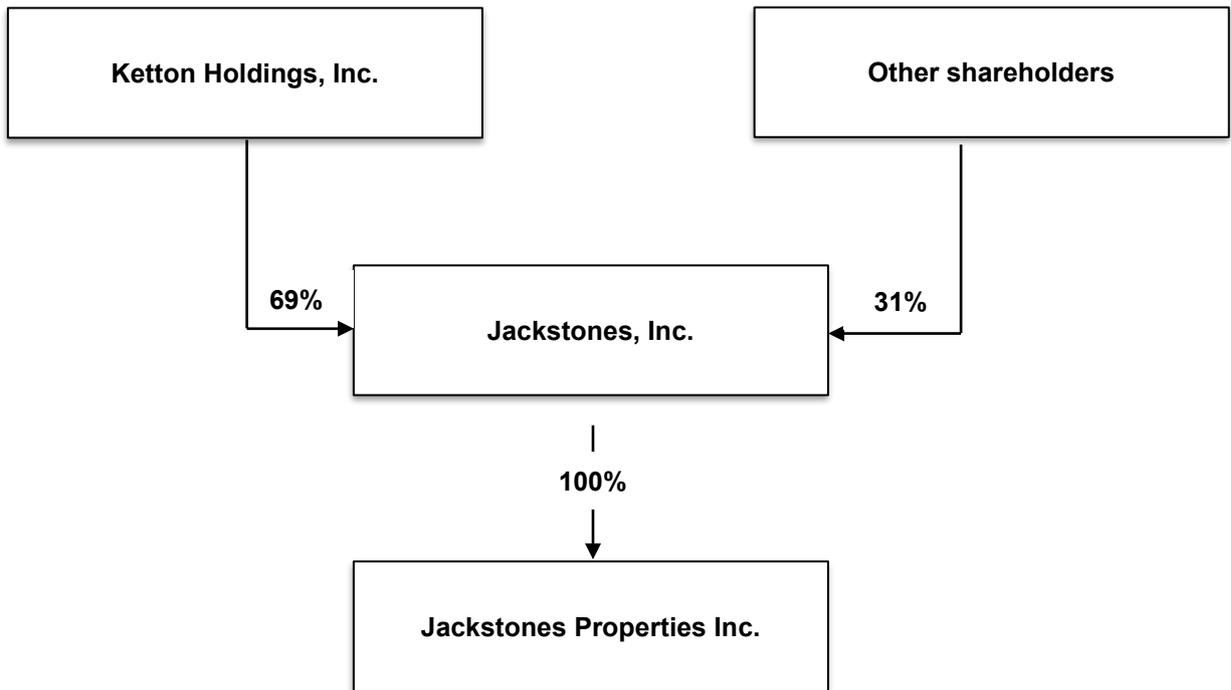


PATRICIA MAE E. DELA ROSA
Appointment No. M-302 (2025-2026)
Notary Public for Makati City
Until December 2026
27th Floor, 88 Corporate Center
141 Sedeño St., Salcedo Village, Makati City
Roll of Attorney's No. 91423
PTR No. 10465804 / 01-02-2025 / Makati City
IBP No. 511050 / 12-19-2024 / Makati City Chapter
Admitted to the Bar 2023

SECOND SECTION

Jackstones, Inc. and Subsidiary

A Map Showing the Relationships among the Parent Company and its Ultimate Parent Company, Middle Parent, Subsidiaries or co-subsidiaries and Associates
December 31, 2024



SCHEDULE A

Jackstones, Inc. and Subsidiary

Financial Assets
December 31, 2024

Title of issue	Number of shares or principal amount of bonds and notes	Amount shown in the statement of financial position	Value based on market quotation at end reporting period	Income received and accrued
Cash and cash equivalents				
Bank of the Philippine Islands	Not applicable	53,908,489	Not applicable	1,129,493
Philippine Business Bank	Not applicable	11,000,428	Not applicable	1,617,857
Asia United Bank	Not applicable	204,631	Not applicable	-
Banco de Oro	Not applicable	19,770,741	Not applicable	1,047,552
Security Bank	Not applicable	59,516	Not applicable	58
China Bank Corporation	Not applicable	104,838	Not applicable	48
Due from a related party	Not applicable	25,684,385	Not applicable	-

SCHEDULE B

Jackstones, Inc. and Subsidiary

Amounts Receivable from Directors, Officers, Employees, Related Parties
and Principal Shareholders (other than Related Parties)
December 31, 2024

Name and designation of debtor	Balance at beginning of year	Additions	Amounts collected	Amounts written off	Current	Non-current	Balance at end of year
Great Circle Holdings Inc.							
- Entity under common Control	66,016	146,405	-	-	212,421	-	212,421
Ketton Property Management and Consultancy							
- Entity under common control	12,471,964	13,000,000	-	-	-	25,471,964	25,471,964
	12,537,980	13,146,405	-	-	212,421	25,471,964	25,684,385

SCHEDULE C

Jackstones, Inc. and Subsidiary

Amounts Receivable from Related Parties which are eliminated
during the consolidation of financial statements
December 31, 2024

Name and designation of debtor	Balance at beginning of year	Additions	Amounts collected	Amounts written-off	Current	Non-current	Balance at end of year
Jackstones Properties, Inc., Subsidiary	106,435,732	-	-	-	106,435,732	-	106,435,732

SCHEDULE D

Jackstones, Inc. and Subsidiary

Long-Term Debt
December 31, 2024

Title of Issue and type of obligation	Amount authorized by indenture	Amount shown under caption "Borrowings, current portion" in the statement of financial position	Amount shown under caption "Borrowings, net of current portion" in the statement of financial position
NOT APPLICABLE			

SCHEDULE E

Jackstones, Inc. and Subsidiary

Indebtedness to Related Parties
December 31, 2024

Name of related party	Balance at beginning of year	Balance at end of year
Ketton Holdings, Inc. *	131,677,769	131,677,769

* The Group receives advances from the shareholders for working capital purposes.

SCHEDULE F

Jackstones, Inc. and Subsidiary

Guarantees of Securities of Other Issuers
December 31, 2024

Name of issuing entity of securities guaranteed by the Company for which this statement is filed	Title of issue of each class of securities guaranteed	Total amount guaranteed and outstanding	Amount owed by person for which statement is filed	Nature of guarantee
NOT APPLICABLE				

SCHEDULE G

Jackstones, Inc. and SubsidiaryCapital Stock
December 31, 2024

Title of issue	Number of shares authorized	Number of shares issued and outstanding shown under related balance sheet caption	Number of shares reserved for options, warrants conversion, and other rights	Number of shares held by related parties	Directors, officers and employees	Others
Common shares	500,000,000	167,559,097	-	90,481,927	25,135,850	51,941,320

Jackstones, Inc. and Subsidiary

Schedule of Financial Soundness Indicator
December 31, 2024 and 2023

Ratio	Formula	2024	2023
Current ratio	Total current assets	110,466,692	150,481,644
	Divided by: Total current liabilities	163,840,438	158,467,706
	Current ratio	0.67	0.95
Acid test ratio	Total current assets	110,466,692	150,481,644
	Less: Real estate held for development and sale	(16,049,808)	(28,527,470)
	Contract assets	(1,783,857)	(2,265,221)
	Prepayments and other current Assets	(7,371,963)	(3,712,741)
	Quick assets	85,261,064	115,976,212
	Divided by: Total current liabilities	163,840,438	158,467,706
	Acid test ratio	0.52	0.73
Solvency ratio	(Loss) profit after tax	(5,855,918)	11,798,954
	Add: Depreciation and amortization expense	2,571,052	2,486,719
	Profit after tax, before depreciation and amortization	(3,284,866)	14,285,673
	Divided by: Total liabilities	163,840,438	158,467,706
	Solvency ratio	(0.02)	0.09
Debt-to-equity ratio	Total liabilities	163,840,438	158,467,706
	Divided by: Total equity	50,605,038	33,451,225
	Debt-to-equity ratio	3.23	4.74
Asset-to-equity ratio	Total assets	214,445,476	191,918,931
	Divided by: Total equity	50,605,038	33,451,225
	Asset-to-equity ratio	4.24	5.74
Interest rate coverage ratio	Profit before interest and tax	(5,941,314)	15,538,654
	Divided by: Interest expense	2,808	11,785
	Interest rate coverage ratio	(2,115.85)	1,318.51
Return on equity	(Loss) profit after tax	(5,855,918)	11,798,954
	Divided by: Average total equity	42,028,132	27,551,748
	Return on equity	(14%)	43%
Return on asset	(Loss) profit after tax	(5,855,918)	11,798,954
	Divided by: Average total assets	203,182,204	185,708,790
	Return on asset	(3%)	6%
Net profit margin	(Loss) profit after tax	(5,855,918)	11,798,954
	Divided by: Net revenue	32,515,282	51,257,791
	Net profit margin	(18%)	23%

Jackstones, Inc. and Subsidiary

Reconciliation of Parent Company's Retained Earnings Available for Dividend Declaration

For the year ended December 31, 2023

(All amounts in Philippine Peso)

	Amount
Deficit, beginning of the year	(323,087,466)
Add: Category A: Items that are directly credited to Unappropriated retained earnings	
Reversal of Retained earnings appropriation/s	-
Effect of restatements or prior-period adjustments	-
Others	-
Less: Category B: Items that are directly debited to Unappropriated retained earnings	
Dividend declaration during the reporting period	-
Retained earnings appropriated during the reporting period	-
Effect of restatements or prior-period adjustments	-
Others	-
Deficit, as adjusted	(323,087,466)
Add: Net (Loss) Income for the current year	(3,550,374)
Less: Category C.1: Unrealized income recognized in the profit or loss during the year/period (net of tax)	
Equity in net income of associate/joint venture, net of dividends declared	-
Unrealized foreign exchange gain, except those attributable to cash and cash equivalents	-
Unrealized fair value adjustment (mark-to-market gains) of financial instruments at fair value through profit or loss (FVTPL)	-
Unrealized fair value gain of investment property	-
Other unrealized gains or adjustments to the retained earnings as a result of certain transactions accounted for under the PFRS	-

(continued)

<hr/>	
Add: Category C.2: Unrealized income recognized in the profit or loss in prior reporting periods but realized in the current reporting period (net of tax)	
Realized foreign exchange gain, except those attributable to Cash and cash equivalents	-
Realized fair value adjustment (mark-to-market gains) of financial instruments at fair value through profit or loss (FVTPL)	-
Realized fair value gain of Investment property	-
Other realized gains or adjustments to the retained earnings as a result of certain transactions accounted for under the PFRS	-
	-
<hr/>	
Add: Category C.3: Unrealized income recognized in profit or loss in prior periods but reversed in the current reporting period (net of tax)	
Reversal of previously recorded foreign exchange gain, except those attributable to cash and cash equivalents	-
Reversal of previously recorded fair value adjustment (mark-to-market gains) of financial instruments at fair value through profit or loss (FVTPL)	-
Reversal of previously recorded fair value gain of investment property	-
Reversal of other unrealized gains or adjustments to the retained earnings as a result of certain transactions accounted for under the PFRS, previously recorded	-
	-
Adjusted net (loss) income	(3,550,374)
Add: Category D: Non-actual losses recognized in profit or loss during the reporting period (net of tax)	
Depreciation on revaluation increment (after tax)	-
Add (Less): Category E: Adjustments related to relief granted by the SEC and BSP	
Amortization of the effect of reporting relief	-
Total amount of reporting relief granted during the year	-
Others	-
	-
<hr/>	

(continued)

Add (Less): Category F: Other items that should be excluded from the determination of the amount of available for dividends distribution	
Net movement of treasury shares (except for reacquisition of redeemable shares)	-
Net movement of deferred tax asset not considered in the reconciling items under the previous categories	-
Net movement in deferred tax asset and deferred tax liabilities related to same transaction, e.g., set up of right of use of asset and lease liability, set-up of asset and asset retirement obligation, and set-up of service concession asset and concession payable	-
Adjustment due to deviation from PFRS/GAAP - gain (loss)	-
Others (describe nature)	-
Total deficit, end of the year available for dividend declaration*	(326,637,840)

Jackstones Inc.

Supplementary Schedule of External Auditor Fee-Related Information
December 31, 2024 and 2023

	Current Year	Prior Year
Total audit fees	P168,000	P168,000
Non-audit services fees:		
Other assurance services	-	-
Tax services	-	-
All other services	-	-
Total non-audit fees	-	-
Total audit and non-audit fees	P168,000	P168,000

Audit and non-audit fees of other related entities

	Current Year	Prior Year
Audit fees	P112,000	P112,000
Non-audit services fees:		
Other assurance services	-	-
Tax services	-	-
All other services	-	-
Total audit and non-audit fees of other related entities	P112,000	P112,000

JACKSTONES, INC.

593 Antonio Drive, Bagumbayan, Taguig City 1630

Annex F - Management's Discussion and Analysis of Financial Condition and Results of Operations

(as of 31 December 2024 and 31 March 2025, with Comparative Figure as of 2023 and 2022)

I. Plan of Operation

Due to uncertainty brought about by the COVID-19, the Company has no plan to acquire new lands for development in the next 12 months. It will instead offer auxiliary real estate services in order to augment its sources of revenue.

II. Management's Discussion and Analysis

A. Description of Operations and Summary of Material Events

As appearing in the constitutive documents of the Company and its subsidiary, it is engaged, among others, in property development and lease of real property.

In 2018, JPI purchased a land for future development and sale to start its commercial operations. For 2019 JPI obtained the approval from Housing and Land Use Regulatory Board (HLURB) for the license to sell saleable units in the purchased land. As at December 31, 2021, the constructions of Michelia Residences, a townhouse project has been substantially completed. The project has generated income in 2024, 2023, and 2022. In 2021, JPI entered into a Land Management Agreement with its related party, Great Circle Holdings Inc. which generated additional income for the subsidiary during the year. In 2023, the agreement was renewed effective up to 2024. In 2022, JPI entered into another Land Management Agreement with its related party, Bluebell Properties and Holding Corporation to generate additional income for the subsidiary.

B. Financial and Operational Results

1. *Results of Operations*

Comparison of key financial performance for the month ended 31 March 2025 and for the calendar year-ended 31 December 2024, 2023, and 2022 are summarized in the following tables:

	March 31 2025	2024	December 31 2023	2022
Revenue	9,848,470	32,515,282	51,257,791	87,738,361
Cost of Sales and Services	(139,133)	(15,426,996)	(24,120,148)	(59,372,108)
Gross Profit	9,709,337	17,088,286	27,137,643	28,366,253
Administrative Expenses	(13,115,906)	(28,631,162)	(16,934,665)	(16,892,760)
Operating Income (Loss)	(3,406,569)	(11,542,876)	10,202,978	11,473,493
Foreign Exchange Gain (Loss)	(6,960)	24,944	(6,040)	200,517
Finance cost	-	(2,808)	(11,785)	(8,688)
Interest Income	436,683	5,576,618	5,341,716	1,086,051
Other Income	8,263	-	-	-
Income tax expense	-	88,204	(3,727,915)	(3,936,985)
Net Income (Loss)	(2,968,583)	(5,855,918)	11,798,954	8,814,388

The company is currently experiencing losses, mainly due to no sales from the Michelia Residences project as of March 31, 2025. The only revenue generated in Q1 2025 is from the Tpinpin parking space and other rental spaces. Additionally, administrative expenses have risen, largely due to the hiring of employees from a related party who joined JPI on October 1, 2024. This move was aimed at improving employment management and boosting operational efficiency. Higher depreciation costs related to the investment in

property and building improvements have also contributed to the losses. However, management remains optimistic that both occupancy and revenue will increase as leasing efforts continue.

2. Financial Condition

JAS's objective when managing capital are to support JAS's ability to effectively deploy capital and to protect the interest of its shareholders.

Management shall utilize the capital structure that generates the most value for shareholders and this may entail adjustments to dividends paid to shareholders, loans obtained from banks, and the issuance of new shares. Total capital being managed by JAS as its total equity is shown in the attached statement of financial position.

JAS is also currently negotiating with various investment groups to raise new capital and is also seriously considering another public offering to raise more funds for its investments and holdings. JAS continues to review projects, ventures, businesses and assets that can be included in the holdings of it of which JAS may issue shares in exchange for owning them.

Further as March 31, 2025, the consolidated financial statements of JAS show its assets consisting of:

- a. cash and cash equivalent in the amount of P71,794,487;
- b. receivable of P313,497;
- c. real estate held for development and sale of P16,049,808;
- d. due from related parties of P26,171,964;
- e. contract assets of P1,783,857;
- f. prepayment and other current asset of P10,146,958;
- g. property and equipment - net P6,245,962;
- h. investment property - net 77,679,632
- i. right-of-use asset - net P0.00;
- j. input VAT, non-current of P2,027,397;
- k. other non-current asset of P1,523,140; and
- l. deferred income tax assets P1,205,471.

Total assets as of March 31, 2025 amounted to P214,942,173 compared to P194,626,249 total assets as of March 31, 2024.

Comparison of key financial position for the three (3) months period ended March 31, 2025 and calendar year ended December 31, 2024, 2023 and 2022 are summarized in the following tables:

	March 31	December 31		
	2025	2024	2023	2022
Current Assets	100,088,607	110,466,692	150,481,644	173,556,626
Non-current Assets	114,853,566	103,978,784	41,437,287	5,942,023
Total Assets	214,942,173	214,445,476	191,918,931	179,498,649
Current Liabilities	167,305,718	163,840,438	158,467,706	157,846,378
Non-current Liabilities	-	-	-	-
Total Liabilities	167,305,718	163,840,438	158,437,706	157,846,378
Deficit	(306,892,143)	(303,923,560)	(298,067,642)	(309,866,596)
Equity	47,636,455	50,605,038	33,451,225	21,652,271
Total Liabilities and Equity	214,942,173	214,445,476	191,918,931	179,498,649

JAS has no additional advances from shareholders during the period while the current liabilities pertain to additional customers deposit from the sale of Michelia Residence units.

Likewise, the constant increase in current assets from 2020 to 2025 is primarily due to the construction and development cost of Michelia Residences, collection proceeds from sale of house units and investments in time deposits. In the same matter, the movement in liabilities of the Company is pertains to collection of deposits from customers and reversal of deposits to revenue.

Likewise, the comparative increase (decrease) of financial analysis of balance as follows:

	31 Mar 2024 vs 31 Dec 2023	31 Mar 2023 vs 31 Dec 2022	31 Mar 2022 vs 31 Dec 2021
Current Assets	(9.39%)	(16.75%)	0.21%
Non-current Assets	10.46%	67.35%	(8.55%)
Total Assets	0.23%	1.41%	(0.08%)
Total Liabilities	2.12%	2.99%	(0.41%)
Deficit	0.98%	0.68%	(0.16%)
Equity	(5.87)%	(6.09)%	2.30%

3. Key Performance Indicators

JAS's key performance indicators are as follows:

- a. Current Ratio;
- b. Acid-Test Ratio;
- c. Net Debt to Equity Ratio;
- d. Debt to Asset Ratio; and
- e. Asset to Equity Ratio

Except for Net Income, these key performance indicators are not measurements in accordance with Philippine Financial Reporting Standards ("PFRS") and should not be considered as an alternative to net income or any other measure of performance which are in accordance with PFRS.

The following are the key performance indicators of JAS consolidated financial statement and JPI in relation to its financial condition as of March 31, 2025 and December 31, 2024, 2023 and 2022:

	JAS and its Subsidiary				Jackstones Properties Inc.			
	31 Mar	31 Dec			31 Mar	31 Dec		
	2025	2024	2023	2023	2025	2024	2023	2022
i. Current Ratio	0.60	0.67	0.95	1.10	0.44	0.45	0.92	1.07
ii. Acid-Test Ratio	0.43	0.53	0.73	0.40	0.24	0.26	0.66	0.66
iii. Debt to Equity Ratio	3.51	3.24	4.74	12.53	4.22	5.27	4.66	9.39
iv. Debt to Asset Ratio	0.78	0.76	0.83	0.93	0.83	0.84	0.82	0.90
v. Asset to Equity Ratio	4.51	4.24	5.74	13.53	5.22	6.27	5.66	10.39

a. Current Ratio

The current ratio is a liquidity ratio that measures a company's ability to pay short-term obligations or those due within one year. This tells investors how a company can maximize the current assets on its balance sheets to satisfy its current debt and other payables; calculated by dividing current assets by current liabilities.

b. Acid-Test Ratio

The acid-test ratio provides a simple and more accurate assessment of the Company's ability to pay its current liabilities. This is calculated as cash plus accounts receivable divided by current liabilities.

c. Debt to Equity Ratio

The debt-to-equity ratio is calculated by dividing a company's total liabilities by its shareholder equity. The ratio is used to evaluate a company's financial leverage and measure the degree to which a company is financing its operations through debt versus wholly-owned funds.

d. Debt to Asset Ratio

This ratio quantifies the percentage of the Company's assets that have been financed with short-term and long-term debts. This is calculated by dividing total debts by total assets.

e. Asset to Equity Ratio

The asset to equity ratio shows the relationship of the total assets of the company to the portion owned by shareholders. This ratio is an indicator of the company's leverage used to finance JAS.

4. Other Relevant Information

There are no material off-balance sheet transactions, arrangements, obligations (including contingent obligations), and other relationships of JAS with unconsolidated entities or other persons created during the reporting period. Likewise, there are no material commitments for capital expenditures.

5. Corporate Governance

- a. The Company places good corporate governance among the highest level of priority to ensure the improvement of its investors' trust and satisfaction;
- b. As such, it has issued and implemented several policies to ensure the observance of good corporate governance, namely:
 - Alternative Dispute Mechanism
 - Code of Business Conduct
 - Whistleblower Policy
 - Policies and procedures on Related Party Transactions
 - Insider Trading Policy
 - Risk Management Policy
 - Internal Audit Charter
 - Succession Planning Program
 - Remuneration Policy
 - Nomination and Election Policy

There were no violation, deviations, or any untoward incidents contrary to the provisions of the aforementioned policies during the year.

- c. To further ensure the observance of good corporate governance, the Board annually evaluates its performance, as well as that of the Company. As for the previous years, the self-assessment procedures yielded the following scores (*on a scale of 5.0-1.0, with 5.0 being the highest rating and 1.0 being the lowest rating*).

	Board	Board Committees	Individual Members	Chairman	Management
Maximilian Tanenglian	4.0952	4.0000	5.0000	N/A	4.6250
Mariano Tanenglian	4.1905	5.0000	4.9444	5.0000	4.6875
Santos Chua Tan	3.9524	3.6667	4.0000	N/A	N/A
Jonathan Ong Carrangceja	3.9524	4.0000	4.0000	N/A	N/A
William Wong Tiu	4.0000	3.6667	4.0000	N/A	N/A
Willian Chong Lee	4.0000	3.6667	4.0000	N/A	N/A

- d. Further, the non-compliances in the governance guidelines and principles set forth by the SEC as exhibited in the Annual Corporate Governance Report were due to the fact that the implementation of the said guidelines takes into account the status, size, risk profile, and complexity of operations of the publicly listed company. Given the application conditions of the Company with respect to the said criteria, the said Recommendations and Supplement to Recommendations are effectively inapplicable to the Company as of the moment. Needless to say, the Company pledges to comply to all the said Recommendations and Supplement to Recommendations once the potential need of the compliance is needed.
- e. Lastly, rest assured that the Company is evaluating and checking further procedures and applicable policies to improve its adherence to principles and practices of good corporate governance to the highest possible level.

PSE Disclosure Form 17-12-A - List of Top 100 Stockholders (Common Shares)
Reference: Section 17.12 of the Revised Disclosure Rules

Type of Securities

Common

**For the period
ended**

March 31, 2025

Description of the Disclosure

Jackstones, Inc. List of Top 100 Stockholders

Number of Issued and Outstanding Common Shares	250,059,179
Number of Treasury Common Shares, if any	82
Number of Outstanding Common Shares	250,059,097
Number of Listed Common Shares	167,559,179
Number of Lodged Common Shares	54,880,768
PCD Nominee – Filipino	54,626,132
PCD Nominee – Non-Filipino	254,636
Number of Certificated Common Shares	195,178,411

Change from previous submission

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Stock Transfer Service Inc.
JACKSTONES, INC.
List of Top 100 Stockholders
As of 03/31/2025

Page No. 1

Rank	Name	Holdings	Percentage
1	KETTON HOLDINGS INC.	172,981,927	69.18%
2	PCD NOMINEE CORPORATION	54,626,132	21.85%
3	DAVID T. FERNANDO	20,824,419	08.33%
4	COMPOSITE MARKETING CORP.	999,995	00.40%
5	PCD NOMINEE CORPORATION (NON-FILIPINO)	254,636	00.10%
6	FELIX G. CHUNG	145,895	00.06%
7	LEONEL A. SANTOS	55,274	00.02%
8	MA. PAZ ALCITA GALVAN	9,000	00.00%
9	MARIO B. CORNISTA	7,599	00.00%
10	MARIO YAMBOT	5,300	00.00%
11	SOUTHERN PHILIPPINES DEVELOPMENT AUTHORITY	4,200	00.00%
12	LYDIA C. SAN JUAN	4,000	00.00%
13	ANTHONY H. STRIKE	3,820	00.00%
14	INOCENCIO R. CORTES	3,284	00.00%
15	RAYMUNDO A. YAP	2,980	00.00%
16	ZENAIDA M. STRIKE	2,820	00.00%
17	CEZAR G. SIRUELO JR.	2,768	00.00%
18	ALFREDO B. ALMONGUERA JR.	2,680	00.00%
19	JAMES CHIONGBIAN	2,120	00.00%
20	GRETA T. DE RAMOS	2,080	00.00%
21	TEODORO V. DIEZ	1,916	00.00%
22	JOSE R. ELAPE	1,900	00.00%
23	ANGELITO B. VILLANO	1,880	00.00%
24	REDEMPTO G. ECOBEN	1,700	00.00%
25	JOSE B. CONSUEGRA JR.	1,700	00.00%
26	CAMILO P. CASTRO	1,660	00.00%

Stock Transfer Service Inc.
JACKSTONES, INC.
List of Top 100 Stockholders
As of 03/31/2025

Page No. 2

Rank	Name	Holdings	Percentage
27	LEOPOLDO F. CORRO	1,600	00.00%
28	VIRGILIO F. DELGADO	1,600	00.00%
29	AURORA J. YAMBOT	1,600	00.00%
30	SIMEON T. SANTILLANA	1,560	00.00%
31	RENATO F. CORTES	1,560	00.00%
32	RUBEN F. CORTES	1,560	00.00%
33	CIRILO S. AJOC	1,500	00.00%
34	EVANGELITO D. BACLAY	1,480	00.00%
35	LINDA S. VILLANO	1,480	00.00%
36	ABEDEE C. ZERDA	1,480	00.00%
37	ERNESTO Y. SIBAL	1,476	00.00%
38	EDUARDO M. COTIANGCO	1,460	00.00%
39	CHARLIE D. ORTEGA	1,440	00.00%
40	FANNY CORTES GARCIA	1,331	00.00%
41	GERMAN L. MURILLO	1,240	00.00%
42	SUSAN G. YAP	1,180	00.00%
43	MYRNA V. SIRUELO	1,160	00.00%
44	DE RAMOS ITF: ANA JOSEFINA DE RAMOS GRETA T.	1,040	00.00%
45	STRIKE ITF: ROSEZEN STRIKE, ANTHONY H.	1,000	00.00%
46	STILWELL T. SY	1,000	00.00%
47	AMANDO M. VELASCO	1,000	00.00%
48	FELIXBERTO U. BUSTOS	1,000	00.00%
49	RELT INTERNATIONAL SERVICES CORP.	940	00.00%
50	EDERLINDA S. CORTES	860	00.00%
51	PRISCILLA L. CHIONGBIAN	840	00.00%
52	JUAN RAMON C. GARCIA	817	00.00%

Stock Transfer Service Inc.
 JACKSTONES, INC.
 List of Top 100 Stockholders
 As of 03/31/2025

Page No. 3

Rank	Name	Holdings	Percentage
53	MA. CRISTINA S. CORTES	800	00.00%
54	MARC ANTHONY S. CORTES	800	00.00%
55	CARLO INOCENCIO CORTES	800	00.00%
56	LUCIO B. CABALLERO	800	00.00%
57	AURORA G. YAMBOT	800	00.00%
58	MARK J. YAMBOT	800	00.00%
59	MARTIN J. YAMBOT	800	00.00%
60	MICHAEL J. YAMBOT	800	00.00%
61	WENDY V. YAMBOT	800	00.00%
62	RAYMOND V. SIRUELO	800	00.00%
63	DERYCK V. SIRUELO	800	00.00%
64	JOSEFINA C. HONRADO	775	00.00%
65	MISAMIS LUMBER CO, INC.	630	00.00%
66	RYAN JAE G. YAP	600	00.00%
67	SHARISSE G. YAP	600	00.00%
68	SHERRY MAE G. YAP	600	00.00%
69	SANTOS ITF: SIMONETTE C. SANTOS, LEONEL A.	580	00.00%
70	JOSE ENRIQUE C. GARCIA	544	00.00%
71	JOSE L. ARANETA	525	00.00%
72	ISABELA CULTURAL CORPORATION	504	00.00%
73	TERESITA DIEZ CATANE	485	00.00%
74	CONCHA CUAYCONG	442	00.00%
75	ANGELA M. BUTTE (DECEASED)	438	00.00%
76	ERNESTO C. BULAWAN	320	00.00%
77	PETER B. BESARIO	320	00.00%
78	GERRY E. BESINGA	320	00.00%

Stock Transfer Service Inc.
 JACKSTONES, INC.
 List of Top 100 Stockholders
 As of 03/31/2025

Rank	Name	Holdings	Percentage
79	TEODORICO L. BUCALAN JR.	320	00.00%
80	JOAQUIN E. DEL CARMEN	320	00.00%
81	KENNETH KARR E. CAGAS	320	00.00%
82	HECTOR R. CATUBIG	320	00.00%
83	ROMEO P. CORDERO	320	00.00%
84	LEONILO A. ALDONZA	320	00.00%
85	MYRNA B. ALAAN	320	00.00%
86	RODOLFO J. ALTRES	320	00.00%
87	GREGORIO M. ANCLA	320	00.00%
88	CHARLITO P. ASIDO	320	00.00%
89	PEDRO J. AZARCON	320	00.00%
90	JUSTINIANO G. BEBERINO	320	00.00%
91	INOCENCIO S. CRUDA	320	00.00%
92	NOEL F. DELA VEGA	320	00.00%
93	EMILIO P. DESOLOC	320	00.00%
94	CHRISTOPHER D. DINGCONG	320	00.00%
95	SHERMAN B. DIEZ	320	00.00%
96	PACIENCIO A. EGNALIG	320	00.00%
97	RENE M. ELLO	320	00.00%
98	LUZVIMINDA A. ESPANOL	320	00.00%
99	SAMUEL C. FAROLAN	320	00.00%
100	PATROCENIO G. FIJO	320	00.00%

Total Top 100 Shareholders : 250,008,412 99.98%

Total Issued Shares 250,059,179

JAS000000000 March 31, 2025
OUTSTANDING BALANCES FOR SPECIFIC COMPANY
March 31, 2025
JAS000000000

BPNAME	QUANTITY
UPCC SECURITIES CORP.	20,000
ABACUS SECURITIES CORPORATION	801,217
PHILSTOCKS FINANCIAL INC	1,102,151
A. T. DE CASTRO SECURITIES CORP.	6,000
ALPHA SECURITIES CORP.	3,377,000
AP SECURITIES INCORPORATED	131,000
ANSALDO, GODINEZ & CO., INC.	169,000
AB CAPITAL SECURITIES, INC.	181,000
SB EQUITIES, INC.	75,000
CHINA BANK SECURITIES CORPORATION	1,000,000
BPI SECURITIES CORPORATION	441,102
CTS GLOBAL EQUITY GROUP, INC.	2,110,000
TRITON SECURITIES CORP.	1,280,000
DAVID GO SECURITIES CORP.	100,000
E. CHUA CHIACO SECURITIES, INC.	61,000
EASTERN SECURITIES DEVELOPMENT CORPORATION	202,000
EVERGREEN STOCK BROKERAGE & SEC., INC.	496,000
F. YAP SECURITIES, INC.	200,000
GOLDSTAR SECURITIES, INC.	10,000
HDI SECURITIES, INC.	346,001
H. E. BENNETT SECURITIES, INC.	396,000
INVESTORS SECURITIES, INC,	48,000
VALUE QUEST SECURITIES CORPORATION	1,619,000
LUYS SECURITIES COMPANY, INC.	125,600
COL Financial Group, Inc.	3,044,876
DA MARKET SECURITIES, INC.	46,000
MERIDIAN SECURITIES, INC.	10,000
MDR SECURITIES, INC.	4,207,843
MOUNT PEAK SECURITIES, INC.	22,900
MAYBANK SECURITIES, INC.	13,000
PNB SECURITIES, INC.	34,000
QUALITY INVESTMENTS & SECURITIES CORPORATION	202,000
R. COYIUTO SECURITIES, INC.	222,000
REGINA CAPITAL DEVELOPMENT CORPORATION	15,000
R. NUBLA SECURITIES, INC.	637,847
R. S. LIM & CO., INC.	150,000
S.J. ROXAS & CO., INC.	25,106
STANDARD SECURITIES CORPORATION	55,000

TOWER SECURITIES, INC.	528,100
DRAGONFI SECURITIES, INC.	12,136
LANDBANK SECURITIES, INC.	400
VENTURE SECURITIES, INC.	2,000
FIRST METRO SECURITIES BROKERAGE CORP.	727,300
WEALTH SECURITIES, INC.	40,000
WESTLINK GLOBAL EQUITIES, INC.	49,500
BERNAD SECURITIES, INC.	50,000
YAO & ZIALCITA, INC.	80,000
BDO SECURITIES CORPORATION	276,850
EAGLE EQUITIES, INC.	8,000
G.D. TAN & COMPANY, INC.	2,764,400
COHERCO SECURITIES, INC.	550,000
STAR ALLIANCE SECURITIES CORP.	26,809,439
Total Lodged Shares	54,880,768

CERTIFICATION

I, JUAN MIGUEL VICTOR C. DE LA FUENTE, Filipino, of legal age, and with office address at Unit 2704 27th Floor, 88 Corporate Center Building, Sedeño co. Valero St., Salcedo Village, Makati City, Metro Manila 1227, after having been duly sworn in accordance with law, do hereby declare that:

1. I am the Corporate Secretary of JACKSTONES, INC. (formerly NEXTSTAGE, INC.), a domestic corporation organized and established under the laws of the Republic of the Philippines, with business address at 593 Antonio Drive, Bagumbayan, Taguig City 1630;
2. The incumbent members of the Board of Directors and the Officers of JACKSTONES, INC. are as follows:

Name	Board of Directors	Officer/Position
Mariano Chua Tanenglian	Vice Chairman	President
Aleta So Tanenglian	Chairman	Treasurer
Maximilian So Tanenglian	Member	
Vandermir Carnegie Tan Say	Member	Vice President
Jonathan A. Ong Carranceja	Member	Vice President
Adaline Daryl T. Ong-Carranceja	Member	Assistant Corporate Secretary
Santos Chua Tan	Independent Director	
William Wong Tiu	Independent Director	
William Chong Lee	Independent Director	
Juan Miguel Victor C. De La Fuente		Corporate Secretary; Chief Information Officer
Patricia Dela Rosa		Assistant Chief Information Officer
Elden Rocamora		Assistant Chief Information Officer
Charlane Sancio		Compliance Officer

3. I am not aware if any of the incumbent directors and executive officers of JACKSTONES, INC. are connected to or are affiliated with any government agency, government office, government-owned and controlled corporate or instrumentality of the Republic of the Philippines.

JUAN MIGUEL VICTOR C. DE LA FUENTE
Corporate Secretary

SUBSCRIBED AND SWORN to before me this MAY 15 2025 at Makati City, affiant personally appeared before me and exhibited to me his Tax Identification Number ID No. 222-649-589.

Doc. No. 457 ;
Page No. 93 ;
Book No. III ;
Series of 2025.



CONNER SHANE WILLIAM A. HINES
Appointment No. M-337 (2024-2025)
Notary Public for Makati City
Until December 2025
27th Floor, 88 Corporate Center
141 Sedeño St. Salcedo Village, Makati City
Roll of Attorney's No. 88768
PTR No. 10465806 / Makati City
IBP No. 511048 / 12-19-2024 / Cebu City Chapter
Admitted to the Bar 2023

Jackstones Inc.

**Unaudited Interim Financial Statements
As at June 30, 2025 and 2024 and for each of the period
ended June 30, 2025 and 2024**

Jackstones, Inc.
Unaudited Interim Statements of Financial Position
As at June 30, 2025 and 2024
(All amounts in Philippine Peso)

	Notes	June 30, 2025 Unaudited	June 30, 2024 Unaudited	December 31, 2024 Audited
<u>ASSETS</u>				
Current assets				
Cash and cash equivalent	2	47,080,057	26,804,738	49,107,867
Due from related party	7	-	106,435,732	-
Short-term investments	2	-	-	-
Prepayments and other current assets	3	3,370	336,062	7,812
Total current assets		47,083,427	133,576,532	49,115,679
Non-current asset				
Due from related parties	7	106,435,732	-	106,435,732
Input value-added tax (VAT)	3	2,064,070	1,910,002	1,962,657
Property and equipment, net	4	-	344	-
Investment in subsidiary	5	12,701,994	3,326,994	3,326,994
Deferred tax asset	10	3,142	1,659	3,142
Total non-current assets		121,204,938	5,238,999	111,728,525
Total assets		168,288,365	138,815,531	160,844,204
<u>LIABILITIES AND EQUITY</u>				
Current liabilities				
Accrued expenses and other liabilities	6	1,267,773	1,073,172	1,275,677
Income tax payable	10	-	1,483	-
Advances from shareholders	7	130,677,769	131,677,769	131,677,769
Total current liabilities		131,945,542	132,752,424	132,953,446
Total liabilities		131,945,542	132,752,424	132,953,446
Equity				
Share capital, net of treasury shares	8	221,193,828	188,184,097	211,193,828
Share premium	8	143,334,770	143,334,770	143,334,770
Deficit		(328,185,775)	(325,455,760)	(326,637,840)
Total equity		36,342,823	6,063,107	27,890,758
Total liabilities and equity		168,288,365	138,815,531	160,844,204

The notes included are an integral part of these unaudited consolidated interim financial statements.

Jackstones, Inc.
Unaudited Interim Statements of Total Comprehensive Income
For the three months ended June 30, 2025 and June 30, 2024
(All amounts in Philippine Peso)

	Notes	June 30, 2025	June 30, 2024
Income			
Interest income	2	616,663	154,770
Other Income		-	74,164
		616,663	228,934
Expenses			
Administrative expenses	9	(2,150,764)	(2,628,994)
Foreign exchange gain (loss)		(13,834)	33,249
		(2,164,598)	(2,595,745)
Loss before income tax		(1,547,935)	(2,366,811)
Income tax benefit (expense)	10	-	(1,483)
Loss for the period		(1,547,935)	(2,368,294)
Other comprehensive income		-	-
Total comprehensive loss for the period		(1,547,935)	(2,368,294)
Loss per share (basic and diluted)	11	(0.0062)	(0.0094)

The notes included are an integral part of these unaudited interim financial statements.

Jackstones, Inc.
Unaudited Interim Statements of Changes in Equity
For the six months ended June 30, 2025 and 2024
(All amounts in Philippine Peso)

	Share capital (Note 8)					Share premium (Note 8)	Treasury shares (Note 8)	Deposit for future stock subscription (Note 8)	Deficit	Total equity
	Authorized		Subscribed and issued		Paid up					
	No. of shares	Amount	No. of shares	Amount	Amount					
Balances at January 1, 2024	500,000,000	500,000,000	250,059,179	250,059,179	188,184,179	143,334,770	(82)	-	(323,087,466)	8,431,401
Comprehensive income										
Loss for the year	-	-	-	-	-	-	-	-	(2,368,294)	(2,368,294)
Other comprehensive income	-	-	-	-	-	-	-	-	-	-
Total comprehensive loss for the year	-	-	-	-	-	-	-	-	(2,368,294)	(2,368,294)
Balances at June 30, 2024	500,000,000	500,000,000	250,059,179	250,059,179	188,184,179	144,334,770	(82)	-	(325,455,760)	6,063,107
Balances at January 1, 2025	500,000,000	500,000,000	250,059,179	250,059,179	211,193,910	143,334,770	(82)	-	(326,637,840)	27,890,758
Comprehensive income										
Loss for the year	-	-	-	-	-	-	-	-	(1,547,935)	(1,547,935)
Other comprehensive income	-	-	-	-	-	-	-	-	-	-
Additional Share Capital	-	-	-	-	10,000,000	-	-	-	-	10,000,000
Total comprehensive loss for the year	-	-	-	-	-	-	-	-	(1,547,935)	8,452,065
Balances at June 30, 2025	500,000,000	500,000,000	250,059,179	250,059,179	221,193,910	144,334,770	(82)	-	(328,185,775)	36,342,823

**Incorporation and registration date with Securities and Exchange Commission*

The notes included are an integral part of these unaudited interim financial statements

Jackstones, Inc.
Unaudited Interim Statements of Cash Flow
For the quarters ended June 30, 2025 and December 31, 2024
(All amounts in Philippines Peso)

	Notes	June 30, 2025	December 31, 2024
Cash flows from operating activities			
Net loss for the period		(1,547,935)	(3,550,374)
Adjustment for:			
Depreciation and amortization	4	-	1,031
Unrealized foreign exchange (loss) gain		13,834	(24,944)
Interest income	2	(616,663)	(1,062,874)
Operating loss before changes in assets and liabilities		(2,150,764)	(4,637,161)
Changes in assets and liabilities			
Prepayments and other current assets	3	4,442	277,478
Input VAT	3	(101,413)	(121,113)
Accrued expenses and other liabilities	6	(7,904)	206,709
Cash used in operating activities		(2,255,639)	(4,274,087)
Income tax paid		-	(1,483)
Interest received	2	616,663	1,062,874
Net cash used in operating activities		(1,638,976)	(3,212,696)
Cash flow from investing activities			
Proceeds from subscription payment from shareholders		10,000,000	23,009,731
Additional Investment from subsidiary		(9,375,000)	-
Advances from shareholder		(1,000,000)	-
Net cash used in investing activities		(375,000)	12,336,981
Net movement in cash		(2,013,976)	8,964,577
Cash and cash equivalent, beginning		49,107,867	20,327,351
Effect of foreign exchanges on cash		(13,834)	(6,040)
Cash and cash equivalent, end	2	47,080,057	49,107,867

The notes included are an integral part of these unaudited interim financial statements.

Jackstones, Inc.

Notes to the Separate Financial Statements

As at and for the period ended June 30, 2025, and December 31, 2024

(In the notes, all amounts are shown in Philippine Peso unless otherwise stated)

Note 1 - General information

Jackstones, Inc. was originally incorporated on April 22, 1964 as Pacific Cement Company, Inc. to engage in the manufacture and trading of cement and related products. In June 2000, the Securities and Exchange Commission (SEC) approved the change in primary purpose of the Company to that of a holding company and changed its corporate name to PACEMCO Holdings, Inc. (PACEMCO). Simultaneous therewith, PACEMCO spun-off its cement manufacturing and mining facility and assets to Pacific Cement Philippines, Inc. (PACEMPHIL), in exchange for 100% of the shares of stock of PACEMPHIL. This investment was subsequently sold in November 2000.

In December 2000, PACEMCO acquired 100% of the share capital of NextStage, Inc., and in June 2001, the SEC approved the merger of PACEMCO and its subsidiary, NextStage, Inc., with PACEMCO as the surviving corporation. Subsequently, the SEC also approved the change in name from PACEMCO to NextStage, Inc.

The Company's shares are listed in the Philippine Stock Exchange (PSE). As a public company, it is covered by Part I Section 2 A (i) of the Securities Regulation Code (SRC) Rule 68, as revised on August 19, 2019 and also covered by additional requirement under the Revised SRC Rule 68, Part II.

On April 16, 2014, the SEC approved the Company's application to change its corporate name to its present name and the extension of its corporate life for another 50 years immediately after the first 50 years from and after the date of incorporation.

On October 12, 2014, a group of individual and corporate shareholders sold their shares of stock representing 70% of the outstanding share capital of the Company to Ketton Holdings, Inc. and a group of individual investors. The sale effectively transferred control of the Company to Ketton Holdings, Inc., a domestic corporation registered in the Philippine SEC, who became the parent company and ultimate controlling party, owning 54% equity interest in Jackstones, Inc.

On March 10, 2017, the Company's BOD, through an amendment of the Company's Articles of Incorporation, approved the increase of the Company's authorized share capital from P170 million divided into 170 million shares with P1 par value per share to P500 million divided into 500 million shares with P1 par value per share. This amendment was approved and ratified by the Company's shareholders during the annual shareholders' meeting on June 13, 2017. The amendment was filed and approved by the SEC on February 7, 2018.

The Company's registered office, which is also its principal place of business is located at 593 Antonio Drive, Bagumbayan, Taguig City.

As at June 30, 2025, the Company has 307 shareholders (2022 - 307) owning at least 100 shares each. Of the total shares outstanding, 20.77% were publicly held as at June 30, 2025 (2022 - 20.77%).

Status of operations

In 2017, the Company increased its authorized share capital to obtain additional stock subscription and address the negative equity of the Company. The Company also established a wholly-owned subsidiary, Jackstones Properties, Inc. (JPI), which is engaged in real estate business.

In 2018, JPI purchased a land for future development and sale to start its commercial operations. In 2019, JPI obtained the approval from Housing and Land Use Regulatory Board (HLURB) for the license to sell saleable units in the purchased land. The project has generated income in 2022 and 2021 and was accounted for in the Jackstones, Inc. 2022 consolidated financial statements.

In 2020, JPI entered into a Land Management Agreement with its related party, Great Circle Holdings Inc. which generated additional income for the subsidiary during the year.

The Company is also currently negotiating with various investment groups to raise new capital and is also considering another public offering to raise more funds for its investments and holdings. The Company continues to review projects, ventures, businesses and assets from which the Company may issue shares in exchange of owning the aforementioned.

Moreover, the shareholders continue to provide financial support to the Company to enable it to meet its financial obligations when they fall due and carry out its business operations, going forward.

Note 2 - Cash and cash equivalents

Cash and cash equivalents as at June 30 consist of:

	June 30, 2025	June 30, 2024	December 31, 2024
Cash on hand	-	2,000	-
Cash in bank	41,415,697	1,711,191	24,121,801
Cash equivalent	5,664,360	25,091,547	24,986,066
	47,080,057	26,804,738	49,107,867

Cash in banks earn interest at the respective bank deposit rates. Cash equivalents represent short-term time deposits with local bank having maturity of less than three (3) months from the date of placement and earning interest of 5.75% per annum.

Interest income earned from bank deposits and cash equivalent for the month end June 30, 2025, amounted to P616,663 (2024-P154,770).

Note 3 – Prepayment and other current asset

Prepayments and other current assets

Prepayments and other current assets as at June 30, 2025 and December 31, 2024 consist of:

	June 30, 2025	June 30, 2024	December 31, 2024
Advances to employees	3,370	326,290	7,812
Prepayments	-	9,772	-
	3,370	336,062	7,812

Advances to employees pertain to cash advances for operating expenses which are expected to be liquidated within 12 months from date of receipt.

Prepayments pertain to website expenses which are expected to be realized within twelve months after the reporting period.

Input VAT, non-current portion

The Company presented the input VAT amounting to 2,064,070 and P1,962,657 at June 30, 2025, and December 31, 2024, consecutively, as non-current asset since the management assessed that

there will be no activities that will generate revenue that are subject to VAT within the next 12 months.

The Company has identified target projects, ventures, businesses and assets that can be included in the holdings and that will generate revenue that are subject to VAT. Management assessed that it is premature to recognize an impairment of the input VAT as management's intention is to apply it against future VAT obligations.

Critical accounting judgment: Recoverability of input VAT

In determining the amount of input VAT, management considers the probability of future transactions that will be available against which the input VAT can be utilized, including adequacy of and compliance with the required documentation for anticipated tax audits in case the Company opted to file for refund with the tax authorities in the future.

Management uses judgment based on the best available facts and circumstances, including but not limited to, the adequacy of documentation, timely filing of application with the tax authority and evaluation of the individual tax credit claim's future recoverability and utilization. As of reporting date, management believes that it will be able to recover these input VAT on the following basis:

- Input VAT carried in the VAT returns does not expire and can be used against future output VAT obligations. As disclosed in Note 1, the Company has identified target projects and business ventures that will generate revenues subject to VAT; and
- The Company has the option to apply for a tax refund on unused input VAT within a period of two (2) years.

Note 4 - Property and equipment, net

Property and equipment as at June 30, 2025 and December 31, 2024 consist of:

	Office Furniture and Fixture	Office equipment	Total
For the year ended December 31, 2024			
Opening net carrying value	1,031	-	1,031
Depreciation	(1,031)	-	(1,031)
Closing net carrying value	-	-	-
At December 31, 2024			
Cost	16,245	41,173	57,418
Accumulated Depreciation	(16,245)	(41,173)	(57,418)
Net carrying value	-	-	-
For the year ended June 30, 2025			
Opening net carrying value	-	-	-
Depreciation	-	-	-
Closing net carrying value	-	-	-
At June 30, 2025			
Cost	16,245	41,173	57,418
Accumulated Depreciation	(16,245)	(41,173)	(57,418)
Net carrying value	-	-	-

Depreciation and amortization for the months ended June 30, 2025-nil (December 2024-nil) were charged to operating expenses in the statements of total comprehensive income.

Note 5 - Investment in a subsidiary

Investment in a subsidiary represents 100% ownership in the shares of stock of Jackstones Properties, Inc. (JPI).

JPI was incorporated and registered with the Philippine SEC on October 20, 2017, primarily to purchase, acquire, own, hold, use, and dispose of real property. Its registered office is located at 593 Antonio Drive, Bagumbayan, Taguig.

As of June 30, 2025, the Company's investment in a subsidiary was increased due to fund transfer of JPI to fully paid the subscribed capital stock that is accounted for under the cost method (Note 15.11) in these separate financial statements.

	June 30, 2025	December 31, 2024
Investment in a subsidiary	3,326,994	3,326,994
Additional	9,375,000	-
	12,701,994	3,326,994

On June 13, 2018, JPI purchased a land located at Barangay Marikina Heights, Marikina City with a total area of 2,651.30 square meters for a total consideration of P14,582,150 paid in full upon execution of the Deed of Absolute Sale. The title and ownership of the land was transferred to JPI in the same year.

In 2019, JPI started the construction of Michaela Residences, a townhouse project after the Company has been granted license to sell by the Housing and Land Use Regulatory Board (HLURB) of the Philippines. JPI generated revenue from the sale of townhouse units during 2022 and 2021.

In 2021, JPI entered into a Land Management Agreement with its related party, Great Circle Holdings Inc. which contributed to additional income for the subsidiary. In 2022, the agreement was renewed effective up to 2023. On February 19, 2025, they entered in a property management agreement (PMA) whereas GCHI desires to appoint JPI to operate, manage and maintain the property and provide it management services which JPI agreed to the terms and conditions wherein for a period of 1 year from the signing of the agreement. The agreement may be extended provided that either party shall notify the other at least 30 days prior to the expiration of the term.

In 2022, JPI entered into a Land Management Agreement with its related party, Bluebell Properties & Holdings Corporation (BPHC), wherein JPI leases land of BPHC located in Barangay Maharlika, Quezon City, and is allowed to construct and operate in the property. The agreement has an 8-year term with extension subject to agreement of both parties.

Nature of the risks associated with the Company's interest in subsidiary

There are no contractual arrangements that could require the Company to provide financial support to JPI. For the three months ended June 30, 2025, the Company made advances to JPI amounting to nil for working capital requirements of the subsidiary.

Nature and extent of significant restrictions

There are no statutory, contractual or regulatory restrictions on the ability of the Company or its subsidiary to transfer cash and other assets to (or from) entities within the Group. There are no guaranties or other requirements that may restrict dividends and other capital distributions being paid, or loans and advances being made or repaid to (or from) entities within the Group.

Critical judgment - Recoverability of investment in a subsidiary

The Company's investment in a subsidiary is carried at cost. The carrying value is reviewed and assessed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. The amount and timing of recorded expenses for any period would therefore differ based on the judgments made.

There are no provisions for impairment of investment in subsidiary as management believes that there are no events or changes in circumstances indicating that the carrying value of its investment in subsidiary at June 30, 2025 and 2024 may not be recoverable.

Note 6 - Trade payables and other liabilities

Trade payables and other liabilities at June 30 consist of:

	June 30, 2025	June 30, 2024	December 31, 2024
Trade payables	434,085	434,085	434,085
Accrued expenses and other liabilities	802,608	583,458	803,402
Payable to regulatory agency	31,080	55,629	38,190
	1,267,773	1,073,172	1,275,677

Trade payables are non-interest bearing and are normally settled within 30 days.

Accrued expenses and other liabilities mainly pertain to accrued payroll and professional fees for accounting, legal, audit and stock transfer services rendered for the Company.

There are neither guarantees nor assets pledged to secure the Company's liabilities at June 30, 2025, and 2024. The carrying amounts of trade payables and other liabilities approximate their fair values due to their short-term maturity.

Payable to regulatory agencies pertains to withholding taxes payable to the BIR.

Note 7 - Related party transactions

The table below summarizes the Company's transactions and balances with its related parties.

	Transactions		Due from (due to)		Terms and conditions
	June 2025	December 2024	June 2025	December 2024	
<i>Advances to Subsidiary</i>	-	-	106,435,732	106,435,732	Advances are extended by the Company to its subsidiary for its working capital requirements. Due from subsidiary are noninterest bearing, unsecured, receivable in cash, with no fixed repayment terms.
<i>Advances from shareholders</i>	1,000,000	-	(130,677,769)	(131,677,769)	Advances are extended for working capital requirements which are payable in cash with no fixed repayment date. These are non-interest bearing, unguaranteed and unsecured.

Key management compensation Salaries and other short-term benefits (Note 5)	1,195,000	2,415,001	-	-	Key management compensation covering salaries and wages and other short-term benefits are determined based on contract of employment and payable in cash every month. The Company has not provided share-based payments, termination benefits or other long-term benefits to its key management personnel for the period ended June 30, 2025, and December 31, 2024
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In the normal course of the business, the Company receives advances from the shareholders for working capital purposes. The carrying amount of advances from shareholders approximates its fair value due to its short-term maturity.

Critical accounting judgment: Provision for impairment of amount due from related parties

Provision for impairment of amount due from a related party is maintained at a level considered adequate to provide for potentially uncollectible receivables. Provision for impairment is determined using expected credit losses (ECLs). Based on assessment of qualitative and quantitative factors that are indicative of the risk of default, including but not limited to, availability of accessible highly liquid asset and internal and external funding of related parties, the Company has assessed that the outstanding balances are exposed low credit risk.

Management believes, based on its assessment that the carrying amount of due from related parties is recoverable as at each reporting period.

Note 8 - Equity

Share capital, net of treasury shares

Details of share capital at June 30, 2025 and 2024 are as follows:

	2025		2024	
	Shares	Amount	Shares	Amount
Common shares at P1 par value per share				
Authorized share capital	500,000,000	500,000,000	500,000,000	500,000,000
Fully paid				
Share capital issued	167,559,179	167,559,179	167,559,179	167,559,179
Treasury shares	(82)	(82)	(82)	(82)
Share capital issued and outstanding	167,559,097	167,559,097	167,559,097	167,559,097
Partially paid				
Subscribed share capital	82,500,000	82,500,000	82,500,000	82,500,000
Subscription receivable	(28,865,269)	(28,865,269)	(38,865,269)	(38,865,269)
Subscribed and paid	53,634,731	53,634,731	43,634,731	43,634,731
Share capital, net of treasury shares	221,193,828	221,193,828	211,193,828	211,193,828

Each common share confers upon a common shareholder: a) the right to vote at any shareholder's meeting or on any resolution of the shareholders; and b) the right to distribution of income under such terms and conditions as the BOD may approve. All holders of common shares shall have no preemptive rights to acquire new shares (including any common shares, securities convertible or

exchangeable into shares, options, warrants or other rights to purchase or subscribe for shares or securities convertible or exchangeable into shares) to be issued by the Company.

The Company's record of registration of its securities under the Securities Regulation Code follows:

Date of approval	February 7, 2018	October 27, 1967
Number of shares registered	330,000,000	170,000,000
Issued/offer price	2.50	2.30

Share premium

In 2013, as part of the Company's equity restructuring and to improve and strengthen the financial condition of the Company without affecting the present ownership, the Board of Directors approved the conversion of the Company's due to related parties, advances from shareholders and deposits for future shares subscriptions aggregating to P112,397,270 to additional paid in capital on April 30, 2013. On the same date, the Company's shareholders approved such conversion into equity (under share premium).

On February 7, 2018, the Parent Company received a subscription payment from stockholders resulting to share premium amounting to P30,937,500. On December 2024 and June 2025, the company received subscription payment for the additional paid up capital amounting to P23,009,731 and P10,000,000.

As at June 30, 2025, and December 31, 2024, share premium amounted to P143,334,770.

Subscription Receivable

Shares subscribed will be issued once the entire subscription has been fully paid. The movement in the subscribed shares and the resulting subscription receivable are as follow:

	Share capital subscribed		Share premium	Total amount
	No. of shares	Amount		
Total subscription	82,500,000	82,500,000	123,750,000	206,250,000
Subscribed and paid, gross of share issuance costs	(53,634,731)	(53,634,731)	(30,937,500)	(51,562,500)
Subscription receivable	28,865,269	28,865,269	92,812,500	154,687,500

Note 9 - Administrative expenses

The components of administrative expenses for the months ended June 30, 2025 and December 31, 2024 are as follows:

	Note	June 30, 2025	December 31, 2024
Salaries and other employee benefits		1,230,265	2,489,378
Professional and consultancy fees		588,000	1,469,660
Dues and subscription		252,917	253,920
Taxes, licenses and regulatory fees		49,756	30,514
Office Supplies		6,511	4,100
Transportation		784	290,555
Meeting expenses		-	43,462
Depreciation expense	4	-	1,031
Miscellaneous		22,531	129,736
		2,150,764	4,712,356

In 2025 and 2024, taxes, licenses and regulatory fees mainly represent SEC regulatory fees, business permit and other local taxes.

Miscellaneous expense mainly pertains to advertising and promotion, bank charges, representation and web/internet expenses.

Note 10 - Income tax

On March 26, 2021, Republic Act No. 11534, also known as the Corporate Recovery and Tax Incentives for Enterprises (CREATE) Act, was enacted into law. One of the key provisions set was the application of Minimum Corporate Income Tax (MCIT) rate at 1% for the period from July 1, 2020, to June 30, 2023. Effective July 1, 2023, the MCIT rate reverted to its previous rate of 2%.

Recognized deferred income tax asset

The Parent Company’s recognized deferred income tax (DIT) assets as of June 30, 2025 and December 31, 2024 pertains to the minimum corporate income tax (MCIT) amounting to nil (2024-P3,142).

In compliance with the tax regulations, the Parent Company shall pay the higher between MCIT and Regular Corporate Income Tax (RCIT), starting 2021. Any excess of MCIT over the RCIT shall be carried forward for the next three consecutive taxable years immediately following the year such MCIT was paid.

For the year ended December 31, 2024, the Parent Company paid MCIT amounting to nil (2024-P1,483) which can be carried forward until 2027.

Details of Excess of MCIT over RCIT as at June 30, 2025 follows:

Year incurred	Year of expiration	Amount	Utilized	Balance
2022	2025	1,659	-	1,659
2024	2027	1,483	-	1,483
		3,142		3,142

Unrecognized deferred income tax asset

The Company’s unrecognized deferred income tax (DIT) assets as at June 30 and December 31 are as follows:

	June 30, 2025	December 31, 2024
Net operating loss carryover (NOLCO)	5,091,816	5,316,602
Unrealized foreign exchange gain	-	(6,236)
	5,091,816	5,310,366

The Tax Reform Act of 1997 (the “Act”) introduced the NOLCO benefit which can be applied against the Company’s taxable income for three succeeding taxable years from the year the loss was incurred. The details of the Company’s NOLCO as at June 30, 2025, are as follow:

Year loss was incurred	Year of expiration	2024	Additions during the year	Expired during the year	2025
2020	2025	3,748,706	-	-	3,748,706
2021	2026	5,174,848	-	-	5,174,848
2022	2025	3,955,255	-	-	3,955,255
2023	2026	3,749,406	-	-	3,749,406
2024	2027	1,588,284	-	-	1,588,284
2025	2028	-	2,150,765	-	2,150,765
		18,216,499	2,150,765	-	20,367,264

Tax rate	25%	25%	-	25%
	4,554,125	537,691	-	5,091,816

Realization of the future tax benefits related to the DIT asset is dependent on many factors, including the Company's ability to generate taxable income. Management has considered these factors in reaching a conclusion not to recognize the Company's DIT assets in the statements of financial position.

The reconciliation between income tax expense at the statutory rate and the actual income tax expense presented in the statement of total comprehensive income for the period ended June 30, 2025, December 31, 2024, and 2023 follows:

	2025	2024	2023
Loss before income tax at 25% rate	386,984	591,703	460,185
Adjustments for:			
Interest income subject to final tax	154,166	38,692	94,241
Unrecognized tax benefit on NOLCO	(537,691)	(638,707)	(552,357)
Unrecognized tax benefit from unrealized foreign exchange gain	(3,459)	8,312	2,069
	-	-	-

Critical judgment - Recoverability of deferred income tax assets

PFRS requires the recognition of deferred income tax (DIT) assets to the extent that it is probable that future taxable income will be available against which the temporary differences can be utilized. Determining the realizability of DIT assets requires the estimation of profits expected to be generated from operations. Management assessed that the Company will not generate sufficient future taxable profits to realize the DIT assets.

Note 11 - Loss per share

Loss per share was computed as follows:

	June 30, 2025	June 30, 2024	December 31, 2024
Loss for the period	(1,547,935)	(2,368,294)	(5,855,918)
Weighted average number of outstanding shares	250,059,097	250,059,097	250,059,097
Loss per share	(0.0062)	(0.0094)	(0.0234)

There were no potential dilutive shares in 2023 and 2022.

Note 12- Foreign currency denominated monetary asset

The Company's foreign currency denominated assets as at June 30, 2025 and 2024 pertains to its cash in bank and short-term cash investment.

As at June 30, 2025

	US Dollar	Exchange rate as at June 30, 2025	Peso Equivalent
Cash in bank	10,928	56.581	616,132

As at December 31, 2024

	US Dollar	Exchange rate as at December 31, 2023	Peso Equivalent
Cash in bank	10,928	57.845	632,130

Foreign exchange gain for the year ended June 30, 2025 amounted to P13,834 (June 30, 2024 - P33,249).

Note 13 - Critical accounting estimates, assumptions and judgments

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

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The Company believes the following represent a summary of these significant estimates, assumptions and judgments and their related impact and associated risks in the financial statements:

- *Recoverability of input VAT (Note 3)*
- *Recoverability of investment in a subsidiary (Note 5)*
- *Provision for impairment on due from related parties (Note 7)*
- *Recoverability of deferred income tax assets (Note 10)*

Note 14 - Financial risk and capital management

14.1 Financial risk management

The Company's overall risks management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Company's financial performance.

Foreign exchange risk

The Company is exposed to foreign exchange risk primarily with respect to its cash and cash equivalents maintained in U.S. Dollar. The Company's financial position and results of operations are affected by the movement in the U.S. Dollar to Philippine Peso exchange rate. Foreign exchange risk arises when recognized assets denominated in a currency that is not the entity's functional currency.

Transactions denominated in foreign currencies and related exchange rates are monitored by management in order to minimize risk based on Company's policies.

The Company's foreign denominated financial assets are presented in Note 12.

Assuming that all other variables remain constant, a movement of the PHP against USD at reporting date would not result to significant foreign currency exchange risk.

The sensitivity rates used represent the rates of change between the foreign currency at June 30, 2025 and 2024 and the foreign currency exchange rates determined 30 days from the reporting period, by which management is expected to realize the Company's financial assets.

Credit risk

Credit risk refers to the risk that a counterparty will cause a financial loss to the Company by failing to discharge an obligation. Significant changes in the economy that may represent a concentration in the Company's business, could result to losses that are different from those provided for at reporting date.

Credit risk arises from cash deposits with banks and financial institutions, as well as credit exposure on receivable from officers and other counterparties. The fair values of these financial assets approximate their net carrying amounts.

The Company's financial assets that are subject to credit risks at June 30, 2025 and December 31, 2024 are as follows:

Class of financial assets	At gross amounts	Neither past due nor impaired	Past due but not impaired	Overdue and impaired
<i>June 30, 2025</i>				
Cash and Cash equivalent	47,080,057	47,080,057	-	-
Due from related parties	106,435,732	106,435,732	-	-
Total	153,515,789	153,515,789	-	-
<i>December 31, 2024</i>				
Cash and Cash equivalent	49,107,867	49,107,867	-	-
Due from related parties	106,435,732	106,435,732	-	-
Total	155,543,599	155,543,599	-	-

The Company has the following financial assets as at June 30, 2025 and December 31, 2024 where the expected credit loss model has been applied:

Class of financial assets	At gross amounts	Expected credit losses	Net carrying amount	Internal credit rating	Basis for recognition of expected credit loss (ECL)
June 30, 2025					
Cash equivalent	47,080,057	-	47,080,057	Performing	12-month ECL
Due from related parties	106,435,732	-	106,435,732	Performing	12-month ECL
Total	153,515,789	-	153,515,789		
<i>December 31, 2024</i>					
Cash equivalent	49,107,867	-	49,107,867	Performing	12-month ECL
Due from related parties	106,435,732	-	106,435,732	Performing	12-month ECL
Total	155,543,599	-	155,543,599		

Cash; short-term investment and interest receivable

To minimize credit risk exposure from cash and cash equivalents, the Company maintains cash deposits and short-term placements in reputable banks. The Company assesses that cash and cash equivalents have low credit risk considering the bank's external credit ratings.

The Company maintains all of its cash deposits and short-term placements in thrift and commercial banks with strong credit ratings to minimize exposure to credit risk. Amounts deposited in these banks as at June 30, 2025, and December 31, 2024, are as follows:

	June 30, 2025	December 31, 2024
Commercial banks	46,461,749	48,475,726
Thrift bank	618,308	632,141
	47,080,057	49,107,867

Due from related parties

Due from related parties are collectible on demand and therefore, expected credit losses are based on the assumption that repayment of balances outstanding are demanded at the reporting date. Based on assessment of qualitative and quantitative factors that are indicative of the risk of default, including but not limited to, availability of accessible highly liquid asset and internal and external funding of related parties, Parent Company has assessed that the outstanding balances are exposed low credit risk. Expected credit losses on these balances have therefore been assessed to be insignificant.

Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash to meet its operating cash requirements. The Company manages liquidity risk by monitoring expected cash flows and seeks funding from its shareholders to meet its operating commitments.

The Company's financial liabilities at June 30, 2025, and 2024 which are due and demandable, are as follows:

	Note	June 30, 2025	December 31, 2024
Advances from shareholders	7	130,677,769	131,677,769
Trade payables and other liabilities	6	1,236,693	1,237,487
		131,914,462	132,915,256

As at June 30, 2025, trade payables and other liabilities presented above exclude amounts payable to BIR amounting to P31,080 (December 2024- 38,190). Liquidity risk is not significant given the limited amount of financial liabilities payable to third parties.

14.2 Capital management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern, so that it can continue to implement business plans to make the Company profitable in the future.

In order to maintain or adjust the capital structure, the Company may issue new shares. Total capital being managed by the Company as at December 31 consists of:

	Notes	June 30, 2025	December 31, 2024
Share capital, net of treasury shares	8	221,193,828	211,193,828
Share premium	8	143,334,770	143,334,770
Deficit		(328,185,775)	(326,637,840)
		36,342,823	27,890,758

The Company has identified target projects, ventures, businesses and assets that can be included in the holdings of the Company for which the Company may issue shares in exchange for owning them.

As discussed in Notes 1, the Company obtained approval from the SEC on February 7, 2018 for the Company's increase in authorized capital stock amounting to P330,000,000. This enables the Company to generate further capital infusion from its shareholders to support its business plans.

As part of the reforms of the Philippine Stock Exchange (PSE) to expand capital market and improve transparency among listed firms, PSE has required listed entities to maintain a minimum of ten percent (10%) of their issued and outstanding shares, exclusive of any treasury shares, to be held by the public.

The Company has complied with the minimum public float as at June 30, 2025, and 2024

Note 15 - Summary of significant accounting policies

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

15.1 Basis of preparation

The separate financial statements of the Company have been prepared in accordance with Philippine Financial Reporting Standards (PFRS). The term PFRS in general includes all applicable PFRS, Philippine Accounting Standards (PAS) and interpretations of the Philippine Interpretations Committee (PIC), Standing Interpretations Committee (SIC) and International Financial Reporting Interpretations Committee (IFRIC) which have been approved by the Financial Reporting Standards Council (FRSC) and adopted by the SEC.

These separate financial statements have been prepared under the historical cost convention.

The Company is monitored as a single operating segment considering the limited transactions for each of the three years in the period ended June 30, 2025, December 31, 2024, and 2023.

The Company has also prepared consolidated financial statements in accordance with the PFRS for the Company and its subsidiary (collectively referred to hereinafter as the “Group”). In the consolidated financial statements, undertakings of the subsidiary have been fully consolidated.

Users of the separate financial statements should read them together with the Group’s consolidated financial statements as at and for the year ended June 30, 2025, December 31, 2024, and 2023 in order to obtain full information on the financial position, results of operations and changes in financial position of the Group as a whole.

The preparation of separate financial statements in conformity with PFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Company’s accounting policies. The areas involving higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 14.

15.2 Financial assets

Classification

The Company classifies its financial assets in the following measurement categories: (a) those to be measured subsequently at fair value (either through OCI or through profit or loss), and (b) those to be measured at amortized cost.

The classification depends on the Company’s business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments that are not held for trading,

this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

The Company reclassifies financial assets when and only when its business model for managing those assets changes.

The Company did not hold financial assets under category (a) during and as at June 30, 2025, December 31, 2024, and 2023.

The Company's financial assets are detailed in Note 14.1.

Recognition and subsequent measurement

The Company recognizes a financial asset in the statement of financial position when the Company becomes a party to the contractual provisions of the instrument. Regular-way purchases and sales of financial assets are recognized on trade date - the date on which the Company commits to purchase or sell the asset.

At initial recognition, the Company measures a financial asset at its fair value plus transaction costs that are directly attributable to the acquisition of the financial asset.

Subsequently, assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. Interest income from these financial assets is included in finance income using the effective interest rate method.

Impairment

The Company assesses on a forward-looking basis, the expected credit losses associated with its financial assets carried at amortized cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Impairment losses are presented within operating expenses in the statement of total comprehensive income.

Loss allowances of the Company are measured on either of the following bases:

- 12-month ECLs: these are ECLs that result from default events that are possible within the 12 months after the reporting date (or for a shorter period if the expected life of the instrument is less than 12 months); or
- Lifetime ECLs: these are ECLs that result from all possible default events over the expected life of a financial instrument or contract asset

General approach

The Company applies the general approach to provide for ECLs on due from a related party. Under the general approach, the loss allowance is measured at an amount equal to 12-month ECLs at initial recognition.

At each reporting date, the Company assesses whether the credit risk of a financial instrument has increased significantly since initial recognition. When credit risk has increased significantly since initial recognition, loss allowance is measured at an amount equal to lifetime ECLs.

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

The Company considers a financial asset to be in default when:

- the borrower is unlikely to pay its credit obligations to the Company in full, without recourse by the Company to actions such as realizing security (if any is held); or
- the financial asset is more than 180 days past due.

The maximum period considered when estimating ECLs is the maximum contractual period over which the Company is exposed to credit risk.

Measurement of ECLs

The measurement of expected credit losses is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information as described above. As for the exposure at default, for financial assets, this is represented by the assets' gross carrying amount at the reporting date.

Credit-impaired financial assets

At each reporting date, the Company assesses whether financial assets carried at amortized cost are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the counterparty;
- a breach of contract such as a default; or
- it is probable that the borrower will enter bankruptcy or other financial reorganization.

Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

Derecognition

Financial assets are derecognized when the rights to receive cash flows from the financial assets have expired or have been transferred and the Company has transferred substantially all the risks and rewards of ownership. Any gain or loss arising on derecognition is recognized directly in the statement of total comprehensive income and presented in other gains/(losses).

15.3 Financial liabilities

Classification

The Company classifies its financial liabilities as: (i) financial liabilities at fair value through profit or loss and (ii) other financial liabilities measured at amortized cost. The Company does not have any of financial liabilities at fair value through profit or loss.

The Company's financial liabilities comprise of trade payables and other liabilities (Note 6) and advances from shareholders (Note 7) which are carried at amortized cost using the effective interest rate method. These are included in current liabilities, except for maturities greater than 12 months

after the reporting date or when the Company has an unconditional right to defer settlement for at least 12 months after the reporting date which are classified as non-current liabilities.

Recognition

Other financial liabilities at amortized cost are recognized in the statement of financial position when, and only when, the Company becomes a party to the contractual provisions of the instrument.

Measurement

The Company's financial liabilities are initially measured at fair value plus transaction costs. These are subsequently measured at amortized cost using the effective interest rate method.

Derecognition

Financial liabilities are derecognized when it is extinguished, that is, when the obligation specified in a contract is discharged or cancelled, or when the obligation expires.

15.4 Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis, or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

The Company did not enter into any legally enforceable master netting agreements or other similar arrangements that would require offsetting of financial assets and liabilities as at June 30, 2025, December 31, 2024 and 2023.

15.5 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The fair value of a non-financial asset is measured based on its highest and best use. The asset's current use is presumed to be its highest and best use.

The fair value of financial and non-financial liabilities takes into account non-performance risk, which is the risk that the entity will not fulfill an obligation.

The Company classifies its fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1);
- inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (Level 2); and
- inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (Level 3).

The fair value of financial instruments traded in active markets is based on quoted market prices at the reporting date. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. The

quoted market price used for financial assets held by the Company is the current bid price. These instruments are included in Level 1.

The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. These valuation techniques maximize the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

If one or more of the significant inputs is not based on observable market data, the instrument is included in Level 3.

For non-financial assets, the Company uses valuation techniques that are appropriate in the circumstances and applies the technique consistently. The fair value of a non-financial asset is measured based on its highest and best use. The asset's current use is presumed to be its highest and best use.

The fair value of financial and non-financial liabilities takes into account non-performance risk, which is the risk that the Company will not fulfill an obligation.

As at June 30, 2025, December 31, 2024, and 2023, the Company has no assets and liabilities measured at fair value.

15.6 Cash

Cash includes cash on hand and deposits held at call with banks. Cash in bank are carried in the statement of financial position at face or nominal amount and earn interest at the prevailing bank deposit rate.

See Note 15.2 for relevant accounting policies for classification, recognition, measurement and derecognition of cash and cash equivalent.

15.7 Short-term investment

Short-term investment is a short-term, liquid investment that is convertible to known amounts of cash with original maturity more than three (3) months to less than a year from the date of placement and is subject to minimal risk of changes in value.

See Note 15.2 for relevant accounting policies for classification, recognition, measurement and derecognition of short-term investment.

15.8 Prepayments and other current assets

Prepayments are expenses paid in cash and recorded as assets before they are used or consumed, as the service or benefit will be received in the future. Prepayments expire and are recognized as expense either with the passage of time or through use or consumption.

Other current assets in the form of advances to employees and advances to suppliers are recognized initially at fair value and subsequently measured at amortized cost, which normally equal its nominal amount, less provision for impairment, if any.

Prepayments and other current assets are included in current assets, except when the related goods or services are expected to be received and rendered more than 12 months after the end of the reporting period, in which case, these are classified as non-current assets.

Prepayments are derecognized in the statement of financial position either with the passage of time through use or consumption.

15.9 Input VAT

Input VAT represent taxes imposed on the Company for the acquisition of goods and services. These are stated at face value less any provision for impairment and are utilized when there is a legally enforceable right to offset the recognized amounts against output VAT obligations and there is an intention to settle on a net basis, or realize the asset and settle the liability simultaneously. Input VAT are included in current assets, except when utilization and claims against output VAT are expected to be more than twelve (12) months after the reporting date, in which these are classified as non-current assets.

15.10 Property and equipment

Property and equipment are stated at historical cost less accumulated depreciation and impairment losses, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items, which comprises its purchase price and any directly attributable costs of bringing the asset to its working condition and location for its intended use.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognized. All other repairs and maintenance are charged to profit or loss during the year in which they are incurred.

Capital expenditures related to a project which are partially received or incurred are classified as construction in-progress and are stated at historical cost. These are not reclassified to the other property, and equipment accounts and depreciated until such time that the relevant assets are substantially completed and ready for intended use.

Depreciation is calculated using the straight-line method to allocate their costs to their residual values over their estimated useful lives (in years), as follows:

	No. of years
Office equipment	5 years
Furniture and fixture	5 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each reporting date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (Note 15.12).

An item of property and equipment is derecognized upon disposal or when no future economic benefits are expected from its use or disposal at which time the cost and their related accumulated depreciation are removed from the accounts. Gains and losses on disposals are determined by comparing proceeds with carrying amount and are recognized under other operating income (expense) in the statement of total comprehensive income.

15.11 Investment in a subsidiary

A subsidiary is an entity over which the Company has the power to govern the financial and operating policies generally accompanying a shareholding of more than one half of the voting rights. Control is the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. Control is presumed to exist when the parents owns, directly or indirectly through subsidiaries, more than half of the voting power of an entity.

Investment in a subsidiary is accounted for using the cost method in the separate financial statements. Under this method, investments are recognized at cost and income from the investment is recognized only to the extent that the Company receives distributions from accumulated profits of the investee. The Company recognizes dividend income from its investment in a subsidiary in the statement of total comprehensive income when the right to receive dividends has been established.

Investment in subsidiary is derecognized when the Company ceases to have control, or when the risk and rewards of ownership have been transferred or extinguished.

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

15.12 Impairment of non-financial assets

Non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. Value in use requires entities to make estimates of future cash flows to be derived from the particular asset, and discount them using a pre-tax market rate that reflects current assessments of the time value of money and the risk specific to the asset. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units).

Where an impairment loss subsequently reverses, the carrying amount of the asset or cash-generating unit is increased to the revised estimate of its recoverable amount, but the increased carrying amount should not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset or cash-generating unit in prior years. A reversal of an impairment loss is recognized as income immediately as other operating income in the statement of total comprehensive income.

15.13 Current and deferred income tax

The income tax expense for the period normally comprises current and deferred tax. Income tax expense is recognized in profit or loss within income tax (expense) credit, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case, the tax is also recognized in other comprehensive income or directly in equity, respectively.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the reporting date. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and establishes provisions, where appropriate, on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax (DIT) is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. DIT is not accounted for if it arises from initial recognition of an asset or liability in a transaction, other than a business combination, that at the time of the transaction affects either accounting nor taxable profit or loss. DIT is determined using tax rates and laws enacted or substantively enacted at the reporting date and are expected to apply when the related DIT asset is realized or DIT liability is settled.

DIT assets are recognized for all deductible temporary differences to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilized. DIT liabilities are recognized in full for all taxable temporary differences, except to the extent that the DIT liability arises from the initial recognition of goodwill.

DIT expense or credit is recognized for the changes in DIT assets and liabilities during the period. Income tax expense includes income tax as currently payable and those deferred because of temporary differences in the financial and tax reporting bases of assets and liabilities.

DIT assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when DIT assets and liabilities relate to income taxes levied by the same taxation authority and where there is an intention to settle the balances on a net basis.

DIT assets are derecognized when it is utilized or when it is no longer probable that future taxable profit can be utilized from the temporary deductible differences. DIT liabilities are derecognized when the temporary taxable differences have been settled.

The Company reassesses at each reporting date the need to recognize a previously unrecognized DIT asset.

15.14 Trade payables and other liabilities

Trade payables and other liabilities are obligations to pay for goods or services that have been acquired in the ordinary course of business. These are recognized in the period in which the related money, goods or services are received or when a legally enforceable claim against the Company is established or when the corresponding assets and expenses are recognized. Trade payables and other liabilities are recognized initially at fair value and subsequently measured at amortized cost using effective interest method. These are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities.

Trade payables and other liabilities are derecognized when it is extinguished, that is, when the obligation specified in a contract is discharged or cancelled, or when the obligation expires.

15.15 Borrowings and borrowing costs

Borrowings are recognized initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortized cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognized in profit or loss over the period of the borrowings using the effective interest method.

Borrowings are classified as current liabilities unless the Firm has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

Borrowing costs which are directly attributable to the acquisition, construction or production of a qualifying asset (one that takes a substantial period of time to get ready for use or sale) are capitalized as part of the cost of that asset. Borrowing costs, not directly attributed to a qualifying asset, are recognized and charged to profit or loss in the year in which they are incurred.

Borrowings are derecognized when the obligation is settled, paid or discharged.

15.16 Provisions

Provisions are recognized when the Company has a present legal or constructive obligation as a result of past events; it is more likely than not that an outflow of resources will be required to settle the obligation; and the amount can be reliably estimated. Provisions are not recognized for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required upon settlement is determined by considering the class of obligations as a whole. A provision is recognized even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognized as interest expense.

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources embodying economic benefits will be required to settle the obligation, the provision is reversed and derecognized from the statement of financial position.

15.17 Contingencies

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

15.18 Equity

Share capital

Ordinary shares are stated at par value and are classified as equity. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction from the proceeds.

Share premium

Any amount received by the Company in excess of par value of its shares is credited to share premium which forms part of the non-distributable reserve of the Company and can be used only for purposes specified under corporate legislation.

Subscriptions receivable

Subscriptions receivable pertains to the unpaid subscription price by the shareholder.

Share issuance cost

Share issuance costs incurred for the listing and offering process of the Company are recognized as deduction to share premium in accordance with PIC - Question and Answer (PIC - Q&A) 2011-04.

Retained earnings (deficit)

Retained earnings (deficit) include current and prior years' results, net of transactions with shareholders and dividends declared, if any.

Appropriated retained earnings pertain to the portion of the accumulated profit from operations which are restricted or reserved for a specific purpose, such as capital expenditures for expansion projects, and approved by the Company's Board of Directors.

Unappropriated retained earnings pertain to the unrestricted portion of the accumulated profit from operations of the Company which are available for dividend declaration.

Treasury shares

Where the Company purchases its own equity share capital (treasury shares), the consideration paid, including any directly attributable incremental costs is deducted from equity until the shares are cancelled, reissued or disposed of. Where such shares are subsequently sold or reissued, any

consideration received, net of any directly attributable incremental transaction costs and the related income tax effects are included in equity.

15.19 Earnings per share

Basic earnings (loss) per share is computed by dividing profit (loss) for the year attributable to the shareholders by the weighted average number of shares outstanding during the year.

The diluted earnings (loss) per share is calculated by adjusting the weighted average number of shares outstanding to assume conversion of all dilutive potential ordinary shares, if any. The Company has no dilutive potential ordinary shares during and at the end of each reporting period.

15.20 Dividend distribution

Dividend distribution to the Company's shareholders is recognized as a liability in the Company's financial statements in the period in which the dividends are approved by the Company's Board of Directors.

15.21 Income recognition

The following are the specific income recognition policies of the Company:

a) Dividend income

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

b) Interest income

Interest income is recognized when it is determined that such income will accrue to the Company and is presented net of final tax withheld by the banks.

c) Other income

All other income is recognized as earned or when the right to receive payment is established.

15.22 Costs and expenses

Costs and expenses are recognized in profit or loss when a decrease in future economic benefit related to a decrease in an asset, or an increase in a liability has arisen, that can be measured reliably.

Costs and expenses are recognized:

- a) on the basis of a direct association between the costs incurred and the earning of specific items of income;
- b) on the basis of systematic and rational allocation procedures (i.e. when economic benefits are expected to arise over several accounting periods and the association with income can only be broadly or indirectly determined); or
- c) immediately (i.e. when an expenditure produces no future economic benefits or when, and to the extent that future economic benefits do not qualify, or cease to qualify, for recognition in the statement of financial position).

Costs and expenses are presented in profit or loss according to their function.

15.23 Employee benefits

Short-term benefits

Provision is made for benefits accruing to employees in respect of wages and salaries when it is probable that settlement will be required and they are capable of being measured reliably. Provisions made in respect of employee benefits expected to be settled within twelve (12) months are measured using their nominal values using the remuneration rate expected to apply at the time of settlement. Provisions made in respect of employee benefits which are not expected to be settled within twelve (12) months are measured at the present value of the estimated future cash outflows to be made by the Company in respect of services provided by employees up to reporting date.

Retirement benefit obligation

The Company has yet to adopt a formal retirement plan for the benefit of its qualified employees. Under Republic Act (RA) 7641, otherwise known as the Retirement Pay Law, in the absence of a retirement plan or agreement providing for retirement benefits of employees in the private sector, an employee upon reaching the age of 60 years or more, but not beyond 65 years, who has served at least 5 years in a company, may retire and shall be entitled to retirement pay equivalent to at least ½ month salary for every year of service, a fraction of at least 6 months being considered as 1 whole year.

Termination benefits

Termination benefits are payable when employment is terminated by the Company before the normal retirement date, or when an employee accepts voluntary redundancy in exchange for these benefits. The Company recognizes termination benefits at the earlier of the following dates: (a) when the Company can no longer withdraw the offer of those benefits; and (b) when the Company recognizes costs for a restructuring that is within the scope of PAS 37 and involves the payment of termination benefits. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than 12 months after the end of the reporting period are discounted to present value.

15.24 Foreign currency transactions and translation

(a) Functional and presentation currency

Items included in the separate financial statements of the Company are measured using the currency of the primary economic environment in which the entity operates (the “functional currency”). The separate financial statements are prepared in Philippine Peso, which is the Company’s functional and presentation currency.

(b) Transactions and balances

Foreign currency transactions are translated into Philippine Peso using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in profit or loss.

15.25 Related party relationships and transactions

Related party relationships exist when one party has the ability to control, directly or indirectly through one or more intermediaries, the other party or exercises significant influence over the other party in making financial and operating decisions. Such relationships also exist between and/or among entities which are under common control with the reporting enterprise, or between and/or among the reporting enterprise and its key management personnel, directors, or its shareholders. In

considering each possible related party relationship, attention is directed to the substance of the relationship, and not merely the legal form.

15.26 Subsequent events

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

Jackstones, Inc. and Subsidiary

**Consolidated Unaudited Financial Statements
As at June 30, 2025 and December 31, 2024 and for each
of the three months and six months in the period ended
June 30, 2025 and 2024**

Jackstones, Inc. and Subsidiary

Consolidated Statements of Financial Position
As at June 30, 2025 and December 31, 2024
(all amounts in Philippine Peso)

	Notes	2025	2024
Assets			
Current assets			
Cash and cash equivalents	2	76,631,882	85,048,643
Receivables	3, 8	313,497	212,421
Real estate held for development and sale	4	12,130,303	16,049,808
Contract assets	10	1,778,857	1,783,857
Prepayments and other current assets	5	16,090,782	7,371,963
Total current assets		106,945,321	110,466,692
Non-current assets			
Property and equipment, net	6	6,283,612	6,084,495
Investment property, net	7	80,954,966	61,184,800
Advances to a related party	9	26,171,964	25,471,964
Input value-added tax (VAT)	5	2,064,072	1,962,657
Deferred tax asset	16	1,205,471	1,205,471
Other non-current assets	5	1,171,702	8,069,397
Total non-current assets		117,851,787	103,978,784
Total assets		224,797,108	214,445,476
Liabilities and Equity			
Current liabilities			
Trade payables and other liabilities	8	16,729,286	17,565,822
Advances from shareholders	9	130,677,769	131,677,769
Contract liabilities	10	6,910,846	7,104,337
Lease liabilities	9, 17	3,232,886	3,232,886
Security deposit and advance rental	17	14,975,419	4,259,624
Total liabilities		172,526,206	163,840,438
Equity			
Share capital, net	1, 11	221,193,910	211,193,910
Share premium	11	143,334,770	143,334,770
Treasury shares	11	(82)	(82)
Deficit		(312,257,696)	(303,923,560)
Total equity		52,270,902	50,605,038
Total liabilities and equity		224,797,108	214,445,476

The notes on pages 1 to 32 are integral part of these consolidated financial statements.

Jackstones, Inc. and Subsidiary

Consolidated Statements of Total Comprehensive Income
For each of the three months and six months ended June 30, 2025 and 2024
(All amounts in Philippine Peso)

		Three months ended June 30		Six months ended June 30	
	Notes	2025	2024	2025	2024
Revenue	12	16,319,491	4,483,815	26,167,963	8,967,629
Cost of sales and services	13	(4,058,638)	(323,378)	(4,197,771)	(884,486)
Gross profit		12,260,854	4,160,437	21,970,192	8,083,143
Operating expenses	14	(18,145,891)	(3,793,390)	(31,261,798)	(10,333,158)
Other income	15	973,777	821,869	1,418,723	1,408,403
Foreign exchange (loss) gain, net	19	(6,874)	33,216	(13,834)	33,249
Profit (loss) from operations		(4,918,134)	1,222,132	(7,886,717)	(808,363)
Finance costs	9,17	-	(819)	-	(2,808)
Profit (loss) before income tax		(4,918,134)	1,221,313	(7,886,717)	(811,171)
Income tax expense	16	(447,419)	(304,391)	(447,419)	(252,876)
Profit (loss) for the year		(4,470,715)	916,922	(8,334,136)	(1,064,047)
Other comprehensive income					
Total comprehensive income (loss) for the year		(4,470,715)	916,922	(8,334,136)	(1,064,047)
Income (loss) per share (basic and diluted)	18	(0.0179)	0.0036	(0.0333)	(0,0042)

The notes on pages 1 to 32 are integral part of these consolidated financial statements.

Jackstones, Inc. and Subsidiary

Consolidated Statements of Changes in Equity
For each of the six months ended June 30, 2025 and 2024
(All amounts in Philippine Peso)

	Share Capital (Note 11)			Paid-in Amount	Share premium (Note 11)	Treasury shares (Note 11)	Deficit	Total equity
	Subscribed No. of shares	Amount	Subscription receivable Amount					
Balances at January 1, 2024	250,059,179	250,059,179	(61,875,000)	188,184,179	143,334,770	(82)	(298,067,642)	33,451,225
Comprehensive loss								
Loss for the year	-	-	-	-	-	-	(1,064,047)	(1,064,047)
Other comprehensive income for the year	-	-	-	-	-	-	-	-
Total comprehensive loss for the year	-	-	-	-	-	-	(1,064,047)	(1,064,047)
Balances at June 30, 2024	250,059,179	250,059,179	(61,875,000)	188,184,179	143,334,770	(82)	(299,131,689)	(32,387,178)
Balances at Jan 1, 2025	250,059,179	250,059,179	(38,865,269)	221,193,910	143,334,770	(82)	(303,923,560)	50,605,038
Comprehensive income								
Income for the year	-	-	-	-	-	-	(8,334,136)	(8,334,136)
Additional share capital	-	-	10,000,000	10,000,000	-	-	-	10,000,000
Other comprehensive income for the year	-	-	-	-	-	-	-	-
Total comprehensive income for the year	-	-	10,000,000	10,000,000	-	-	(8,334,136)	1,665,864
Balances at June 30, 2025	250,059,179	250,059,179	(28,865,269)	221,193,910	143,334,770	(82)	(312,257,696)	52,270,902

The notes on pages 1 to 32 are integral part of these consolidated financial statements.

Jackstones, Inc. and Subsidiary

Consolidated Statements of Cash Flows
For each of the three months and six months ended June 30, 2025 and
2024
(All amounts in Philippine Peso)

	Notes	Three months ended June 30		Six months ended June 30	
	Notes	2025	2024	2025	2024
Cash flows from operating activities					
Profit (loss) before income tax		(4,918,134)	1,221,313	(7,886,717)	(811,171)
Adjustment for:					
Depreciation expense	6,7	622,798	232,792	1,229,408	640,257
Amortization of right-of-use assets	17	-	140,002	-	350,006
Unrealized foreign exchange loss (gain)	19	6,874	(33,216)	13,834	(33,249)
Interest expense on lease liability	9, 17	-	(819)	-	(2,808)
Interest income	2,15	(581,283)	(742,052)	(1,017,966)	(1,255,085)
Other Income	15	-	(74,164)	-	(74,164)
Operating income before changes in assets and liabilities		(4,869,745)	743,857	(7,661,411)	(1,186,214)
(Increase) decrease in:					
Receivables	3, 9	-	(1,675,674)	(101,076)	(1,745,632)
Real estate held for development and sale	4	3,919,504	(220,720)	3,919,504	(425,482)
Contract asset	10	5,000	(5,000)	5,000	595,818
Prepayments and other current assets	5	(7,895,008)	(342,620)	(8,718,819)	(3,106,227)
Input value-added tax, non-current	5	(36,673)	(6,659)	(101,413)	(68,460)
Other non-current asset	5	351,438	-	6,897,695	-
(Decrease) increase in:					
Trade payables and other liabilities	8	(2,067,759)	(260,046)	(836,537)	3,023,590
Contract liabilities	10	(5,787,868)	2,027,900	(193,490)	4,982,141
Security deposit and advance rental	17	14,076,115	(3,559,091)	10,715,795	(5,5053,965)
Net cash generated from operations		(2,304,996)	(3,298,053)	3,925,218	(2,984,161)
Interest received	2,15	581,283	742,052	1,017,966	1,255,086
Income taxes paid	16	(447,419)	(339,596)	(447,419)	(341,079)
Net cash generated from operating activities		(2,171,132)	(2,895,598)	4,495,765	(2,070,154)
Cash flow from investing activities					
Proceeds from short term investments	9	10,000,000		10,000,000	-
Advances from shareholder	9	(1,000,000)		(1,000,000)	-
Acquisition of property and equipment	6	(169,470)		(446,568)	(13,384)
Acquisition of investment property	7	(3,766,312)	(8,478,034)	(20,752,123)	(27,450,378)
Advances to contractor	5	1,951,184	1,207,307	-	3,726,173
Advances made to a related party	9	-	3,450,000	(700,000)	(6,350,000)
Loan to third party	3	-	(8,000,000)	-	(8,000,000)
Proceeds from payment of short-term loan	3	-	8,000,000	-	8,000,000
Other income	3	-	74,164	-	74,164
Net cash used in investing activities		7,015,402	(3,746,563)	(12,898,691)	(30,013,425)
Net increase in cash		4,844,270	(6,642,161)	(8,402,926)	(32,083,579)
Cash and cash equivalents at January 1		71,794,487	90,468,811	85,048,643	115,910,196
Effect of foreign exchange changes on cash and cash equivalents	19	(6,874)	33,216	(13,834)	33,249
Cash and cash equivalents at June 30	2	76,631,883	83,859,866	76,631,833	83,859,866

The notes on pages 1 to 32 are integral part of these consolidated financial statements.

Jackstones, Inc. and Subsidiary

Notes to the Consolidated Financial Statements

As at June 30, 2025 and December 31, 2024

(All amounts are shown in Philippine Peso, unless otherwise stated)

1 Business information

1.1 General information

Jackstones, Inc. (the "Parent Company") was originally incorporated on April 22, 1964 as Pacific Cement Company, Inc. to engage in the manufacture and trading of cement and related products. In June 2000, the Securities and Exchange Commission (SEC) approved the change in primary purpose of the Company to that of a holding company and changed its corporate name to PACEMCO Holdings, Inc. (PACEMCO). Simultaneous therewith, PACEMCO spun-off its cement manufacturing and mining facility and assets to Pacific Cement Philippines, Inc. (PACEMPHIL), in exchange for 100% of the shares of stock of PACEMPHIL. This investment was subsequently sold in November 2000.

In December 2000, PACEMCO acquired 100% of the share capital of NextStage, Inc., and in June 2001, the SEC approved the merger of PACEMCO and its subsidiary, NextStage, Inc., with PACEMCO as the surviving corporation. Subsequently, the SEC also approved the change in name from PACEMCO to NextStage, Inc.

The Parent Company's shares are listed in the Philippine Stock Exchange (PSE). As a public company, it is covered by Part I Section 2 A (i) (b) of the Revised Securities and Regulation Code (SRC) Rule 68 and also covered by additional requirement under the Revised SRC Rule 68, Part II.

On April 16, 2014, the SEC approved the Parent Company's application to change its corporate name to its present name and the extension of its corporate life for another 50 years immediately after the first 50 years from and after the date of incorporation.

On October 12, 2014, a group of individual and corporate shareholders sold their shares of stock representing 70% of the outstanding share capital of the Parent Company to Ketton Holdings, Inc. and a group of individual investors. The sale effectively transferred control of the Parent Company to Ketton Holdings, Inc., a domestic corporation registered in the Philippine SEC, who became the ultimate controlling party, owning 54% equity interest in the Parent Company.

On March 10, 2017, the Parent Company's BOD, through an amendment of the Parent Company's Articles of Incorporation, approved the increase of the Parent Company's authorized share capital from P170 million divided into 170 million shares with P1 par value per share to P500 million divided into 500 million shares with P1 par value per share. This amendment was approved and ratified by the Parent Company's shareholders during the annual shareholders' meeting on June 13, 2017. The amendment was filed and approved by the SEC on February 7, 2018.

The Parent Company's registered office, which is also its principal place of business is located at 593 Antonio Drive, Bagumbayan, Taguig City.

As at June 30, 2024, the Company has 307 shareholders (2023 - 307) owning at least 100 shares each. Of the total shares outstanding, 20.77% were publicly held as at June 30, 2025 (2023 - 20.77%).

1.2 Subsidiary information

The Parent Company holds 100% ownership in the shares of stock of Jackstones Properties, Inc. (the "Subsidiary" or "JPI"). The Parent Company and its subsidiary are collectively referred to as the "Group".

JPI was incorporated and registered with the Philippine SEC on October 20, 2017 primarily to purchase, acquire, own, hold, use and dispose real property. The registered office address of JPI is located at 593 Antonio Drive, Bagumbayan, Taguig.

1.3 Status of operations

In 2018, JPI purchased a land for future development and sale to start its commercial operations. In 2020, JPI obtained the approval from Housing and Land Use Regulatory Board (HLURB) for the license to sell saleable units in the purchased land. The project has generated income in 2024 and 2023.

In 2021, JPI entered into a Land Management Agreement with its related party, Great Circle Holdings Inc. which generated additional income for the subsidiary during the year (Note 8). In 2022, the agreement was renewed effective up to 2023. In 2023, the agreement was renewed with a term of two (2) years and shall be extended based on mutual agreement by both Parties before the end of each term. On February 19, 2025, they entered in a property management agreement (PMA) whereas GCHI desires to appoint JPI to operate, manage and maintain the property and provide it management services which JPI agreed to the terms and conditions wherein for a period of 1 year from the signing of the agreement. The agreement may be extended provided that either party shall notify the other at least 30 days prior to the expiration of the term.

In 2022, JPI entered into another Land Management Agreement with its related party, Bluebell Properties and Holding Corporation to generate additional income for the subsidiary. This agreement shall have a term of eight (8) years and shall be extended based on mutual agreement by both Parties before the end of each term.

The Parent Company is also currently negotiating with various investment groups to raise new capital and is also considering another public offering to raise more funds for its investments and holdings. The Parent Company continues to review projects, ventures, businesses and assets that can be included in the holdings of the Parent Company for which the Parent Company may issue shares in exchange of owning them.

Moreover, the shareholders continue to provide financial support to the Group to enable it to meet its financial obligations when they fall due and carry out its business operations, going forward.

2 Cash and cash equivalents; short-term investments

Cash and cash equivalents

Cash and cash equivalents as at June 30, 2025 and December 31, 2024 consist of:

	2025	2024
Cash on hand	-	-
Cash in banks	51,788,489	51,283,360
Cash equivalents	24,843,393	33,765,283
	<u>76,631,882</u>	<u>85,048,643</u>

Cash in banks earn interest at the respective bank deposit rate. Cash equivalents represent short-term time deposits with local bank having maturity of less than three (3) months from the date of placement and earning interest ranging from 3.2% to 4% per annum.

As at June 30, 2025, the Group has time deposits with a local bank amounting to P24,843,393 (2024 – P33,765,283) having a maturity of thirty-five (35) days from the date of placement and earning interest of 5.75% per annum (2024 – 5.75%).

Interest income earned from bank deposits, cash equivalents and short-term investments for the period ended June 30, 2025 amounted to P1,017,966 (2024- P1,255,085) (Note 15).

3 Receivables

Receivables as at June 30, 2025 and December 31, 2024 consist of:

	Note	2025	2024
Receivables			
Third party	9	-	1,599,227
Related party		313,497	212,421
		313,497	1,811,648

The receivables are non-interest bearing, and to be settled in cash. None of the trade receivables of the Group have been pledged as security for credit facilities.

4 Real estate held for development and sale

Real estate held for development and sale represent the construction of Michelia Residences (Note 1), a townhouse project, in which JPI has been granted license to sell by the Housing and Land Use Regulatory Board (HLURB) of the Philippines. In 2025 and 2024, these include real estate held for sale on completed projects.

The movements in real estate held for development and sale for the period ended June 30, 2025 and December 31, 2024 follows:

	Note	2025	2024
Balance at January 1		16,049,808	28,527,470
Additions during the year		-	1,905,594
Charged to cost of sales	13	(3,919,505)	(14,383,256)
Balance at December 31		12,130,303	16,049,808

Critical accounting judgment: Provision for losses on real estate held for development and sale

The Group provides for an allowance to write down real estate held for development and sale whenever the net realizable value becomes lower than cost. The allowance account is reviewed periodically.

As at June 30, 2025 and December 31, 2024, the Group has assessed that there is no need to provide any allowance for losses on land held for development and sale.

Critical accounting estimate: Evaluation of net realizable value (NRV) of real estate held for development and sale

The Group adjusts the cost to net realizable value based on its assessment of the recoverability of the real estate held for development and sale. NRV for completed real estate held for development and sale is assessed with reference to market conditions and prices existing at the reporting date and is determined by the Group in the light of recent market transactions. The amount and timing of recorded expenses for any period would differ if different judgments were made or different estimates were utilized. In evaluating NRV, recent market conditions and current market prices have been considered.

5 Prepayments and other current assets; Input VAT, non-current

Prepayments and other current assets as at June 30, 2025 and December 31, 2024 consist of:

	2025	2024
Advances to contractor	9,501,922	1,060,944
Input value-added tax (VAT)	3,389,451	3,673,396
Creditable withholding taxes	2,969,174	2,269,104
Advances to employees and officer	215,353	349,195
Others	14,882	14,882
Prepayments	-	4,442
	16,090,782	7,371,963

Advances to a contractor represent advanced payments which are settled through provision of construction services and delivery of materials. The services and materials are expected to be received within 12 months

from reporting date.

Advances to employees and officer pertain to cash advances for operating expenses which are expected to be liquidated within 12 months from date of receipt.

Input VAT, non-current

The Group presented the input VAT related to the Parent Company amounting to P2,064,070, as at June 30, 2025 (2024 – P1,962,657) as non-current asset since the management assessed that there will be no activities that will generate revenue that are subject to VAT within the next 12 months.

The Group has identified target projects, ventures, businesses and assets that can be included in the holdings and that will generate revenue that are subject to VAT. Management assessed that it is premature to recognize an impairment of the input VAT as management's intention is to apply it against future VAT obligations.

Other non-current assets

Other non-current assets as of June 30, 2025, and December 31, 2024, consist of:

	Note	2025	2024
Advances to contractor		-	6,546,257
Refundable deposits		1,171,702	1,523,140
		1,171,702	8,069,397

Advances to contractor presented as non-current asset represent advance payments for provisions of construction services which are expected to be received beyond 12 months from the reporting date.

Refundable deposits pertain to deposits made by the Group for electricity and water service which are expected to be utilized or collected beyond 12 months from the reporting date.

Critical accounting judgment: Recoverability of input VAT and creditable withholding taxes

In determining the recoverable amount of input VAT and creditable withholding taxes, management considers the probability of future transactions that will be available against which the input VAT and creditable withholding taxes can be utilized, including adequacy of and compliance with the required documentation for anticipated tax audits in case the entities within the Group opted to file for refund with the tax authorities in the future.

Management uses judgment based on the best available facts and circumstances, including but not limited to, the adequacy of documentation, timely filing of application with the tax authority and evaluation of the individual tax credit claim's future recoverability and utilization. As of reporting date, management believes that it will be able to recover these input VAT and creditable withholding taxes on the following basis:

- Input VAT carried in the VAT returns and creditable withholding taxes carried in income tax returns do not expire and can be used against future output VAT obligations and income tax payable, respectively. As disclosed in Note 1, the Group has identified target projects and business ventures that will generate revenues subject to VAT and income tax; and
- The Group has the option to apply for a tax refund on unused input VAT within a period of two (2) years.

6 Property and equipment, net

Property and equipment as at June 30, 2025 and December 31, 2024 consist of:

	Furniture and fixtures	Office equipment	Leasehold improvements	Building improvement	Total
At January 1, 2024					
Cost	125,079	1,020,727	14,692,134	-	15,837,940
Accumulated depreciation	(71,713)	(642,354)	(14,137,533)	-	(14,851,600)
Net carrying value	53,366	378,373	554,601	-	986,340
For the period ended December 31, 2024					
Opening net carrying value	53,366	378,373	554,601	-	986,340
Additions	367,256	170,133	-	5,472,534	6,009,923
Depreciation	(47,698)	(163,535)	(554,601)	(145,934)	(911,768)
Closing net carrying value	372,924	384,971	-	5,326,600	6,084,495
At December 31, 2024					
Cost	492,335	1,190,860	14,692,134	5,472,534	21,847,863
Accumulated depreciation	(119,411)	(805,889)	(14,692,134)	(145,934)	(15,763,368)
Net carrying value	372,924	384,971	-	5,326,600	6,084,495
For the period ended June 30, 2025					
Opening net carrying value	372,924	384,971	-	5,326,600	6,084,495
Additions	159,754	286,813	-	-	446,567
Depreciation	(51,715)	(86,283)	-	(109,451)	(247,449)
Closing net carrying value	480,963	585,501	-	5,217,149	6,283,613
At June 30, 2025					
Cost	635,846	1,404,358	14,692,134	5,472,534	22,204,872
Accumulated depreciation	(154,883)	(818,857)	(14,692,134)	(255,385)	(15,921,259)
Net carrying value	480,963	585,801	-	5,217,149	6,283,613

Depreciation expense charged to profit or loss for the three months ended June 30 are as follows:

	Notes	Three months ended		Six months ended	
		2025	June 30 2024	2025	June 30 2024
Cost of sales and services	13	-	179,904	-	534,480
Operating expenses	14	131,818	52,888	247,449	105,777
		131,818	232,792	247,449	640,257

Critical accounting estimate: Useful lives of property and equipment

The Group determines the estimated useful lives for its property and equipment based on the period over which the assets are expected to be available for use. The Group annually reviews the estimated useful lives of property and equipment based on factors that include asset utilization, internal technical evaluation, technological changes, environmental and anticipated use of assets tempered by related industry benchmark information. It is possible that future results of operations could be materially affected by changes in these estimates brought about by changes in factors mentioned.

Management has assessed that the useful lives of property and equipment are appropriate.

Critical accounting judgment: Impairment of property and equipment

The Group likewise reviews the carrying values of property and equipment and assesses them for impairment

whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. Management uses judgment based on available facts and circumstances, but not limited to evaluation of the future recoverability of property and equipment, in assessing whether a provision for impairment is required.

Management believes that there are no significant events or changes in circumstances which indicate that the carrying amount may not be recoverable at reporting date.

7. Investment property, net

The movements in investment property for the period ended June 30, 2025 and December 31, 2024 are as follows:

	Construction in progress	Building	Total
At January 1, 2024			
Cost	17,555,049	-	17,555,049
Accumulated depreciation	-	-	-
Net carrying value	17,555,049	-	17,555,049
For the period ended December 31, 2024			
Opening net carrying value	17,555,049	-	17,555,049
Additions	44,939,029	-	44,939,029
Reclassification	(49,097,934)	49,097,934	-
Depreciation	-	(1,309,278)	(1,309,278)
Closing net carrying value	13,396,144	47,788,656	61,184,800
At December 31, 2024			
Cost	13,396,144	49,097,934	62,494,078
Accumulated depreciation	-	(1,309,278)	(1,309,278)
Net carrying value	13,396,144	47,788,656	61,184,800
For the period ended March 31, 2025			
Opening net carrying value	13,396,144	47,788,656	61,184,800
Additions	20,752,124	-	20,752,124
Reclassification	-	-	-
Depreciation Expense	-	(981,959)	(981,959)
Closing net carrying value	34,148,268	46,806,697	80,954,965
At December 31, 2024			
Cost	34,148,268	49,097,934	83,246,202
Accumulated depreciation	-	(2,291,237)	(2,291,237)
Net carrying value	34,148,268	46,806,697	80,954,965

The investment property pertains to a three-story building intended for leasing upon project completion, located at Kanlaon St., Brgy. Sta. Teresita, Quezon City. In May 2024, the construction of Kanlaon Town Center Phase 1 was completed.

The carrying amount of construction in progress as at June 30, 2025 approximates their fair values considering that they represent the costs necessary to construct the properties at current market prices. This is a level 3 fair value measurement, with any changes in the current prices of goods or services necessary to construct the properties directly affecting the fair values of investment properties as at reporting dates.

Depreciation expense charged to profit or loss are as follows:

	Notes	Three months ended		Six months ended	
		2025	June 30 2024	2025	June 30 2024
Cost of sales and services	13	139,133	-	278,266	-
Operating expenses	14	351,847	-	703,693	-
		490,980	-	981,959	-

Critical accounting judgement: Impairment of Investment Property

The Company reviews the carrying value of its investment property and assesses it for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. Management uses judgment based on available facts and circumstances, but not limited to evaluation of the future recoverability of in the

investment property, in assessing whether a provision for impairment is required.

Management believes that there are no significant events or changes in circumstances which indicate that the carrying amount may not be recoverable at the reporting date.

8 Trade payables and other liabilities

Trade payables and other liabilities as at June 30, 2025 and December 31, 2024 consist of:

	Note	2025	2024
Trade payables		434,085	434,085
Retention payable		8,317,222	6,672,326
Accrued expenses and other liabilities		5,418,204	8,039,466
Due to a related party	9	893,044	893,044
Advances from customers		641,967	615,480
Payable to regulatory agency		1,024,764	911,421
		16,729,286	17,565,822

Trade payables are non-interest bearing and are normally settled within 30 days.

Retention payable refers to a portion of the contract price related to the Kanlaon Tower Center project withheld by the Group from the contractor to ensure completion of the project and satisfactory performance service. The full amount will be released to the contractor one (1) year after the completion of the project.

Advances from customers consist of deposits for utilities to be remitted to Homeowners Association (HOA) once the related property has been turned over to the buyer.

Accrued expenses and other payables mainly consist of accruals for security and janitorial services, audit fee and other professional fees to consultants.

There are neither guarantees nor assets pledged to secure the Group's liabilities at June 30, 2025 and December 31, 2024.

The carrying amounts of trade payables and other liabilities approximate their fair values due to their short-term maturities.

9 Related party transactions and balances

The table below summarizes the Group's transactions and balances with its related parties.

	Transactions			Due from (due to)		Terms and conditions
	June 2025	June 2025	Dec 2024	June 2025	Dec 2024	
Receivables Entity under common control (Note 3)	313,497	212,421	146,405	313,497	212,421	Receivable from an entity under common control are related to payments made on behalf of Great Circle Holdings Inc. (GCH). These are non-interest bearing, unsecured, collectible in cash and on demand.
Advances to Entity under common control	700,000					Advances to an entity under common control are related to advances made to Ketton Property Management and Consultancy (KPMC) as the Group's property manager on its investment property under construction. There are no fixed repayment terms and these are non-interest bearing.
	1,013,497	6,350,000	13,000,000	26,171,964	25,471,964	
		5,562,421	13,146,405	26,203,461	25,684,385	
Land management agreement (Lease liability) (Note 17) Entity under common control	-	840,012	-	(3,232,886)	(3,232,886)	Due to an entity under common control are related to Land Management Agreement with GCH (Note 17). These are non-interest bearing, unsecured and payable in cash.
Interest on lease (Note 17) Entity under common control	-	-	2,808	-	(68,283)	This pertains to the interest on lease liabilities as discussed in Note 17.
Contingent rent fees (Note 17) Entity under common control	-	-	-	-	(824,761)	This pertains to contingent fee in relation to the land management agreement with GCH as discussed in Note 17. These are non-interest bearing, unsecured, payable in cash and on demand.
	-	-	2,808	-	(893,044)	
Advances from Shareholders	(1,000,000)	-	-	(130,677,769)	(131,677,769)	Advances are extended for working capital requirements which are payable in cash with no fixed repayment date. These are non-interest bearing, unguaranteed and unsecured.

Key management compensation – Salaries and other short-term benefits (Note 14)	4,795,000	2,702,490	5,475,001	-	-	Key management compensation covering salaries and wages and other short-term benefits are determined based on contract of employment and payable in cash every month. The Parent Company has not provided share-based payments, termination benefits or other long-term benefits to its key management personnel for the years ended June 30, 2025 and December 31, 2024.
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In the normal course of the business, the Group receives advances from the shareholders for working capital purposes. The carrying amount of advances from shareholders approximates its fair value due to its short-term maturity. The following related party balances as at June 30, 2025 and December 31, 2024, were eliminated for the purpose of preparing the consolidated statements of financial position:

The following related party balances as at June 30, 2025 and December 31, 2024 were eliminated for the purpose of preparing the consolidated statements of financial position:

	2025	2024
Due from subsidiary	106,435,732	106,435,732
Advances from Parent Company	106,435,732	106,435,732
Investment in subsidiary	3,326,994	3,326,994
Share capital of the subsidiary	3,125,000	3,125,000

There were no related party transactions identified to be eliminated for the purpose of preparing the consolidated statements of total comprehensive income of the Group as at June 30, 2025 and December 31, 2024.

10 Contract assets; contract liabilities

Contract assets

The Group incurs brokers' commission for each contract to sell that was successfully referred by the broker. A portion of the commission is paid upon signing of the contract to sell, and the remaining portion is paid upon issuance of the deed of absolute sale to the buyer.

The amount of brokers' commission paid by the Group is recognized as contract assets. Contract assets will be charged to "commission expense" when revenue recognition is met for each customer contract.

The movements in contract assets for the period ended June 30, 2025 and December 31, 2024 are as follow:

	Note	2025	2024
Beginning of the year		1,783,857	2,265,221
Additions during the year		-	1,914,088
Charged to expenses during the year	14	-	(2,395,452)
End of the year		1,783,857	1,783,857

Contract liabilities

Contract liabilities consist of customer deposits and advance payments for additional improvement on bare units which have not been completed as at June 30, 2025 and December 31, 2024. A portion of the contract liabilities are refundable if the customers will exercise their right to a refund based on the contract terms and applicable laws in the Philippines. The Group will recognize the revenue as the construction is completed and the collectability of the consideration is certain, which is expected to occur over the next 12 months from the reporting date.

The movements in contract liabilities for the period ended June 30, 2025 and December 31, 2024 are as follows:

	Note	2025	2024
Beginning of the year		7,104,337	7,854,066
Additions during the year		5,594,378	8,255,883
Recognized as revenue during the year	12	-	(23,214,286)
End of the year		12,698,715	7,104,337

Critical accounting judgment: Revenue recognition

At contract inception, the Group evaluates the following criteria before it can apply the revenue recognition model under PFRS 15: a) The parties to the contract have approved the contract and are committed to perform their obligations; b) The entity can identify each party's rights regarding the goods or services to be transferred; c) The entity can identify the payment terms for the goods or services to be transferred; d) The contract has commercial substance (i.e., the risk, timing or amount of the entity's future cash flows is expected to change as a result of the contract); and e) It is probable that the entity will collect the consideration to which it will be entitled in exchange for the goods or services that will be transferred to the customer.

If a contract with a customer does not meet the criteria, the Group shall continue to assess the contract to determine whether the criteria are subsequently met. When a contract with a customer does not meet the criteria and the Group receives consideration from the customer, the Group recognizes the consideration received as revenue only when either of the following events has occurred: a) The Group has no remaining obligations to transfer goods or services to the customer and all, or substantially all, of the consideration promised by the customer has been received by the Group and is non-refundable; or b) The contract has been terminated and the consideration received from the customer is non-refundable.

As at June 30, 2025 and December 31, 2024, the Group recognized the consideration received from the customers as contract liabilities and will continue to assess if the revenue recognition criteria are subsequently met.

11 Equity

Share capital, net of treasury shares

Details of share capital as at June 30, 2025 and December 31, 2024 are as follows:

	Note	Shares	Amount
Common shares at P1 par value per share			
Authorized share capital	1	500,000,000	500,000,000
Subscribed and issued			
Share capital issued		167,559,179	167,559,179
Treasury shares		(82)	(82)
Share capital issued and outstanding, net		167,559,097	167,559,097
Partially paid			
Subscribed share capital		82,500,000	82,500,000
Subscription receivable		(28,865,269)	(28,865,269)
Subscribed and paid		53,634,731	53,634,731
Share capital, net		221,193,828	221,193,828

Each common share confers upon a common shareholder: a) the right to vote at any shareholder's meeting or on any resolution of the shareholders; and b) the right to distribution of income under such terms and conditions as the BOD may approve. All holders of common shares shall have no pre-emptive rights to acquire new shares (including any common shares, securities convertible or exchangeable into shares, options, warrants or other rights to purchase or subscribe for shares or securities convertible or exchangeable into shares) to be issued by the Parent Company.

The Parent Company's record of registration of its securities under the Securities Regulation Code follows:

Date of approval	February 7, 2018	October 27, 1967
Number of shares registered	330,000,000	170,000,000
Issued/offer price	2.50	2.30

Share premium

In 2013, as part of the Parent Company's equity restructuring and to improve and strengthen the financial condition of the Parent Company without affecting the present ownership, the Board of Directors approved the conversion of the Parent Company's due to related parties, advances from shareholders and deposits for future shares subscriptions aggregating to P112,397,270 to additional paid in capital on April 30, 2013. On the same date, the Parent Company's shareholders approved such conversion into equity (under share premium).

On February 7, 2018, the Parent Company received a subscription payment from stockholders resulting to share premium amounting to P30,937,500. On December 2024 and June 2025, the company received subscription payment for the additional paid up capital amounting to P23,009,731 and P10,000,000.

As at June 30, 2025 and December 31, 2024, share premium amounted to P143,334,770.

Subscription receivable

Details of the subscribed shares and subscription receivable as at June 30, 2025 and December 31, 2024 are as follows:

	Share capital subscribed		Share premium	Total amount
	No. of shares	Amount		
Total subscription	82,500,000	82,500,000	123,750,000	206,250,000
Subscribed and paid, gross of share issuance costs	(53,634,731)	(53,634,731)	(30,937,500)	(51,562,500)
Subscription receivable	28,865,269	28,865,269	92,812,500	154,687,500

12 Revenue

The Group's revenue from contracts with customers for the three months and six months ended June 30 are as follows:

	Note	Three months ended June 30		Six months ended June 30	
		2025	2024	2025	2024
Sale of real property held for development and sale		5,803,572	-	5,803,572	-
Rental income	17	10,515,919	4,483,815	20,364,391	8,967,629
		16,319,491	4,483,815	26,167,963	8,967,629

13 Cost of sale and services

Cost of sale and services for three months and six months ended June 30 consist of:

	Notes	Three months ended June 30		Six months ended June 30	
		2025	2024	2025	2024
Cost of real property held for development and sale	4	3,919,505	-	3,919,505	-
Cost of services					
Depreciation	6	139,133	183,376	278,266	534,480
Amortization of right-of-use asset	17		140,002	-	350,006
		4,058,638	323,378	4,197,771	884,486

Cost of real property held for development and sale includes allocated cost of land acquisition, site developmental cost, house construction cost, and other costs attributable to bringing the real estate inventories to its intended condition.

14 Operating expenses

The components of operating expenses for the three months and six months ended June 30 are as follows:

	Notes	Three months ended June 30		Six months ended June 30	
		2025	2024	2025	2024
Salaries and other employee benefits		11,612,653	2,189,906	20,932,165	4,309,368
Professional and consultancy fees		630,857	272,000	1,341,746	1,596,560
Commission		290,179	-	290,179	1,719,013
Taxes, licenses and regulatory fees		354,451	80,230	926,722	738,979
Repairs and maintenance		607,324	-	653,238	316,541
Meeting		330,115	-	345,071	271,903
Depreciation	6,7	483,663	52,888	951,142	105,775
Transportation		37,446	4,230	77,750	6,727
Office supplies		237,187	-	270,221	4,599
Agency fee		1,695,110	250,000	2,589,532	-
Miscellaneous		1,866,906	944,136	2,884,032	1,263,693
		18,145,891	3,793,390	31,261,798	10,333,158

Miscellaneous expense mainly pertains to advertising and promotion, penalties and fines, bank charges, representation and web/internet expenses.

15 Other income

The components of other income for the three months and six months ended June 30 are as follows:

	Note	Three months ended June 30		Six months ended June 30	
		2025	2024	2025	2024
Interest income	2	581,283	742,052	1,017,966	1,255,085
Other income		392,494	79,816	400,757	153,318
		973,777	821,869	1,418,723	1,408,403

In 2025 and 2024, other income pertains to scrap sales, forfeited customer reservation fees, developer's incentives and interest earned from loan to third party.

16 Income tax

On March 26, 2021, RA No. 11534, also known as the Corporate Recovery and Tax Incentives for Enterprises (CREATE) Act, was enacted into law. One of its key provisions set the Minimum Corporate Income Tax (MCIT) rate at 1% for the period from July 1, 2020 to June 30, 2023. Effective July 1, 2023, the MCIT rate reverted to its previous rate of 2%.

The financial statements for the period ending June 30, 2025, was prepared using an income tax rate of 25% for the Regular Corporate Income Tax (RCIT) and 2% for the MCIT.

The components of income tax expense as shown in statements of total comprehensive income for the three months and six months ended June 30 are as follows:

	Three months ended June 30		Six months ended June 30	
	2025	2024	2025	2024
Current tax expense	447,419	339,596	447,419	341,079
Deferred tax (benefit) expense	-	(35,205)	-	(88,203)
	447,419	304,391	447,419	252,876

Deferred income tax assets

The Group has a total deferred income tax (DIT) asset for the period ending June 30, 2025, amounting to P1,205,471 (2024 - P1,205,471), of which 1,202,329 and 1,202,329 (2024 - 1,202,329 and 3,142) related to JPI and Parent Company, respectively, was recognized, while P1,685,021 and P537,691 (2024: P832,870 and P5,310,366) related to JPI and Parent Company, respectively, was unrecognized.

Recognized DIT asset

Recognized DIT asset as at June 30, 2025 and December 31, 2024 consist of the tax effect of the following temporary differences:

	2025	2024
Recognized by JPI		
Minimum corporate income tax	382,915	382,915
Right of use assets	-	-
Lease liabilities	808,222	808,222
Interest payable on lease	11,192	11,192
	1,202,329	1,202,329
Recognized by JAS		
Excess of MCIT over RCIT	3,142	3,142
	1,205,471	1,205,471

In compliance with the tax regulations, the Group shall pay the greater of MCIT and Regular Corporate Income Tax (RCIT), starting 2021. Any excess of MCIT over the RCIT shall be carried forward for the next three consecutive taxable years immediately following the year such MCIT was paid

Details of excess of MCIT over RCIT as at June 30, 2025 and December 31, 2024 follows:

Year incurred	Year of expiration	Amount	Utilized	Balance
2021	2024	120,699	(120,699)	-
2022	2025	1,659	-	1,659
2024	2027	384,398	-	384,398
2025	2029	447,419	-	447,419
		954,175	(120,699)	483,476

The realization of the future tax benefit related to the deferred tax asset is dependent on the JPI's ability to generate future taxable income.

Management has considered these factors in reaching a conclusion to recognize DIT assets in the statements of financial position at June 30, 2025, December 31, 2024 and 2023.

Movements in the DIT assets for period ended June 30, 2025 and December 31, 2024 are as follows:

	2025	2024
At January 1	1,205,471	732,869
Charged to profit or loss	-	472,602
At December 31	1,205,471	1,205,471

Unrecognized DIT assets

The Group's unrecognized DIT assets as incurred by the Parent Company as at June 30, 2025 and December 31, 2024 are as follows:

	2025	2024
Net operating loss carryover (NOLCO)	5,854,293	6,149,472
Unrealized foreign exchange loss (gain)	-	(6,236)
	5,854,293	6,143,236

In 2020, pursuant to Section 4 (bbb) of Bayanihan II and as implemented under RR 25-2020, the net operating losses of a business or enterprise incurred for taxable years 2020 and 2021 can be carried over as a deduction from gross income for the next five (5) consecutive taxable years following the year of such loss.

The details of the Parent Company's NOLCO as at June 30, 2025 and December 31, 2024 are as follow:

Year loss was incurred	Year of expiration	2024	Additions during the year	Expired during the year	2025
2020	2025	3,748,706	-	-	3,748,706
2021	2026	5,174,848	-	-	5,174,848
2022	2025	3,955,255	-	-	3,955,255
2023	2026	3,749,406	-	-	3,749,406
2024	2027	4,638,191	-	-	4,638,191
2025	2029		2,150,765		2,150,765
		21,266,406	2,150,765	-	23,417,171
Tax rate		25%	25%		25%
		5,316,602	537,691	-	5,854,293

The details of the Subsidiary's NOLCO as June 30, are as follow:

Year loss was incurred	Year of expiration	2024	Additions during the year	Expired during the year	2025
2024	2027	3,331,480	-	-	3,331,480
2025	2029		6,740,085		6,740,085
		3,331,480	6,740,085	-	10,071,565
Tax rate	-	25%	25%		25%
-	-	832,870	1,685,021		2,517,891

Realization of the future tax benefits related to the DIT asset is dependent on many factors, including the Parent Company's ability to generate taxable income. Management has considered these factors in reaching a conclusion not to recognize the Parent Company's DIT assets in the consolidated statements of financial position.

The reconciliation of income tax computed at the statutory income tax rate to income tax expense as shown in the statement of total comprehensive income for the three months and six months ended June 30 is as follows:

	Three months ended		Six months ended	
	June 30		June 30	
	2025	2024	2025	2024
Loss before income tax	(4,918,133)	1,221,313	(7,886,717)	(811,171)
Applicable statutory tax rate	25%	25%	25%	25%
Income (loss) before income tax at statutory tax rate	(1,229,533)	305,328	(1,971,679)	(202,792)
Adjustments for:				
Interest income subject to final tax	(145,321)	(185,514)	(254,491)	(313,771)
Unrecognized tax benefit on NOLCO	1,374,854	55,320	2,222,712	638,707
Non-deductible expense	-	137,561	-	137,561
Unrecognized tax benefit from unrealized foreign exchange loss (gain)	-	(8,304)	3,458	(8,312)
MCIT	-	-	-	1,483
	-	304,391	-	252,876

Critical accounting judgment: Deferred income taxes

PFRS requires the recognition of deferred income tax (DIT) assets to the extent that it is probable that future taxable income will be available against which the temporary differences can be utilized. Determining the realizability of DIT assets requires the estimation of profits expected to be generated from operations.

17 Lease agreement

Group as the lessee

Land Management Agreement

In 2020, JPI and Great Circle Holdings, Inc. (GCH) entered into a Land Management Agreement granting JPI the right to maintain and utilize the property of GCH situated at 593 San Antonio Drive, Taguig Bagumbayan Industrial Park, Taguig City consisting of land and warehouses for leasing activities to third-parties or its related parties. JPI will receive the entire amount of rental income from third-parties or its related parties' lessees and in turn, pay GCH a 5% consideration, contingent on the rental income received. This is to allow JPI to recoup the costs incurred to improve the warehouses.

The agreement is for a period of two (2) years beginning May 4, 2020 until May 3, 2022, renewable upon mutual agreement of the parties. During 2022, the agreement was renewed for another year. The foregoing agreement qualified as lease under PFRS 16.

In 2022, the Company entered into another Land Management Agreement with its related party, Bluebell Properties and Holding Corporation (BPHC) granting the Company the right to operate the land of BPHC situated at #8 Kanlaon St., Brgy. Maharlika, Quezon City for leasing activities to third-parties or its related parties. The Company is permitted to construct and operate in the land. The Company will receive the entire amount of rental income from third-parties or its related parties' lessees and in turn, pay BPHC a 5% consideration, contingent on the rental income received. As at June 30, 2025, construction of phase 1 of the building on this land is completed (Note 7).

The agreement is for an initial period of eight (8) years beginning January 28, 2022 until January 27, 2030, renewable subject to terms and conditions mutually agreed upon by both parties

Amounts recognized in the statements of financial position as at June 30, 2025 and December 31, 2024 are as follows:

	Note	2025	2024
Right-of-use asset Beginning of the year		-	350,006
Additions during the year		-	-
Amortization	13	-	-
		-	350,006
Lease liability			
Current		3,232,886	3,232,886
Non-current		-	-
		3,232,886	3,232,886

The movement of lease liabilities for the period ended June 30, 2025 and December 31, 2024 are as follows:

	2025	2024
Beginning of the year	3,232,886	2,392,874
Additions during the year	-	840,012
	3,232,886	3,232,886

There are no cash outflow for leases for the year ended June 30, 2025 and December 31, 2024.

Amounts recognized in the statements of total comprehensive income for the three months ended June 30 are as follows:

	Notes	Three months ended June 30		Six months ended June 30	
		2025	2024	2025	2024
Amortization expense on right-of-use asset	13	-	140,002	-	350,006
Interest expense on lease liability		-	819	-	2,808
		-	140,821	-	352,814

Discount rate

The lease payments are discounted using the lessee's incremental borrowing rate, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

Critical accounting estimate: Determination of incremental borrowing rate

To determine the incremental borrowing rate, the Group uses recent third-party financing received by the individual lessee as a starting point, adjusted to reflect changes in financing conditions since third party financing was received. Where third party financing cannot be obtained, the Group uses the government bond yield, adjusted for the (1) credit spread specific to the Group and (2) security using the right-of-use assets.

Critical accounting judgment: Determination of the lease term

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated). The Group considers the factors below as the most relevant in assessing the options:

- If there are significant penalties to terminate (or not extend), the Group is typically reasonably certain to extend (or not terminate).
- If any leasehold improvements are expected to have a significant remaining value, the Group is typically reasonably certain to extend (or not terminate).

Otherwise, the Group considers other factors including historical lease durations and the costs and business disruption required to replace the leased asset.

Future minimum lease payments under lease liabilities and the net present value of the minimum lease payments as at June 30, 2025 and December 31, 2024 follows:

	2025	2024
Not later than 1 year	3,232,886	3,232,886
Later than 1 year but not more than five years	-	-
	3,232,886	3,232,886
Future finance charges	-	-
	3,232,886	3,232,886

The present value of lease liabilities at June 30, 2025 and December 31, 2024 is as follows:

	2025	2024
Not later than 1 year	3,232,886	3,232,886
Later than 1 year but not more than five years	-	-
	3,232,886	3,232,886

Group as the lessor

Lease agreement with a third-party lessee

On May 4, 2020, the Company entered into a contract of lease with a third-party lessee for the property of GCH covered under the Land Management Agreement (Note 8). The lease contract is for a period of two (2) years and one (1) month beginning May 4, 2020 and terminating on June 3, 2022, unless pre-terminated or cancelled in accordance with the lease contract. The contract of lease is renewable for a period of one (1) year upon mutual agreement of the parties. The agreement was renewed for another year from June 4, 2022 to June 3, 2023. During the year, the agreement was renewed for another year from June 4, 2023 to June 3, 2024. An escalation of 2.5% was effected on the rental amount on the second year of the lease.

The contract requires security deposits equivalent to three (3) months of rental amount to nil (2024 - P4,259,623), which is refundable without interest, 90 days after the expiration of the contract or termination without prejudice to the lessor's right to deduct from the said deposit any unpaid amount due and owing to the lessor and to deduct any and all expenses which the lessor may incur as a consequence and/or result of the lessee's use of the leased premises.

The contract also requires advance rental payments equivalent to the last three (3) months of the lease period or P4,483,815. The advance rental shall apply to and be deemed payments for rentals accruing on the last three months of the lease period. As at report date, there is no application of any advance rental payment in consideration of the ongoing negotiation for the renewal of the lease agreement for another year.

On April 25, 2024, the Lessor requested a lease extension from June 3 to July 3, 2024. As of June 30, 2025, there is no renewal of the lease contract.

On March 05, 2025, the balance for security deposit of the said contract was refunded.

For the period ended June 30, 2025, rental income from the lease contract amounted to P20,364,391 (2024 – P8,967,629).

The total estimated future minimum rental income on the lease of property as at June 30, 2025 and December 31, 2024 are as follows:

	2025	2024
Not later than 1 year	-	4,259,624
Later than 1 year but not more than 5 years	-	-
	-	4,259,624

18 Income (loss) per share

Income (loss) per share (basic and diluted) for the three months and six months ended June 30 was computed as follows:

	Three months ended June 30		Six months ended June 30	
	2025	2024	2025	2024
Income (loss) for the period	(4,470,715)	916,922	(8,334,136)	(1,064,047)
Weighted average number of outstanding shares	250,059,097	250,059,097	250,059,097	250,059,097
Basic and diluted income (loss) per share	(0.0179)	0.0036	(0.0333)	(0.0042)

There were no potential dilutive shares in 2025 and 2024.

19 Foreign currency denominated monetary asset

The Group's foreign currency denominated asset as at June 30, 2025 and December 31, 2024 are as follows:

As at June 30, 2025

	US Dollar	Exchange rate at June 30, 2025	Peso equivalent
Cash in bank	10,928	56.581	616,132

As at December 31, 2024

	US Dollar	Exchange rate at December 31, 2024	Peso equivalent
Cash in bank	10,928	57.845	632,130

Foreign exchange (loss) gain for the three months and six months ended June 30 consists of:

	Three months ended June 30		Six months ended June 30	
	2025	2024	2025	2024
Realized foreign exchange gain		-	-	-
Unrealized foreign exchange (loss) gain	(6,874)	33,216	(13,834)	33,249
	(6,874)	33,216	(13,834)	33,249

20 Critical accounting estimates, assumptions and judgments

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

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The Group believes the following represent a summary of these significant estimates, assumptions and judgments and their related impact and associated risks in the consolidated financial statements:

a. Critical accounting estimates

- Evaluation of net realizable value of real estate held for development and sale (Note 4)
- Useful lives of property and equipment (Note 6)
- Determining incremental borrowing rate (Note 17)

b. Critical judgments in applying the Group's accounting policies

- Provision for losses on real estate held for development and sale (Note 4)
- Recoverability of input VAT and creditable withholding taxes (Note 5)
- Impairment of property and equipment (Note 6)
- Revenue recognition (Note 10)
- Recoverability of DIT assets (Note 16)
- Determining lease term (Note 17)

21 Financial risk and capital management

a. Financial risk management

The Group's overall risks management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Group's financial performance.

Foreign exchange risk

The Group is exposed to foreign exchange risk primarily with respect to its cash maintained in U.S. Dollar. The Group's financial position and results of operations are affected by the movement in the U.S. Dollar to Philippine Peso exchange rate. Foreign exchange risk arises when recognized assets denominated in a currency that is not the Parent Company's functional currency.

Transactions denominated in foreign currencies and related exchange rates are monitored by management in order to minimize risk based on Group's policies.

The Group's foreign denominated financial assets are presented in Note 19.

Assuming that all other variables remain constant, a movement of the PHP against USD at reporting date would not result to significant foreign currency exchange risk.

The sensitivity rates used in this assessment represent the rates of change between the foreign currency at June 30, 2025 and December 31, 2024 and the foreign currency exchange rates determined 30 days from the reporting period, by which management is expected to realize the Group's financial assets.

Credit risk

Credit risk refers to the risk that a counterparty will cause a financial loss to the Group by failing to discharge an obligation. Significant changes in the economy that may represent a concentration in the Group's business, could result to losses that are different from those provided for at reporting date.

Credit risk arises from cash deposits and short-term investment with banks and financial institutions, as well as credit exposure on receivables. The fair values of these financial assets approximate their net carrying amounts.

The Group has the following financial assets that are subject to credit risks:

Class of financial assets	At gross amounts	Neither past due nor impaired	Past due but not impaired	Overdue and impaired
June 30, 2025				
Cash and cash equivalents*	76,631,882	83,855,866	-	-
Receivables	313,497	1,811,648	-	-
Deposits	1,171,702	1,523,140	-	-
Total	78,117,081	87,190,654	-	-

Class of financial assets	At gross amounts	Neither past due nor impaired	Past due but not impaired	Overdue and impaired
December 31, 2024				
Cash and cash equivalents*	85,048,643	85,048,643	-	-
Receivables	212,421	212,421	-	-
Deposits	1,523,140	1,523,140	-	-
Total	86,784,204	86,784,204	-	-

The Group applied the expected credit loss model as follows:

Class of financial assets	At gross amounts	Expected credit losses	Net carrying amount	Internal credit rating	Basis for recognition of expected credit loss (ECL)
June 30, 2025					
Cash and cash equivalents*	76,631,882	-	76,631,882	Performing	12-month ECL
Receivables	313,497	-	313,497	Performing	Simplified approach
Deposits	1,171,702	-	1,171,702	Performing	12-month ECL
Restricted cash	10,000	-	10,000	Performing	12-month ECL
Total	78,127,081	-	78,127,081		

Class of financial assets	At gross amounts	Expected credit losses	Net carrying amount	Internal credit rating	Basis for recognition of expected credit loss (ECL)
December 31, 2024					
Cash and cash equivalents*	85,048,643	-	85,048,643	Performing	12-month ECL
Receivables	212,421	-	212,421	Performing	Simplified approach
Deposits	1,523,140	-	1,523,140	Performing	12-month ECL
Restricted cash	10,000	-	10,000	Performing	12-month ECL
Total	86,794,204	-	86,794,204		

Cash and cash equivalents, short-term investment and interest receivable

To minimize credit risk exposure from cash and cash equivalents, short-term investment and interest receivable, the Group maintains cash deposits and short-term placements in reputable banks. The Group assesses that cash and cash equivalents, short-term investment and interest receivable have low credit risk considering the bank's external credit ratings.

The Group maintains all of its cash deposits and short-term placements in banks with strong credit ratings to minimize exposure to credit risk. Amounts deposited in these banks as at June 30, 2025 and December 31, 2024 are as follows:

	2025	2024
Universal bank	54,102,908	74,048,215
Thrift bank	22,528,974	11,000,428
	76,631,882	85,048,643

Receivables

The Group trades mainly with recognized, creditworthy third parties. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis with the result that the Group's exposure to bad debts is not significant.

To measure the expected credit losses, these receivables from customers have been grouped based on shared credit risk characteristics and days past due. In calculating the expected credit loss rates, the Group considers historical loss rates for each category of customers and adjusts for forward-looking macroeconomic data. The Group has identified the inflation rate and the gross domestic product to be the most relevant factors, and accordingly adjust the historical loss rates based on expected changes in these factors.

Credit quality of customers classified as performing are customers and counterparty balances without history of default and assessed to be fully recoverable.

Due from related parties

Due from related parties are collectible on demand and therefore, expected credit losses are based on the assumption that repayment of balances outstanding are demanded at the reporting date. Based on assessment of qualitative and quantitative factors that are indicative of the risk of default, including but not limited to, availability of accessible highly liquid asset and internal and external funding of related parties, Parent Company has assessed that the outstanding balances are exposed to low credit risk. Expected credit losses on these balances have therefore been assessed to be insignificant.

Deposits

Deposits are made with various unrated counterparties with no history of default with insignificant credit risk.

Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash to meet its operating cash requirements. The Group manages liquidity risk by monitoring expected cash flows and seeks funding from its shareholders to meet its operating commitments.

The Group's financial liabilities as at June 30 2025 and December 31, 2024, which are due and demandable, are as follows:

	Notes	2025	2024
Trade payables and other liabilities	7	15,326,744	16,315,986
Advances from shareholders	8	130,677,769	131,677,769
Security deposits	17	4,259,624	4,259,624
Lease liabilities including future interest	17	3,232,886	3,232,886
		153,497,023	155,486,265

As at June 30 2025, trade payables and other liabilities presented above exclude amounts payable to BIR amounting to P1,024,764 (2024 – P911,121) and advances from customers amounting to P377,778 (2024 - P377,778). Liquidity risk is not significant given the limited amount of financial liabilities payable to third parties.

b. Capital management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern, so that it can continue to implement business plans to make the Group profitable in the future.

In order to maintain or adjust the capital structure, the Group may issue new shares. Total capital being managed by the Group as at June 30, 2025 and December 31, 2024 consists of:

	Note	2025	2024
Share capital, net	11	221,193,910	211,193,910
Share premium	11	143,334,770	143,334,770
Treasury shares	11	(82)	(82)
Deficit		(312,257,696)	(303,923,560)
		52,270,902	50,605,038

The Group has identified target projects, ventures, businesses and assets that can be included in the holdings of the Group for which the Group may issue shares in exchange for owning them.

As discussed in Note 1, the Parent Company obtained approval from the SEC on February 7, 2018 for the Parent Company's increase in authorized capital stock amounting to P330,000,000. This enabled the Group to generate further capital infusion from its shareholders to support its business plans.

As part of the reforms of the Philippine Stock Exchange (PSE) to expand capital market and improve transparency among listed firms, PSE has required listed entities to maintain a minimum of ten percent (10%) of their issued and outstanding shares, exclusive of any treasury shares, to be held by the public.

The Parent Company has complied with the minimum public float as at June 30, 2025 and December 31, 2024.

22 Summary of material accounting policies

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

a. Basis of preparation

The consolidated financial statements of the Group have been prepared in accordance with Philippine Financial Reporting Standards (PFRS). The term PFRS in general includes all applicable PFRS, Philippine Accounting Standards (PAS) and interpretations of the Philippine Interpretations Committee (PIC), Standing Interpretations Committee (SIC) and International Financial Reporting Interpretations Committee (IFRIC) which have been approved by the Financial and Sustainability Reporting Standards Council (FSRSC) and adopted by the SEC.

These consolidated financial statements have been prepared under the historical cost convention.

The Group is monitored as a single operating segment considering the limited transactions for each of the periods ended June 30, 2025 and December 31, 2024.

The preparation of consolidated financial statements in conformity with PFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Group's accounting policies. The areas involving higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 19.

Changes in accounting policies and disclosures

(a) New and amended standards adopted by the Group

- Amendments to PAS 1, Presentation of Financial Statements – Non-current liabilities with covenants.

The amendments specify that only covenants that an entity is required to comply with on or before the end of the reporting period affect the entity's right to defer settlement of liability for at least twelve months after the reporting date (and therefore must be considered in assessing the classification of the liability as current or non-current). Such covenants affect whether the right exists at the end of the reporting period, even if compliance with the covenant is assessed only after the reporting date (e.g. a covenant based on the entity's financial position at the reporting date that is assessed for compliance only after the reporting date).

The IASB also specifies that the right to defer settlement of liability for at least twelve months after the reporting date is not affected if an entity only has to comply with a covenant after the reporting period. However, if the entity's right to defer settlement of liability is subject to the entity complying with covenants within twelve months after the reporting period, an entity discloses information that enables users of financial statements to understand the risk of the liabilities becoming repayable within twelve months after the reporting period. This would include information about the covenants (including the nature of the covenants and when the entity is required to comply with them), the carrying amount of related liabilities, and facts and circumstances, if any, that indicate that the entity may have difficulties complying with the covenants.

The amendments are applied retrospectively for annual reporting periods beginning on or after 1 January 2024. Earlier application of the amendments is permitted. If an entity applies the amendments for an earlier period, it is also required to apply the 2020 amendments early.

(b) New and amended standards adopted by the Group

- PFRS 18, Presentation and disclosure in financial statements

PFRS 18 will replace PAS 1, Presentation and disclosure in financial statements, specifically:

- a. Entities are required to classify all income and expenses into five categories in the statement of profit or loss as operating, investing, financing, discontinued operations and income tax categories. Entities are also required to present newly defined operating profit subtotal.
- b. Management defined performance measures are disclosed in a single note in the financial statements.
- c. Enhanced guidance on how to group information in the financial statements.
- d. Entities are required to use operating profit subtotal as the starting point for the Statements of Cash Flows presented using the indirect method.

The application is effective for annual reporting periods beginning on or after January 1, 2027. Earlier application is permitted.

b. Consolidation

Subsidiary

Subsidiary is an entity (including structured entity) over which the Group has control. The Group controls an entity where the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. A subsidiary is fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The acquisition method of accounting is used to account for business combinations that result in the acquisition of a subsidiary by the Group. The cost of a business combination is measured as the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the business combination. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination over the acquirer's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities recognized is recorded as goodwill. Inter-company transactions, balances and unrealized gains on transactions between the Parent Company and its subsidiary

are eliminated in full. Intra-group losses are also eliminated but may indicate an impairment that requires recognition in the consolidated financial statements. Accounting policies of the subsidiary have been changed where necessary to ensure consistency with the policies adopted by the Group.

When the Group ceases to have control, any retained interest in the subsidiary is re-measured to its fair value at the date when control is lost, with the change in carrying amount generally recognized in profit or loss. The fair value is the initial carrying amount for purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognized in other comprehensive income in respect of that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognized in other comprehensive income are reclassified to profit or loss.

If the Group surrenders control to a related party within the Group it ultimately belongs, the difference between the consideration received and the fair value of the subsidiary at divestment date, is recognized as other charges to equity.

c. Financial assets

Classification

The Group classifies its financial assets in the following measurement categories: (a) those to be measured subsequently at fair value (either through OCI or through profit or loss), and (b) those to be measured at amortized cost.

The classification depends on the Group's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments that are not held for trading, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

The Group reclassifies financial assets when and only when its business model for managing those assets changes.

The Group did not hold financial assets under category (a) during and as at June 30, 2025 and December 31, 2024.

Recognition and subsequent measurement

The Group recognizes a financial asset in the statement of financial position when the Group becomes a party to the contractual provisions of the instrument. Regular-way purchases and sales of financial assets are recognized on trade date - the date on which the Group commits to purchase or sell the asset.

At initial recognition, the Group measures a financial asset at its fair value plus transaction costs that are directly attributable to the acquisition of the financial asset.

Subsequently, assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. Interest income from these financial assets is included in finance income using the effective interest rate method.

Impairment

The Group assesses on a forward-looking basis the expected credit losses associated with its financial assets carried at amortized cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Impairment losses are presented within operating expenses in the statement of total comprehensive income.

Loss allowances of the Group are measured on either of the following bases:

- 12-month ECLs: these are ECLs that result from default events that are possible within the 12 months after the reporting date (or for a shorter period if the expected life of the instrument is less than 12 months); or
- Lifetime ECLs: these are ECLs that result from all possible default events over the expected life of a financial instrument or contract asset.

General approach

The Group applies the general approach to provide for ECLs on due from related parties. Under the general approach, the loss allowance is measured at an amount equal to 12-month ECLs at initial recognition.

At each reporting date, the Group assesses whether the credit risk of a financial instrument has increased significantly since initial recognition. When credit risk has increased significantly since initial recognition, loss allowance is measured at an amount equal to lifetime ECLs.

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 includes forward-looking information.

The Group considers a financial asset to be in default when:

- the borrower is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realizing security (if any is held); or
- the financial asset is more than 180 days past due.

The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

Measurement of ECLs

The measurement of expected credit losses is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information as described above. As for the exposure at default, for financial assets, this is represented by the assets' gross carrying amount at the reporting date.

Credit-impaired financial assets

At each reporting date, the Group assesses whether financial assets carried at amortized cost are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the counterparty;
- a breach of contract such as a default; or
- it is probable that the borrower will enter bankruptcy or other financial reorganization.

Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedures for recovery of amounts due.

Derecognition

Financial assets are derecognized when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership. Any gain or loss arising on derecognition is recognized directly in the statement of total comprehensive income and presented in other gains/(losses).

d. Financial liabilities

Classification

The Group classifies its financial liabilities as: (i) financial liabilities at fair value through profit or loss and (ii) other financial liabilities measured at amortized cost. The Group does not have any financial liabilities at fair value through profit or loss.

These are included in current liabilities, except for maturities greater than 12 months after the reporting date or when the Group has an unconditional right to defer settlement for at least 12 months after the reporting date which are classified as non-current liabilities.

Recognition

Other financial liabilities at amortized cost are recognized in the consolidated statement of financial position when, and only when, the Group becomes a party to the contractual provisions of the instrument.

Measurement

The Group's financial liabilities are initially measured at fair value plus transaction costs. These are subsequently measured at amortized cost using the effective interest rate method.

Derecognition

Financial liabilities are derecognized when it is extinguished, that is, when the obligation specified in a contract is discharged or cancelled, or when the obligation expires.

e. Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the consolidated statement of financial position when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis, or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Group or the counterparty.

The Group did not enter into any legally enforceable master netting agreements or other similar arrangements that would require offsetting of financial assets and liabilities as at June 30, 2025 and December 31, 2024.

f. Fair value measurement

The fair value of a non-financial asset is measured based on its highest and best use. The asset's current use is presumed to be its highest and best use.

The fair value of financial and non-financial liabilities takes into account non-performance risk, which is the risk that the entity will not fulfill an obligation.

The Group classifies its fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1);
- inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (Level 2); and
- inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (Level 3).

As at June 30, 2025 and December 31, 2024, the Group has no assets and liabilities measured at fair value. The fair value of the financial assets and liabilities carried at amortized cost approximates their carrying value due to their short term maturities.

g. Real estate held for development and sale

Real estate held for development and sale is carried at the lower of cost or net realizable value. The cost of real estate under development is determined using the inputs method. Cost includes construction and development costs of the real estate property plus other costs and expenses incurred incidental to the development of the property. Cost is further reduced by any provision for write-down. Net realizable value is the estimated selling price in the ordinary course of business less the estimated cost of completion and the estimated cost necessary to make sale.

The excess of cost of real estate under development and sale over the net realizable value is recognized as write-down in profit or loss. Reversals of previously recorded write-downs are credited to profit or loss based on the result of management's update assessment, considering the available facts and circumstances, including but not limited to net realizable value at the time of disposal.

Real estate under development is derecognized when sold or written-off. When real estate under development is sold, the carrying amount of the asset is recognized as an expense in the period in which the related revenue is recognized.

h. Property and equipment

Property and equipment are stated at historical cost less accumulated depreciation and impairment losses, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items, which comprises its purchase price and any directly attributable costs of bringing the asset to its working condition and location for its intended use.

Capital expenditures related to a project which are partially received or incurred are classified as construction in-progress and are stated at historical cost. These are not reclassified to the other property, and equipment accounts and depreciated until such time that the relevant assets are substantially completed and ready for intended use.

Depreciation is calculated using the straight-line method to allocate their costs to their residual values over their estimated useful lives (in years), as follows:

	No. of years
Office equipment	5 years
Furniture and fixture	5 years
Leasehold improvements	5 years or term of lease, whichever is shorter
Building and Improvement	25 years

Leasehold improvements are amortized over the estimated useful lives of the improvements or the anticipated term of the lease, whichever is shorter. Management renews its lease when the term expires.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each reporting date.

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

i. Investment property

Investment property pertaining to building held for long-term rental yields and are not occupied by the Group. Investment properties are carried at cost less accumulated depreciation and any impairment, except for land, which is shown at cost less any impairment. Cost is the fair value of the consideration given to acquire the property, including transaction costs such as legal fees and taxes on the purchase of the property. The cost of a self-constructed asset includes all directly attributable costs required to bring the property to its required working condition. Subsequent expenditure should demonstrably enhance the original asset to qualify for recognition. Transfers to investment property do not result in gains or losses.

Depreciation on investment properties other than land is calculated using the straight-line method over the estimated useful life of 25 years.

Derecognition of an investment property will be triggered by a change in use or by sale or disposal. Gain or loss arising on disposal is calculated as the difference between any disposal proceeds and the carrying amount of the related asset and is recognized in profit or loss.

j. Impairment of non-financial assets

Non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. Value in use requires entities to make estimates of future cash flows to be derived from the particular asset, and discount them using a pre-tax market rate that reflects current assessments of the time value of money and the risk specific to the asset. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units).

Where an impairment loss subsequently reverses, the carrying amount of the asset or cash-generating unit is increased to the revised estimate of its recoverable amount, but the increased carrying amount should not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset or cash-generating unit in prior years. A reversal of an impairment loss is recognized as income immediately as other operating income in the statement of total comprehensive income.

k. Current and deferred income tax

The income tax expense for the period normally comprises current and deferred tax. Income tax expense is recognized in profit or loss within income tax (expense) credit, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case, the tax is also recognized in other comprehensive income or directly in equity, respectively.

DIT assets are recognized for all deductible temporary differences to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilized. DIT liabilities are recognized in full for all taxable temporary differences, except to the extent that the DIT liability arises from the initial recognition of goodwill.

DIT assets are derecognized when it is utilized or when it is no longer probable that future taxable profit can be utilized from the temporary deductible differences. DIT liabilities are derecognized when the temporary taxable differences have been settled.

The Group reassesses at each reporting date the need to recognize a previously unrecognized DIT asset.

l. Trade payables and other liabilities

Trade payables and other liabilities are obligations to pay for goods or services that have been acquired in the ordinary course of business. These are recognized in the period in which the related money, goods or services are received or when a legally enforceable claim against the Group is established or when the corresponding assets and expenses are recognized. Trade payables and other liabilities are recognized initially at fair value and subsequently measured at amortized cost using effective interest method. These are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities.

Trade payables and other liabilities are derecognized when it is extinguished, that is, when the obligation specified in a contract is discharged or cancelled, or when the obligation expires.

m. Borrowings and borrowing costs

Borrowings are recognized initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortized cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognized in profit or loss over the period of the borrowings using the effective interest method.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

Borrowing costs which are directly attributable to the acquisition, construction or production of a qualifying asset (one that takes a substantial period of time to get ready for use or sale) are capitalized as part of the cost of that asset. Borrowing costs, not directly attributed to a qualifying asset, are recognized and charged to profit or loss in the year in which they are incurred.

Borrowings are derecognized when the obligation is settled, paid or discharged.

n. Provisions

Provisions are recognized when the Group has a present legal or constructive obligation as a result of past events; it is more likely than not that an outflow of resources will be required to settle the obligation; and the amount can be reliably estimated. Provisions are not recognized for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required upon settlement is determined by considering the class of obligations as a whole. A provision is recognized even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognized as interest expense.

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources embodying economic benefits will be required to settle the obligation, the provision is reversed and derecognized from the statement of financial position.

o. Contingencies

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

p. Equity

Share capital

Ordinary shares are stated at par value and are classified as equity. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction from the proceeds.

Share premium

Any amount received by the Group in excess of par value of its shares is credited to share premium which forms part of the non-distributable reserve of the Group and can be used only for purposes specified under corporate legislation.

Subscriptions receivable

Subscriptions receivable pertains to the unpaid subscription price by the shareholder.

Share issuance cost

Share issuance costs incurred for the listing and offering process of the Group are recognized as deduction to share premium in accordance with PIC - Question and Answer (PIC - Q&A) 2011-04.

Retained earnings (deficit)

Retained earnings (deficit) include current and prior years' results, net of transactions with shareholders and dividends declared, if any.

Appropriated retained earnings pertain to the portion of the accumulated profit from operations which are restricted or reserved for a specific purpose, such as capital expenditures for expansion projects, and approved by the Group's Board of Directors.

Unappropriated retained earnings pertain to the unrestricted portion of the accumulated profit from operations of the Group which are available for dividend declaration.

Treasury shares

Where the Group purchases its own equity share capital (treasury shares), the consideration paid, including any directly attributable incremental costs is deducted from equity until the shares are cancelled, reissued or disposed of. Where such shares are subsequently sold or reissued, any consideration received, net of any directly attributable incremental transaction costs and the related income tax effects are included in equity.

q. Earnings per share

Basic earnings (loss) per share is computed by dividing profit (loss) for the year attributable to the shareholders by the weighted average number of shares outstanding during the year.

The diluted earnings (loss) per share is calculated by adjusting the weighted average number of shares outstanding to assume conversion of all dilutive potential ordinary shares, if any. The Group has no dilutive potential ordinary shares during and at the end of each reporting period.

r. Dividend distribution

Dividend distribution to the Group's shareholders is recognized as a liability in the Group's consolidated financial statements in the period in which the dividends are approved by the Parent Company's BOD.

s. Revenue recognition

a) Contract revenues from sale of real estate properties

The Group develops and sells residential units. Under a contract to sell a residential unit, the object is the property itself, which is the normal output of a real estate business. In addition, this contract contains information such as the contracting parties' rights and payment terms, which are essential elements for a valid revenue contract. The contract must be signed by the contracting parties to make it enforceable prior to revenue recognition. The Group assesses the commercial substance of the contract and the probability that it will collect the consideration.

When a contract with a customer does not meet the criteria for revenue recognition and the Group receives consideration from the customer, the Group shall recognize the consideration received as revenue only when either of the following events has occurred:

- a) The entity has no remaining obligations to transfer goods or services to the customer and all, or substantially all, of the consideration promised by the customer has been received by the entity and is non-refundable; or
- b) The contract has been terminated and the consideration received from the customer is non-refundable.

The Group satisfies its performance obligation as it develops the property. Therefore, revenue is recognized over time, i.e. as the related obligations are fulfilled, measured principally on the basis of the estimated completion of a physical proportion of the contract work. Sale of real property held for sale are revenue from contracts with customers recognized at a point in time upon transfer of control to customers. Land and materials delivered on site, which are yet to be installed/attached to the main structure, are excluded from the percentage-of-completion.

For income taxation purposes, income from sale of real estate properties is recognized in full in the year when substantial down payment from the buyer is received following the provisions of the Tax Code. Otherwise, taxable income is based on cash collections under installment method.

b) Contract asset and contract liabilities

Costs incurred as a result of obtaining a contract which are payable upon signing of the contract to sell and deed of absolute sale are capitalized as contract assets considering that this would not have been incurred if the contract had not been obtained. The contract asset is amortized as the related revenue from the contract is recognized.

Contract liabilities presented represent the reservation fees and advance payments for customized improvements that have not yet qualified for revenue recognition. These are classified as current liabilities and will be released to revenue when all criteria for revenue recognition are met.

As a practical expedient, the Group did not disclose the aggregate amount of the transaction price allocated to the performance obligations that are unsatisfied (or partially unsatisfied) as of the end of the reporting period and an explanation of when the Group expects to recognize a revenue from the performance obligation in accordance with paragraph 120 of PFRS 15 since the performance obligation is part of a contract that expected to be completed within 12 months from the reporting date.

c) Rental income

Rental income from operating lease is recognized in profit or loss on a straight-line basis over the lease term. Rental income is shown net of value-added tax. Any difference between the rental income determined on a straight-line basis and the actual lease payment is recognized as a rent receivable or unearned rental income as the case may be. These are included in non-current assets or liabilities, except if the remaining lease period is within one year after the reporting period, which are then classified as current assets or liabilities.

t. Leases

Group as the lessee

Assets and liabilities arising from a lease are initially measured on a present value basis. The interest expense is recognized in the profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

(a) Measurement of lease liabilities

Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable
- variable lease payment that are based on an index or a rate
- amounts expected to be payable by the lessee under residual value guarantees
- the exercise price of a purchase option if the lessee is reasonably certain to exercise that option
- payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

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

To determine the incremental borrowing rate, the Group:

- where possible, uses recent third-party financing received by the individual lessee as a starting point, adjusted to reflect changes in financing conditions since third party financing was received,
- uses a build-up approach that starts with a risk-free interest rate adjusted for credit risk for
- leases held for entities which do not have recent third-party financing, and
- makes adjustments specific to the lease (i.e. term, currency and security).

Lease payments are allocated between principal and interest expense. The interest expense is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

(b) Measurement of right-of-use assets

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability,
- any lease payments made at or before the commencement date less any lease incentives received,
- any initial direct costs, and
- restoration costs.

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

Right-of-use assets that are held for rental are accounted for as investment property. The Group's right-of-use asset consisting of land and building held for rental qualify as investment property.

(c) Extension and termination options

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

(d) Short-term leases and leases of low-value assets

Payments associated with short-term leases and leases of low-value assets are recognized on a straight-line basis as an expense in the profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise small items of service tools and equipment.

Group as the lessor

Leases in which the Group does not transfer substantially all the risks and rights for the leased assets to the lessee are classified as operating lease. Assets leased out under operating leases are included in investment properties in the statements of financial position. Rental income is recognized on a straight-line basis over the lease term. Initial direct costs incurred in obtaining an operating lease are added to the carrying amount of the underlying asset and recognized as expense over the lease term on the same basis as rental income. The Group did not need to make any adjustments to the accounting for assets held as lessor as a result of adopting the new leasing standard.

When assets are leased out under a finance lease, the present value of the lease payments is recognized as a receivable. The difference between the gross receivable and the present value of the receivable is recognized as unearned finance income. Lease income is recognized over the term of the lease using the net investment method, which reflects a constant periodic rate of return. The Group has no finance leases during and at the end of each reporting period.

u. Related party relationships and transactions

Related party relationships exist when one party has the ability to control, directly or indirectly through one or more intermediaries, the other party or exercises significant influence over the other party in making financial and operating decisions. Such relationships also exist between and/or among entities which are under common control with the reporting enterprise, or between and/or among the reporting enterprise and its key management personnel, directors, or its shareholders. In considering each possible related party relationship, attention is directed to the substance of the relationship, and not merely the legal form.

v. Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, represented by the Parent Company's Board of Directors who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the primary person that makes strategic decisions.

The Group's operations is managed as a single business segment; consequently, the Group does not prepare a segmental analysis for its consolidated financial statements

