

**BERJAYA PHILIPPINES, INC.**

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*(Company's Full Name)*

9/F Rufino Pacific Tower, 6784 Ayala Avenue corner V.A. Rufino  
(formerly Herrera) Street, Makati City

-----  
*(Company's Address)*

811-0668 / 810-1814

-----  
*(Telephone Number)*

JUNE 30

any day in the month of November

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*(Fiscal Year Ending)*  
*(month and day)*

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*(Annual Meeting)*

November 2024

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*(Term Expiring On)*

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SEC Form 17-Q for the quarter ended 31 March 2024

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*(Form Type)*

N.A.

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*(Amendment Designation, if applicable)*

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*(Period Ended Date)*

N.A.

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*(Secondary License Type and File Number)*

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Cashier

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LCU

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DTU

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Pre War 476  
S.E.C Registration Number

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Central Receiving Unit

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File Number

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Document I.D.



## **PART I – FINANCIAL INFORMATION**

### **Item 1. Financial Statements**

*See Interim Consolidated Statement of Financial Position as of 31 March 2024, attached hereto as Annex “A”, and Aging Schedule of Accounts Receivables as of 31 March 2024 attached hereto as Annex “B”. For the basic earnings per share, the “weighted average number of shares outstanding” is added to the face of the Interim Consolidated Statement of Comprehensive Income.*

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

The Corporation’s principal activity is investment holding. Since 1998, it has 100% equity ownership of Philippine Gaming Management Corporation (PGMC) whose principal activity is leasing of on-line lottery equipment and providing software support. In July 2019, the Corporation disposed of 20% of its shareholdings, and subsequently did not subscribe to the issuance of additional shares from the unissued capital of PGMC. To date, the Corporation’s equity in PGMC is at 39.99%.

There is no change during the year in PGMC’s principal activity as a domestic corporation involved principally in the business of leasing on-line lottery equipment and providing software support. Revenue from the lease of on-line lottery equipment, and maintenance and repair services are recognized based on certain percentage of gross receipts from lottery ticket sales.

In December 2009, the Corporation acquired a 232-room hotel, which operated as the Best Western Astor Hotel until 16 March 2010. The acquisition was made by the Corporation’s subsidiary, Perdana Hotel Philippines Inc. (“PHPI”) under the business name Berjaya Makati Hotel. The Corporation also subscribed to forty percent (40%) of the shares of stock of Perdana Land Philippines Inc. (“PLPI”) which owns the land leased by PHPI.

In July 2010, the Corporation invested in Berjaya Pizza Philippines Inc. (“BPPI”), a company engaged in the manufacture, sale and distribution of food and beverages, and to operate, own, franchise, license or deal in restaurant related business operations. In 2017, the Corporation’s equity interest in BPPI increased from forty one point forty three percent (41.43%) to forty eight point thirty eight percent (48.38%).

In August 2012, the Corporation invested in Bermaz Auto Philippines Inc. (“BAPI”), formerly Berjaya Auto Philippines Inc., a corporation engaged in the sale and distribution of all types of motor vehicles. On 12 September 2012, BAPI entered into a Distributorship Agreement with Mazda Motor Corporation of Japan for the distribution of vehicles bearing the Mazda brand within the territory of the Philippines. The Corporation’s equity or interest in BAPI is equivalent to twenty eight point twenty eight percent (28.28%).

In September 2012, the Corporation invested in Cosway Philippines Inc. (“CPI”), primarily to engage in the wholesale of various products. CPI never commenced commercial operations. On 16 November 2021, the SEC approved CPI’s application for dissolution by shortening its corporate existence to 31 January 2023. The Corporation’s equity or interest in CPI is equivalent to forty percent (40%).

In 2014, the Corporation obtained control over H.R. Owen Plc (“H.R. Owen”), after a series of cash offers from HR Owen’s existing stockholders. Incorporated in England, HR Owen operates a number of vehicle franchises in the prestige and specialist car market for both sales and after sales, predominantly in the London area. In 2015, HR Owen acquired 100% ownership over Bodytechnics in order to enhance its aftersales operations. In 2017, the Corporation acquired shares from Bentley Motor Limited to increase its stake in the profitable business of H.R. Owen. In August 2018, the corporation acquired shares from minority

shareholders which the Corporation's equity interest in HR Owen is equivalent to one hundred percent (100%).

In July 2015, the Corporation invested in Ssangyong Berjaya Motor Philippines Inc. ("SBMPI"), a corporation engaged in the sale and distribution of all types of motor vehicles. On 01 May 2016, SBMPI entered into a Distributorship Agreement with Ssangyong Motor Company of Korea for the distribution of vehicles bearing the Ssangyong brand within the territory of the Philippines. At present, the Corporation's equity interest in SBMPI is equivalent to twenty one point sixty seven percent (21.67%).

In May 2016, the Corporation acquired forty one point forty six percent (41.46%) shares of Neptune Properties Inc. ("NPI"), a corporation engaged in the real estate business.

In April 2017, the Corporation incorporated a wholly owned subsidiary under the name of Berjaya Enviro Philippines Inc., a corporation engaged in the service business of protecting, cleaning, and preserving the environment. In December 2017, the Securities and Exchange Commission approved the Corporation's application to amend its name to Floridablanca Enviro Corporation.

In April 2018, the Corporation acquired twenty five percent (25%) of the equity in Chailease Berjaya Finance Corporation, a corporation engaged in the leasing and financing business.

In April 2018, the Corporation acquired 100% ownership to eDoc Holdings ("eDoc") from its subsidiary H.R. Owen with the assumption of the eDoc's outstanding liability. eDoc Holdings was incorporated on July 25, 2017 and is registered to engaged as a holding company in London.

In July 2019, BPI acquired 30% ownership interest in Berjaya Auto Asia, Inc. (BAAI). BAAI was incorporated on November 20, 2017 and is primarily engaged in selling and distribution of KAICENE brand of commercial vehicles within the territory of the Philippines. BAAI started its commercial operations on May 2019. In February 2022, BPI decreased its ownership in BAAI to 19.98%.

In September 2021, PGMC acquired 49% of Pinoylotto Technologies Corp, a corporation which was awarded by the Philippine Charity Sweepstakes Office's (PCSO) Procurement of Five (5) Years Lease of the Customized PCSO Lottery System, also known as the '2021 PLS Project' under SBAC Contract No. 2021-1.

### **Comparable Discussion on Material Changes in Results of Operations for the Three Months' Period Ended 31 March 2024 vs. 31 March 2023**

The Corporation and its subsidiaries (the Group) generated total revenues from operating sources of about ₱28.08 billion for the nine months ended 31 March 2024, an increase of ₱764.21 million (2.80%) over total revenues of ₱27.32 billion during the same period in 2023. The increase was primarily due to a higher revenue contribution from its subsidiary, H.R. Owen.

The Group's total cost and operating expenses for the nine months ended 31 March 2024 increased by ₱874.68 million (3.24%) to ₱27.89 billion from ₱27.01 billion for the same period in 2023. The increase is attributed to the following: (1) cost of vehicles sold and body shop repairs and parts increased by ₱513.34 million (2.17%), (2) depreciation and amortization increased by P159.61 million (36.31%), (3) salaries and employee benefits increased by ₱104.00 million (6.90%), (4) taxes and licenses increased by P54.06 (42.17%), (5) professional fees increased by P25.81 million (59.34%), (6) cleaning and maintenance increased by P22.28 million (52.55%), (7) marketing and selling increased by P18.38 million (2.94%), (8) insurance increased by P11.29 million (13.24%), (9) communication, light and water increased by P6.30 million (6.88%), (10) stationary and office supplies increased by P5.56 million (5.87%), and (11) cost of food and beverages increased by P1.28 million (14.04%). These increases were offset by the following decreases of expenses: (1) repairs and maintenance decreased by P32.51

million (72.12%), (2) miscellaneous expenses decreased by P10.44 million (6.48%) and (3) transportation and travel decreased by P4.29 million (15.14%).

Other Charges amounted to ₱102.78 million for the nine months ended 31 March 2024, a decrease of ₱146.92 million (332.88%) from Other Income of ₱44.13 million in the same period in 2023, mainly due to decrease in Other Income mainly due to lower equity shares in net income and higher finance cost due to increase in car stocking rates.

Net income from operations decreased by ₱216.23 million (72.53%) to ₱81.89 million for the nine months ended 31 March 2024 from net income of ₱298.12 million in the same period in 2023 due to higher operating expenses mainly the cost of vehicle sold and distribution costs and finance costs.

**Comparable Discussion on Material Changes in Financial Condition as of 31 March 2024 vs. 30 June 2023**

Total assets of the Group decreased by ₱1.11 billion (3.81%) to P28.05 billion as of 31 March 2024, from P29.16 billion as of 30 June 2023.

Trade and other receivables (net) increased by P719.64 million (20.99%) to P4.15 billion in 31 March 2024 compared to P3.43 billion in 30 June 2023, mainly due to increase in deposits, other trade receivables and from related parties.

Inventories (net) decreased by ₱1.09 billion (15.07%) to ₱6.15 billion in 31 March 2024 compared to ₱7.24 billion in 30 June 2023, mainly due to the lower new cars deliveries for the period.

Advances to associates increased by ₱61.17 million (2.89%) to ₱2.18 billion in 31 March 2024 compared to ₱2.11 billion in 30 June 2023.

Prepayments and other current assets (net) decreased by ₱511.43 million (47.06%) to ₱575.32 million in 31 March 2024 compared to ₱1.09 billion in 30 June 2023, mainly due to decrease in the movement of prepaid expenses.

Financial assets at fair value through other comprehensive income decreased by ₱103.03 million (11.57%) to ₱787.54 million in 31 March 2024 compared to ₱890.57 million in 30 June 2023 due to change in fair value.

Right of use asset-net increased by ₱227.17 million (10.21%) to ₱2.45 billion in 31 March 2024 compared to ₱2.22 billion in 30 June 2023 due to additions during the period.

Property and equipment (net) increased by ₱50.80 million (.73%) to ₱6.96 billion in 31 March 2024 compared to ₱6.91 billion in 30 June 2023 is mainly due to acquisition made during the period.

Investment property increased by P2.35 million (1.82%) to P131.53 million in 31 March 2024 compared to ₱129.18 million in 30 June 2023 due to translation adjustment during the quarter.

Investments in associates increased by ₱113.69 million (7.84%) to ₱1.56 billion in 31 March 2024 compared to ₱1.45 billion in 30 June 2023, mainly due to equity share in net income during the period.

Intangible assets increased by ₱17.99 million (1.01%) to ₱1.79 billion in 31 March 2024 compared to ₱1.77 billion in 30 June 2023, primarily due to changes in translation.

Deferred tax assets remain unchanged at ₱90.92 million in 31 March 2024 and 30 June 2023.

Post-employment benefit asset increased by ₱8.19 million (1.82%) to ₱458.17 million in 31 March 2024 compared to ₱449.98 million in 30 June 2023.

Other non-current assets decreased by ₱45 thousand ( 2.31%) to ₱1.90 million in 31 March 2024 compared to ₱1.95 million in 30 June 2023.

Total liabilities of the Group decreased by ₱1.31 billion (7.16%) to ₱16.94 billion as of 31 March 2024, from ₱18.25 billion as of 30 June 2023.

Trade and other payables current decreased by ₱384.10 million (12.71%) to ₱2.64 billion in 31 March 2024 compared to ₱3.02 billion in 30 June 2023, mainly due to payments made for trade payables during the period.

Current loans payable and borrowings decreased by ₱352.40 million (6.52%) to ₱5.05 billion in 31 March 2024 compared to ₱5.40 billion in 30 June 2023, mainly due to additional loans made during the period.

Lease liabilities- current increased by ₱27.26 million (10.14%) to ₱296.22 million in 31 March 2024 compared to ₱268.96 in 30 June 2023.

Contract Liabilities (current), which is recognized as advance payments received from customers, decreased by ₱705.13 million (16.78%) to ₱3.50 billion as of 31 March 2024, from ₱4.20 billion as of 30 June 2023.

Advances from associates-current increased by ₱119.15 million (42.11%) to ₱402.14 million as of 31 March 2024, from ₱282.99 as of 30 June 2023. Increased is due to additional advances made during the period.

Income tax payable of ₱1.01 million as of 31 March 2024 and *nil* in 30 June 2023.

Lease liabilities- non-current increased by ₱172.11 million (8.37%) to ₱2.23 billion in 31 March 2024 compared to ₱2.06 million in 30 June 2023, mainly due to additions made during the period.

Non-current loans payable and borrowings decreased by ₱38.30 million (1.94%) to ₱1.93 billion in 31 March 2024 compared to ₱1.97 billion in 30 June 2023, mainly due to payments made for the loans during the quarter.

Advances from associates- non-current decreased by ₱9.24 million (1.63%) to ₱557.13 million as of 31 March 2024, from ₱566.36 million as of 30 June 2023. Decreased is due to payment of advances made during the period.

Deferred tax liabilities increased by ₱4.85 million (1.82%) to ₱271.13 million in 31 March 2024 compared to ₱266.17 million in 30 June 2023.

Provisions decreased by ₱142.83 million (71.12%) to ₱57.99 million in 31 March 2024 compared to ₱200.82 million in 30 June 2023 due to payment made on dilapidation costs.

Post-employment benefit obligation increased by ₱0.45 million (8.67%) to ₱5.64 million in 31 March 2024 compared ₱5.19 million in 30 June 2023.

Total stockholders' equity of the Group increased by ₱195.78 million (1.8%) to ₱11.11 billion as of 31 March 2024, from ₱10.92 billion as of 30 June 2023 under review. The book value per share decreased to ₱2.51 in 31 March 2024 from ₱2.47 in 30 June 2023.

**Comparable Discussion on Material Changes in Cash Flows for the Nine Months Period Ended 31 March 2024 vs. 31 March 2023**

The consolidated cash and cash equivalents for 31 March 2024 decreased by P449.62 million (37.16%) to P760.38 million as of 31 March 2024 from P1.21 billion for the same period last year 31 March 2023. The increase is mainly attributable to higher revenue made during the period

**Key Performance Indicators**

The Corporation monitors its performance and benchmarks itself to prior years' results in terms of the following indicators:

	<u>31 March 2024</u>	<u>30 June 2023</u>
Liquidity Ratio - Current ratio	1.16 : 1.00	1.16 : 1.00
Leverage Ratio - Debt to Equity	1.52 : 1.00	1.67 : 1.00
Activity Ratio - Annualized PPE	10.12 times	13.74 times

	<u>31 March 2024</u>	<u>31 March 2023</u>
Profitability Ratios		
Return on Equity	6.02%	11.49%
Return on Assets	2.38%	4.36%

The Corporation uses the following computations in obtaining key indicators:

<u>Key Performance Indicator</u>	<u>Formula</u>
Current Ratio	$\frac{\text{Current Assets}}{\text{Current Liabilities}}$
Debt to Equity Ratio	$\frac{\text{Total Long Term Liabilities}}{\text{Stockholders' Equity}}$
PPE Turnover	$\frac{\text{Revenues}}{\text{Property, Plant \& Equipment (Net)}}$
Return on Equity	$\frac{\text{Net Income}}{\text{Equity}}$
Return on Assets	$\frac{\text{Net Income}}{\text{Total Assets}}$

**Comparable Discussion on Material Changes in Results of Operations for the Three Months' Period Ended 31 March 2023 vs. 31 March 2022**

The Corporation and its subsidiaries (the Group) generated total revenues from operating sources of about ₱27.32 billion for the nine months ended 31 March 2023, an increase of ₱114.70 million (0.42%) over total revenues of ₱27.21 billion during the same period in 2022. The increase was primarily due to a higher revenue contribution from its subsidiary, H.R. Owen.

The Group's total cost and operating expenses for the three months ended 31 March 2023 increased by ₱675.82 million (2.57%) to ₱27.01 billion from ₱26.34 billion for the same period

in 2022. The increase is attributed to the following: (1) cost of vehicles sold and body shop repairs and parts increased by ₱261.02 million (1.11%), (2) salaries and employee benefits increased by ₱221.76 million (17.25%), (3) taxes and licenses increased by P102.83 (405.28%), (4) miscellaneous expenses increased by P80.86 million (100.64%), (5) stationary and office supplies increased by P24.28 million (34.50%), (6) communication, light and water increased by P23.47 million (34.41%), (7) marketing and selling increased by P13.49 million (2.20%), (8) insurance increased by P8.85 million (11.58%), (9) cleaning and maintenance increased by P8.61 million (25.48%), (10) cost of food and beverages increased by P2.52 million (38.25%) and (11) depreciation and amortization increased by P1.39 million (0.32%). These increases were offset by the following decreases of expenses: (1) repairs and maintenance decreased by P52.41 million (53.76%), (2) professional fees decreased by P20.25 million (31.77%) and (3) transportation and travel decreased by P0.60 million (2.08%).

Other Income (Charges) amounted to ₱44.13 million for the nine months ended 31 March 2023, a decrease of ₱118.89 million (72.07%) from ₱158.03 million in the same period in 2022, mainly due to loss on disposal of assets.

Net income from operations decreased by ₱520.62 million (63.59%) to ₱298.12 million for the nine months ended 31 March 2023 from net income of ₱818.74 million in the same period in 2022 due to higher operating expenses mainly the cost of vehicle sold and distribution costs.

#### **Comparable Discussion on Material Changes in Financial Condition as of 31 March 2023 vs. 30 June 2022**

Total assets of the Group increased by P3.23 billion (13.39%) to P27.38 billion as of 31 March 2023, from P24.15 billion as of 30 June 2022.

Trade and other receivables (net) increased by P779.96 million (31.77%) to P3.22 billion in 31 March 2023 compared to P2.44 billion in 30 June 2022, mainly due to increase in deposits, other trade receivables and from related parties.

Financial assets at fair value through profit or loss decreased by P1.26 million (67.19%) to P.62 million in 31 March 2023 compared to ₱1.88 million in 30 June 2022 due to disposals made during the quarter.

Inventories (net) increased by ₱2.28 billion (49.51%) to ₱6.88 billion in 31 March 2023 compared to ₱4.60 billion in 30 June 2022, mainly due to the increase in sales of vehicles.

Advances to associates increased by ₱23.52 million (1.12%) to ₱2.11 billion in 31 March 2023 compared to ₱2.09 billion in 30 June 2022.

Prepayments and other current assets (net) decreased by ₱396.54 million (30.45%) to ₱905.59 million in 31 March 2023 compared to ₱1.30 billion in 30 June 2022, mainly due to decrease in the movement of prepaid expenses.

Financial assets at fair value through other comprehensive income increased by ₱45.10 million (5.08%) to ₱933.52 million in 31 March 2023 compared to ₱888.42 million in 30 June 2022 due to change in fair value.

Right of use asset-net decreased by ₱454.99 million (16.49%) to ₱2.30 billion in 31 March 2023 compared to ₱2.76 billion in 30 June 2022 due to its amortization during the quarter.

Property and equipment (net) increased by ₱1.20 billion (23.74%) to ₱6.24 billion in 31 March 2023 compared to ₱5.04 billion in 30 June 2022 is mainly due to additions made during the quarter.

Investment property increased by P1.37 million (1.11%) to P124.77 million in 31 March 2023 compared to ₱123.40 million in 30 June 2022 due to translation adjustment during the quarter.



Investments in associates increased by ₱97.80 million (7.75%) to ₱1.36 billion in 31 March 2023 compared to ₱1.26 billion in 30 June 2022, mainly due to the impact of its dividends declared during the quarter.

Intangible assets increased by ₱202.99 million (13.61%) to ₱1.69 billion in 31 March 2023 compared to ₱1.49 billion in 30 June 2022, primarily due to changes in translation.

Deferred tax assets remain unchanged at ₱72.62 million in 31 March 2023 and 30 June 2022.

Meanwhile, other non-current assets decreased by ₱.36 million (7.76%) to ₱4.30 million in 31 March 2023 compared to ₱4.66 million in 30 June 2022.

Total liabilities of the Group increased by ₱2.78 billion (19.52%) to ₱17.01 billion as of 31 March 2023, from ₱14.23 billion as of 30 June 2022.

Trade and other payables current increased by ₱873.00 million (44.05%) to ₱2.85 billion in 31 March 2023 compared to ₱1.98 billion in 30 June 2022, mainly due to payments made for trade payables during the first quarter.

Current loans payable and borrowings increased by P1.52 billion (44.91%) to P4.92 billion in 31 March 2023 compared to P3.40 billion in 30 June 2022, mainly due to additional loans made during the quarter.

Lease liabilities- current decreased by ₱61.49 million (15.84%) to ₱326.82 million in 31 March 2023 compared to ₱388.32 in 30 June 2022.

Contract Liabilities (current), which is recognized as advance payments received from customers, increased by ₱447.14 million (12.83%) to ₱3.93 billion as of 31 March 2023, from ₱3.49 billion as of 30 June 2022.

Advances from associates-current increased by ₱4.73 million (1.70%) to ₱282.59 million as of 31 March 2023, from ₱277.52 as of 30 June 2022. Decreased is due to payment of advances made during the quarter.

Lease liabilities- non-current decreased by ₱461.46 million (18.21%) to ₱2.07 billion in 31 March 2023 compared to ₱2.53 billion in 30 June 2022, mainly due to reclassification of non-current into current lease liabilities.

Non-current loans payable and borrowings increased by P577.99 million (42.32%) to P1.94 billion in 31 March 2023 compared to P1.37 billion in 30 June 2022, mainly due to additional loans during the quarter.

Advances from associates- non-current increased by P36.79 million (8.18%) to P486.79 million as of 31 March 2023, from P450 million as of 30 June 2022. Increased is due to additional advances made during the quarter.

Deferred tax liabilities increased by ₱1.95 million (1.11%) to ₱177.19 million in 31 March 2023 compared to ₱175.24 million in 30 June 2022.

Provisions decreased by ₱166.92 million (100%) in 31 March 2023 compared to ₱166.92 million in 30 June 2022.

Post-employment benefit obligation increased by ₱0.45 million (7.91%) to ₱6.14 million in 31 March 2023 compared ₱5.69 million in 30 June 2022.

Total stockholders' equity of the Group increased by ₱455.35 million (4.59%) to ₱10.37 billion as of 31 March 2023, from ₱9.92 billion as of 30 June 2022 under review. The book value per share increased to ₱2.34 in 31 March 2023 from ₱2.00 in 30 June 2022.

**Comparable Discussion on Material Changes in Cash Flows for the Three Months Period Ended 31 March 2023 vs. 31 March 2022**

The consolidated cash and cash equivalents for 31 March 2023 increased by P107.21 million (8.14%) to P1.21 billion as of 31 March 2023 from P1.32 billion for the same period last year 31 March 2022. The increase is mainly attributable to higher revenue made during the period.

**Key Performance Indicators**

The Corporation monitors its performance and benchmarks itself to prior years' results in terms of the following indicators:

	<u>31 March 2023</u>	<u>30 June 2022</u>
Liquidity Ratio - Current ratio	1.16 : 1.00	1.27 : 1.00
Leverage Ratio - Debt to Equity	1.64 : 1.00	1.60 : 1.00
Activity Ratio - Annualized PPE	10.26 times	3.05 times

	<u>31 March 2023</u>	<u>31 March 2022</u>
Profitability Ratios		
Return on Equity	11.49%	11.20%
Return on Assets	4.36%	4.63%

The Corporation uses the following computations in obtaining key indicators:

<u>Key Performance Indicator</u>	<u>Formula</u>
Current Ratio	$\frac{\text{Current Assets}}{\text{Current Liabilities}}$
Debt to Equity Ratio	$\frac{\text{Total Long Term Liabilities}}{\text{Stockholders' Equity}}$
PPE Turnover	$\frac{\text{Revenues}}{\text{Property, Plant \& Equipment (Net)}}$
Return on Equity	$\frac{\text{Net Income}}{\text{Equity}}$
Return on Assets	$\frac{\text{Net Income}}{\text{Total Assets}}$

Barring any unforeseen circumstances, the Corporation's Board of Directors is confident that the operating financial performances of the Corporation and its subsidiaries are expected to be satisfactory in the coming period.

i) There is no known trend, event or uncertainty that has or is reasonably likely to have an impact on the Corporation' short term or long-term liquidity.

ii) The liquidity of the subsidiaries would continue to be generated from the collections of revenue from customers. There is no requirement for external funding for liquidity.

iii) There is no known trend, event or uncertainty that has or that is reasonably expected to have a material impact on the net sales or revenues or income from continuing operations.

v) There is no significant element of income or loss that would arise from the Group's continuing operations.

vi) There is no cause for any material change from period to period in one or more of the line items of the Corporation's financial statements.

vii) There were no seasonal aspects that had a material impact effect on the financial conditions or results of operations.

**Separate Disclosures regarding the Financial Statements as required under SRC Rule 68.1**

1) There are no items affecting the assets, liabilities, equity, net income or cash flows that are unusual because of their nature, size, or incidents.

2) There is no change in the estimates of amounts reported in prior interim periods of the current financial year or changes in estimates of amounts reported in prior financial years.

3) There is no issuance, repurchase or repayment of debts and equity securities.

4) There are no material events subsequent to the end of the interim period that have not been reflected in the financial statements for the interim period.

5) There are no business combinations, acquisition or disposals subsidiaries and long-term investments, restructurings and discontinuing operations for the interim period.

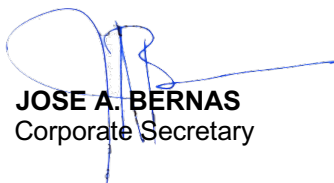
6) There are no contingent liabilities or contingent assets since the last annual balance sheet date.

7) There are no material contingencies and any other events or transactions that are material to an understanding of the current interim period.

**SIGNATURES**

Pursuant to the requirements of the Securities Regulation Code, the Issuer has caused this report to be signed on its behalf by the undersigned, being duly authorized, in the City of Makati on 15 May 2024.

Issuer: **BERJAYA PHILIPPINES, INC.**

By:  **JOSE A. BERNAS**  
Corporate Secretary

By:  **WINNIE R. MANANSALA**  
Treasurer

**ANNEX "A"**

**BERJAYA PHILIPPINES, INC. AND SUBSIDIARIES**  
*[A Subsidiary of Berjaya Lottery Management (HK) Limited]*  
**INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**  
**MARCH 31, 2024 and JUNE 30, 2023**  
*(Amounts in Philippine Pesos)*

<b>ASSETS</b>	<u>Note</u>	<b>March 31, 2024</b> Unaudited	<b>June 30, 2023</b> Audited
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	5	760,381,320	<b>P</b> 1,366,379,758
Trade and other receivables-net	6	4,148,921,283	3,429,278,623
Inventories - net	7	6,151,576,467	7,243,463,678
Advances to associates	13	2,176,004,191	2,114,834,185
Prepayments and other current assets - net	8	575,326,721	1,086,753,116
Total Current Assets		<u>13,812,209,982</u>	<u>15,240,709,360</u>
<b>NON-CURRENT ASSETS</b>			
Financial asset at fair value through other comprehensive income	9	787,536,321	890,567,692
Right of use assets - net	12	2,451,237,779	2,224,069,200
Property and equipment - net	10	6,964,015,275	6,913,213,325
Investment property	11	131,534,630	129,181,985
Investments in associates	13	1,563,829,425	1,450,139,066
Intangible assets - net	14	1,791,223,633	1,773,237,185
Deferred tax assets - net		90,923,656	90,923,656
Post-employment benefit asset		458,172,017	449,977,095
Other non-current assets	8	1,901,672	1,946,673
Total Non-Current Assets		<u>14,240,374,408</u>	<u>13,923,255,877</u>
<b>ASSETS HELD FOR SALE</b>		0	0
<b>TOTAL ASSETS</b>		<b>P</b> <u>28,052,584,390</u>	<b>P</b> <u>29,163,965,237</u>
<b>LIABILITIES AND EQUITY</b>			
<b>CURRENT LIABILITIES</b>			
Trade and other payables	15	2,638,902,368	<b>P</b> 3,023,003,772
Loans payable and borrowings	16	5,051,803,445	5,404,200,358
Lease liabilities - current	12	296,224,200	268,960,099
Contract liabilities		3,497,047,022	4,202,177,549
Advances from associates		402,144,354	282,988,979
Income tax payable		1,007,427	0
Total Current Liabilities		11,887,128,816	13,181,330,757
<b>NON-CURRENT LIABILITIES</b>			
Lease liabilities - non current	12	2,228,439,624	2,056,330,090
Loans payable and borrowings	16	1,932,935,152	1,971,234,061
Advances from related parties		557,126,446	566,363,441
Deferred tax liabilities - net		271,013,010	266,166,143
Provisions		57,986,467	200,817,306
Post-employment benefit obligation		5,640,344	5,190,344
Total Non-Current Liabilities		5,053,141,043	5,066,101,385
Total Liabilities		<u>16,940,269,859</u>	<u>18,247,432,142</u>
<b>EQUITY</b>			
Attributable to Owners of the Parent Company		11,102,344,794	10,909,066,075
Attributable to non-controlling interest		9,969,737	7,467,020
Total Equity		<u>11,112,314,531</u>	<u>10,916,533,095</u>
<b>TOTAL LIABILITIES AND EQUITY</b>		<b>P</b> <u>28,052,584,390</u>	<b>P</b> <u>29,163,965,237</u>

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**BERJAYA PHILIPPINES, INC. AND SUBSIDIARIES**  
[A Subsidiary of Berjaya Lottery Management (HK) Limited]  
**INTERIM CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME**  
For the nine months ended March 31, 2024 and March 31, 2023  
(Amounts in Philippine Pesos)  
(UNAUDITED)

	3 Months Ended March 31, 2024	9 Months Ended March 31, 2024	3 Months Ended March 31, 2023	9 Months Ended March 31, 2023
<b>REVENUES</b>				
Sales of vehicles	10,521,231,523	27,978,256,598	P 10,788,674,609	27,237,729,656
Hotel Operations	37,411,127	106,917,894	23,374,840	83,238,118
	<u>10,558,642,650</u>	<u>28,085,174,492</u>	<u>10,812,049,449</u>	<u>27,320,967,774</u>
<b>COSTS AND OTHER OPERATING EXPENSES</b>				
Cost of vehicles sold	9,103,864,546	24,223,484,008	9,485,781,351	23,710,143,361
Salaries and employee benefits	560,895,665	1,611,668,381	745,924,672	1,507,663,478
Marketing & Selling	222,461,886	644,214,517	(32,965,651)	625,838,542
Depreciation and amortization	214,078,321	599,238,211	156,420,501	439,623,209
Miscellaneous Expenses	19,217,225	150,760,089	88,943,364	161,198,191
Taxes and licences	62,648,000	182,259,886	62,159,401	128,202,634
Insurance	25,889,417	96,573,085	28,977,424	85,278,745
Stationery and Office Supplies	30,411,670	100,216,825	40,504,151	94,657,584
Communication, light and water	36,821,602	97,971,081	48,810,921	91,668,113
Professional fees	26,395,932	69,295,025	10,997,242	43,487,714
Cleaning and Maintenance	21,801,011	64,695,647	18,213,065	42,410,831
Transportation and travel	7,712,122	24,063,740	8,425,490	28,357,423
Cost of food and beverages	3,111,759	10,383,448	2,570,465	9,105,103
Repairs and maintenance	12,568,027	12,568,027	21,538,268	45,080,873
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>10,347,877,183</u>	<u>27,887,391,970</u>	<u>10,686,300,664</u>	<u>27,012,715,801</u>
<b>OPERATING PROFIT</b>	<u>210,765,467</u>	<u>197,782,522</u>	<u>125,748,785</u>	<u>308,251,973</u>
<b>OTHER INCOME (CHARGES)</b>				
Finance Income	64,101,392	194,449,717	44,318,222	131,931,918
Equity share in net income (losses)	30,198,777	113,690,359	55,796,561	169,805,269
Other Income	13,589,977	48,525,031	(13,437,563)	44,659,666
Finance Costs	(147,076,008)	(459,409,133)	(132,556,465)	(283,106,949)
Gain (Loss) on disposal of PPE	(158)	(38,882)	8,615,760	(17,894,056)
Fair value gain on financial assets at fair value through profit and loss	-	-	(19,130)	(1,260,865)
	<u>(39,186,020)</u>	<u>(102,782,908)</u>	<u>(37,282,615)</u>	<u>44,134,983</u>
<b>PROFIT (LOSS) BEFORE INCOME TAX</b>	<u>171,579,447</u>	<u>94,999,614</u>	<u>88,466,170</u>	<u>352,386,956</u>
<b>TAX EXPENSE</b>	<u>4,366,414</u>	<u>13,112,624</u>	<u>18,418,985</u>	<u>54,269,588</u>
<b>TOTAL NET PROFIT (LOSS)</b>	<u>167,213,033</u>	<u>81,886,990</u>	<u>70,047,185</u>	<u>298,117,368</u>
<i>Check digit with CWP</i>		ok		ok
<b>OTHER COMPREHENSIVE INCOME (LOSS)</b>				
<b>Item that will not be reclassified subsequently to profit or loss</b>				
Net unrealized fair value losses on financial assets at fair value through other comprehensive income	20,486,316	(16,297,245)	(2,396,619)	101,568,629
	<u>20,486,316</u>	<u>(16,297,245)</u>	<u>(2,396,619)</u>	<u>101,568,629</u>
<b>Items that will be reclassified subsequently to profit or loss</b>				
Translation adjustment	28,206,599	102,347,105	431,971	55,661,475
	<u>28,206,599</u>	<u>102,347,105</u>	<u>431,971</u>	<u>55,661,475</u>
<b>TOTAL COMPREHENSIVE INCOME (LOSS)</b>	<u>215,905,948</u>	<u>167,936,850</u>	<u>68,082,537</u>	<u>455,347,472</u>
<b>Net profit attributable to:</b>				
Owners of the Parent Company	166,622,119	79,384,273	69,626,337	296,460,005
Non-controlling Interest	590,914	2,502,717	420,848	1,657,363
	<u>167,213,033</u>	<u>81,886,990</u>	<u>70,047,185</u>	<u>298,117,368</u>
<b>Total comprehensive income attributable to:</b>				
Owners of the Parent Company	187,108,437	165,434,133	67,661,689	453,690,109
Non-controlling Interest	590,914	2,502,717	420,848	1,657,363
	<u>215,905,948</u>	<u>167,936,850</u>	<u>68,082,537</u>	<u>455,347,472</u>
Weighted average number of shares outstanding	<u>4,341,280,693</u>	<u>4,341,280,693</u>	<u>4,341,280,693</u>	<u>4,341,280,693</u>
<b>Basic earnings per share (annualized)</b>	<u>0.15</u>	<u>0.04</u>	<u>0.06</u>	<u>0.27</u>

**BERJAYA PHILIPPINE INC. AND SUBSIDIARIES**  
*[A Subsidiary of Berjaya Lottery Management (HK) Limited]*  
**INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY**  
For the nine months ended MARCH 31, 2024 and MARCH 31, 2023  
*(Amounts in Philippine Pesos)*  
**(UNAUDITED)**

	Attributable Owners of the Parent Company										Non-controlling Interest	Total
	Capital Stock	Treasury Shares	Revaluation Reserves	Other Reserves	Translation Adjustment	Retained Earnings		Total	Total			
						Appropriated	Unappropriated					
Balance at July 1, 2023	P 4,427,009,132	0 P (988,150,025)	0 P 2,270,533	0 P (748,815,536)	0 P 166,513,995	0 P 2,000,000,000	0 P 6,050,296,192	P 10,909,124,291	P 7,467,019	P 10,916,591,310		
Effect of adoption of PFRS 9							P -	-	P -	-		
Capital issuance through stock dividends	-	-	-	-	-	-	-	-	-	-		
Profit or loss for the year	-	-	-	-	-	-	79,384,273	79,384,273	2,502,717	81,886,990		
Appropriation during the year	-	-	-	-	-	-	-	-	-	-		
Reversal of appropriations during the year	-	-	-	-	-	-	-	-	-	-		
Realized fair value changes on disposals of financial assets at FVOCI	-	-	13,893,185	-	-	-	13,893,185	27,786,370	-	27,786,370		
Actuarial Gain on remeasurement of post-employment benefit obligation - net of tax	-	-	-	-	-	-	-	-	-	-		
Net unrealized fair value gains on disposals of financial assets at FVOCI	-	-	(16,297,245)	-	-	-	-	(16,297,245)	-	(16,297,245)		
Reduction in non-controlling interest								-	-	-		
Effect of change in percentage ownership									-	-		
Disposal of financial asset	-	-	-	-	-	-	-	-	-	-		
Disposal of subsidiary	-	-	-	-	-	-	-	-	-	-		
Translation adjustment	-	-	-	-	102,347,105	-	-	102,347,105	-	102,347,105		
<b>Total equity at December 31, 2023</b>	<b>P 4,427,009,132</b>	<b>P (988,150,025)</b>	<b>P (133,527)<sup>169</sup></b>	<b>P (748,815,536)</b>	<b>P 268,861,100</b>	<b>P 2,000,000,000</b>	<b>P 6,143,573,650</b>	<b>P 11,102,344,794</b>	<b>P 9,969,736</b>	<b>P 11,112,314,530</b>		

	Attributable Owners of the Parent Company										Non-controlling Interest	Total
	Capital Stock	Treasury Shares	Revaluation Reserves	Other Reserves	Translation Adjustment	Retained Earnings		Total	Total			
						Appropriated	Unappropriated					
Balance at July 1, 2022	P 4,427,009,132	P (988,150,025)	P (383,080,994)	P (534,850,524)	P (76,797,533)	P 2,000,000,000	P 5,469,733,949	P 9,913,864,005	P 5,270,268	P 9,919,134,273		
Effect of adoption of PFRS 9							P -	-	P -	-		
Capital issuance through stock dividends	-	-	-	-	-	-	-	-	-	-		
Profit or loss for the year	-	-	-	-	-	-	226,833,668	226,833,668	1,236,515	228,070,183		
Appropriation during the year	-	-	-	-	-	-	-	-	-	-		
Reversal of appropriations during the year	-	-	-	-	-	-	-	-	-	-		
Realized fair value changes on disposals of financial assets at FVOCI	-	-	-	-	-	-	-	-	-	-		
Actuarial Gain on remeasurement of post-employment benefit obligation - net of tax	-	-	-	-	-	-	-	-	-	-		
Net unrealized fair value gains on disposals of financial assets at FVOCI	-	-	103,965,248	-	-	-	-	103,965,248	-	103,965,248		
Reduction in non-controlling interest								-	-	-		
Effect of change in percentage ownership								-	-	-		
Disposal of financial asset	-	-	-	-	-	-	-	-	-	-		
Disposal of investment property	-	-	5,214,851	-	-	-	(5,214,851)	-	-	-		
Translation adjustment	-	-	-	-	55,229,304	-	-	55,229,304	-	55,229,304		
<b>Total equity at December 31, 2022</b>	<b>P 4,427,009,132</b>	<b>P (988,150,025)</b>	<b>P (273,900,895)</b>	<b>P (534,850,524)</b>	<b>P (21,568,029)</b>	<b>P 2,000,000,000</b>	<b>P 5,691,352,766</b>	<b>P 10,299,892,425</b>	<b>P 6,506,783</b>	<b>P 10,306,399,209</b>		

Attributable Owners of the Parent Company

	Attributable Owners of the Parent Company									
	Capital Stock	Treasury Shares	Revaluation Reserves	Other Reserves	Translation Adjustment	Retained Earnings		Total	Non-controlling Interest	Total
						Appropriated	Unappropriated			
Balance at July 1, 2022	P 4,427,009,132	0 P (988,150,025)	0 P (139,925,614)	0 P (748,815,536)	0 P (76,797,493)	2,000,000,000	0 P 5,440,543,532	9,913,863,996	P 5,270,269	P 9,919,134,265
Effect of adoption of PFRS 9							-	P -		P -
Capital issuance through stock dividends	-	-	-	-	-	-	-	-	-	-
Profit or loss for the year	-	-	-	-	-	-	614,967,297	614,967,297	2,196,751	617,164,048
Appropriation during the year	-	-	-	-	-	-	-	-	-	-
Reversal of appropriations during the year	-	-	-	-	-	-	-	P -	-	-
Realized fair value changes on disposals of financial assets at FVOCI	-	-	-	-	-	-	-	-	-	-
Actuarial Gain on remeasurement of post-employment benefit obligation - net of tax	-	-	-	-	-	-	77,465,893	77,465,893	-	77,465,893
Share in other comprehensive income of associates - net of tax	-	-	-	-	-	-	900,971	-	-	-
Net unrealized fair value gains on financial assets at fair value through other comprehensive income (FVOCI)	-	-	-	-	-	-	58,614,601	58,614,601	-	58,614,601
Reduction in non-controlling interest	-	-	-	-	-	-	-	-	-	-
Effect of change in percentage ownership	-	-	-	-	-	-	-	-	-	-
Disposal of financial asset	-	-	-	-	-	-	-	-	-	-
Disposal of subsidiary	-	-	-	-	-	-	-	-	-	-
Translation adjustment	-	-	-	-	-	-	243,253,317	243,253,317	-	243,253,317
Total equity at June 30, 2023	P <u>4,427,009,132</u>	P <u>(988,150,025)</u>	P <u>(139,925,614)</u>	P <u>(748,815,536)</u>	P <u>(76,797,493)</u>	P <u>2,000,000,000</u>	P <u>6,435,745,611</u>	P <u>10,908,165,104</u>	P <u>7,467,020</u>	P <u>10,915,632,124</u>

**BERJAYA PHILIPPINES, INC. AND SUBSIDIARIES**  
**[A Subsidiary of Berjaya Lottery Management (HK) Limited]**  
**INTERIM CONSOLIDATED STATEMENTS OF CASHFLOWS**  
**For the nine months ended MARCH 31, 2024 and MARCH 31, 2023**  
**(Amounts in Philippine Pesos)**  
**(UNAUDITED)**

	<b>3 Months Ended March 31, 2024</b>	<b>9 Months Ended March 31, 2024</b>	<b>3 Months Ended March 31, 2023</b>	<b>9 Months Ended March 31, 2023</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Net income	171,579,447	94,999,614	70,047,185	352,386,956
Adjustments for:				
Depreciation and amortization	214,078,321	599,238,211	156,420,501	439,623,209
Dividend Income	(8,406,465)	(8,406,465)	-	-
Interest Expense	147,076,008	459,409,133	132,556,464	283,106,949
Interest Income	64,101,392	(186,043,252)	(42,785,892)	(124,589,541)
Equity Share in net losses (income) of associates	(30,198,777)	(113,690,359)	(55,796,561)	(169,805,269)
Loss (gain) on sale of property and equipment	38,882	38,882	(8,615,760)	17,894,056
Loss (gain) on sale of financial asset	-	-	-	-
Impairment losses on non-financial assets	-	-	-	-
Unrealized foreign exchange losses (gain)	2,311,028	(1,781,071)	26,340,961	20,492,427
Operating income before working capital changes	560,579,836	843,764,693	278,166,898	819,108,787
Decrease / (Increase) in:				
Trade and other receivables	(41,720,882)	(719,642,660)	(69,124,031)	(485,586,132)
Financial assets at fair value through profit or loss	-	-	19,130	1,260,865
Inventories	588,975,775	1,091,887,211	(1,079,273,627)	(2,278,263,950)
Post employment benefit asset	(2,196,139)	(8,194,922)	(17,050)	(3,509,450)
Prepaid expenses and other current assets	494,351,539	511,426,395	(15,461,989)	102,166,106
Decrease (increase) in other non-current assets	-	-	1	361,284
Increase / (Decrease) in:				
Trade and other payables	181,538,739	(177,168,287)	472,857,216	789,931,081
Contract liabilities	(362,189,435)	(705,130,527)	114,326,382	447,143,871
Retirement Obligation	150,000	450,000	150,000	450,000
Cash paid for income taxes	(4,662,775)	(14,120,051)	(9,367,967)	(45,218,570)
Net cash provided (used in) operating activities	1,414,826,658	823,271,852	(307,725,037)	(652,156,108)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Acquisition of Property and equipment	(623,747,875)	(1,054,495,929)	(210,721,824)	(1,236,178,790)
Cash dividends received	-	-	1,532,330	7,342,377
Advances to (collection from) associate - net	(20,500,000)	(87,925,740)	(58,400,000)	(120,800,000)
Other receipt arising from investing activities	-	-	-	-
Net cash provided (used in) by investing activities	(644,247,875)	(1,142,421,669)	(267,589,494)	(1,349,636,413)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
Proceeds from bank loans and borrowings	(536,863,295)	(390,695,822)	2,006,406,945	2,103,575,800
Payment of lease liabilities	334,777,920	199,373,635	(80,621,274)	(522,949,309)
Advances paid to related party	(3,111,400)	(197,472,769)	(52,200,000)	(216,412,751)
Advances received from related party	44,465,000	186,235,773	90,700,000	243,650,000
Repayment of bank loan and borrowings	(15,635,956)	(76,885,956)	-	(60,000,000)
Interest paid	(1,331,774)	(7,403,483)	(545,178)	(1,743,904)
Net cash provided (used in) by financing activities	(177,699,505)	(286,848,621)	1,963,740,493	1,546,119,836
<b>EFFECT OF EXCHANGE RATE CHANGES TO CASH AND CASH EQUIVALENTS</b>	-	-	-	-
<b>NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	(605,998,438)	(605,998,438)	532,324,947	(455,672,685)
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD</b>	1,366,379,758	1,366,379,758	1,665,883,672	1,665,883,672
<b>CASH AND CASH EQUIVALENTS AT ENDING OF PERIOD</b>	760,381,320	760,381,320	2,198,208,619	1,210,210,987

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**BERJAYA PHILIPPINES INC. AND SUBSIDIARIES**  
*[A Subsidiary of Berjaya Lottery Management (HK) Limited]*  
**NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**As of March 31, 2024 and June 30, 2023**  
*(Amounts in Philippine Pesos)*

**1. CORPORATE MATTERS**

***1.1 Incorporation and Operations***

Berjaya Philippines Inc. (BPI or the Parent Company) was incorporated in the Philippines on October 31, 1924. The Parent Company is organized as a holding company. The Parent Company's shares of stock were listed in the Philippine Stock Exchange on November 29, 1948.

On June 2, 2010, the Parent Company's Board of Directors (BOD) approved the Parent Company's change in corporate name from Prime Gaming Philippines, Inc. to Berjaya Philippines Inc. The application for change in name was approved by the Securities and Exchange Commission (SEC) on June 11, 2010.

The Parent Company is 74.20% owned by Berjaya Lottery Management (HK) Limited of Hong Kong (BLML) as at March 31, 2024. The Parent Company's ultimate parent company is Berjaya Corporation Berhad of Malaysia, a publicly listed company in the Main Market of Bursa Malaysia Securities Berhad.

The registered office of BPI is located at 9th Floor, Rufino Pacific Tower, 6784 Ayala Avenue, Makati City. BLML's registered address is at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong and the ultimate parent company's registered office is at Lot13-01A, Level 13 (East Wing), Berjaya Times Square, No. 1, Jalan Imbi 55100 Kuala Lumpur, Malaysia.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The significant accounting policies used in the preparation of these interim consolidated financial statements (ICFS) are consistent with those applied in the audited consolidated financial statements (ACFS) for the nine months ended March 31, 2024 and as of June 30, 2023.

***2.1 Basis of Preparation of Interim Consolidated Financial Statements***

These ICFS have been prepared in accordance with Philippine Accounting Standard (PAS) 34, *Interim Financial Reporting*. They do not include all of the information required in annual financial statements in accordance with Philippine Financial Reporting Standards (PFRS), and should be read in conjunction with the Group's ACFS for the nine months ended March 31, 2024 and as of June 30, 2023.

The ICFS are presented in Philippine pesos, the Company's functional and presentation currency, and all values represent absolute amounts except when otherwise indicated. Items included in the ICFS of the Group are measured using the

Company's functional currency. Functional currency is the currency of the primary economic environment in which the Company operates.

The preparation of the Group's ICFS in accordance with PFRS requires management to make judgments and estimates that affect the application of policies and reported amounts of assets and liabilities, income and expenses. Although these estimates are based on management's best knowledge of current events and actions, actual results may ultimately differ from those estimates. There were no changes in estimates of amounts reported in prior financial years that have a material effect in the current interim period.

The Group presents all items of income and expense in a single consolidated statement of comprehensive income.

## ***2.2 Adoption of New and Amended PFRS***

### **a) Effective Subsequent to Fiscal Year 2022 but not Adopted Early**

There are pronouncements effective for annual periods subsequent to fiscal year 2022, which are adopted by the FRSC. Management will adopt the following relevant pronouncements in accordance with their transitional provisions; and, unless otherwise stated, none of these are expected to have impact on the Group's consolidated financial statements:

- (i) PFRS 3 (Amendments), Business Combinations – Reference to the Conceptual Framework (effective from January 1, 2022)
- (ii) PAS 16 (Amendments), Property, Plant and Equipment – Proceeds Before Intended Use (effective from January 1, 2022)
- (iii) PAS 37 (Amendments), Provisions, Contingent Liabilities and Contingent Assets – Onerous Contracts – Cost of Fulfilling a Contract (effective from January 1, 2022)
- (iv) Annual Improvements to PFRS 2018-2020 Cycle. Among the improvements, the following amendments, which are effective from January 1, 2022, are relevant to the Group:
  - PFRS 9 (Amendments), Financial Instruments – Fees in the '10 per cent' Test for Derecognition of Liabilities
  - Illustrative Examples Accompanying PFRS 16, Leases – Lease Incentives
- (v) PAS 1 (Amendments), Presentation of Financial Statements – Classification of Liabilities as Current or Non-current (effective from January 1, 2023)
- (vi) PAS 1 (Amendments), Presentation of Financial Statements – Disclosure of Accounting Policies (effective from January 1, 2023)
- (vii) PAS 8 (Amendments), Accounting Estimates – Definition of Accounting Estimates (effective from January 1, 2023)
- (viii) PAS 12 (Amendments), Income Taxes – Deferred Tax Related to Assets and Liabilities Arising from a Single Transaction (effective from January 1, 2023)

- (ix) PFRS 10 (Amendments), Consolidated Financial Statements, and PAS 28 (Amendments), Investments in Associates and Joint Ventures – Sale or Contribution of Assets Between an Investor and its Associates or Joint Venture (effective date deferred indefinitely).

Management is currently assessing the impact of these amendments on the Group's consolidated financial statements and it will conduct a comprehensive study of the potential impact of these pronouncements prior to their mandatory adoption date to assess the impact of all changes.

### **3. RISK MANAGEMENT OBJECTIVES AND POLICIES**

The Group is exposed to a variety of financial risks in relation to financial instruments. The main types of risks are market risk, credit risk and liquidity risk.

The Group's risk management is carried out in close cooperation with the BOD, and focuses on actively securing the Group's short to medium term cash flows by minimizing the exposure to financial markets. Long-term financial investments are managed to generate lasting returns.

The Group does not actively engage in the trading of financial assets for speculative purposes nor does it write options. The most relevant financial risks to which the Group is exposed to are described below and in the succeeding pages.

#### ***3.1 Market Risk***

The Group is exposed to market risk through its use of financial instruments and specifically to foreign currency risk, interest rate risk and certain other price risk which result from both its operating, investing and financing activities.

##### ***(a) Interest Rate Risk***

The Group's policy is to minimize interest rate cash flow risk exposures on cash and cash equivalents. As at March 31, 2024 and June 30, 2023, the Group is exposed to changes in market interest rates through short-term placements included as part of Cash and Cash Equivalents account and stocking loans of H.R. Owen presented as Loans Payable and Borrowings, which are subject to variable interest rates, in the consolidated statements of financial position.

The Group keeps placements with fluctuating interest at a minimum while H.R. Owen's stocking loans are secured at any time by fixed and floating charges on stocks of new and demonstrator cars and commercial vehicles held. As such, management believes that its exposure to interest rate risk is immaterial.

##### ***(b) Foreign Currency Risk***

Except for H.R. Owen and eDoc Holdings whose functional currency is GBP, most of the Group's transactions are carried out in Philippine pesos, its functional currency. Exposures to currency exchange rates arise from the Group's overseas purchases, which are primarily denominated in United States Dollars (USD). The Group also holds USD, GBP, Malaysian Ringgit (MYR) and European Union Euro (EUR) denominated cash and cash equivalents and receivables. Further, the Group has AFS

financial assets denominated in MYR and GBP. There were no foreign currency denominated financial liabilities as at March 31, 2024 and June 30, 2023.

To mitigate the Group's exposure to foreign currency risk, non-Philippine peso cash flows are monitored.

Foreign currency denominated financial assets, translated into Philippine pesos at the closing rate are as follows:

	<u>March 31, 2024</u>	<u>June 30, 2023</u>
Php – GBP	<b>P 688,617,038</b>	<b>P 1,190,061,295</b>
Php – USD	<b>46,455,668</b>	<b>(95,985,339)</b>
Php – MYR	-	<b>274,032</b>
Php - EUR	-	-

The following table illustrates the sensitivity of the Group's profit before tax with respect to changes in Philippine peso against USD, MYR, GBP and EUR exchange rates. These percentages have been determined based on the average market volatility in exchange rates, using standard deviation, in the previous 12 months, estimated at 95.00% level of confidence. The sensitivity analysis is based on the Group's foreign currency financial instruments held at the end of each reporting period with effect estimated from the beginning of the year.

	<u>March 31, 2024</u>		<u>June 30, 2023</u>	
	Reasonably possible change in rate	Effect in profit before tax	Reasonably possible change in rate	Effect in profit before tax
PhP - GBP	7.37%	<b>P 298,432,502</b>	27.54%	<b>P 327,742,881</b>
PhP - USD	1883.85%	<b>1,490,061,826</b>	12.03%	<b>( 11,546,675)</b>
PhP - MYR	7.82%	-	12.75%	<b>34,939</b>
PhP - EUR	7.29%	-	-	-
		<b><u>P 1,788,494,328</u></b>		<b><u>P 316,231,145</u></b>

Exposures to foreign exchange rates vary during the year depending on the volume of foreign currency transactions. Nonetheless, the analysis above is considered to be representative of the Group's currency risk.

*(c) Other Price Risk*

The Group's market price risk arises from its investments carried at fair value (financial assets classified as AFS financial assets). The Group manages exposure to price risk by monitoring the changes in the market price of the investments and at some extent, diversifying the investment portfolio in accordance with the limit set by management.

The sensitivity of equity with regard to the volatility of the Group's AFS financial assets assumes a +/-1883.85% volatility in the market value of the investment for the nine months ended March 31, 2024. The expected change was based on the annual rate of return computed using the monthly closing market value of the investment in 2023.

### 3.2 Credit Risk

Credit risk is the risk that counterparty may fail to discharge an obligation to the Group. The Group is exposed to this risk for various financial instruments arising from granting loans and selling goods and services to customers; granting advances to associates; and, placing deposits with banks, lessors and utility companies.

The Group continuously monitors defaults of customers and other counterparties, identified either individually or by group, and incorporate this information into its credit risk controls. The Group's policy is to deal only with creditworthy counterparties. In addition, for a significant proportion of sales, advance payments are received to mitigate credit risk.

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

	<u>Notes</u>	<u>March 31, 2024</u>	<u>June 30, 2023</u>
Cash and cash equivalents	5	<b>P 760,381,320</b>	P 1,366,379,758
Trade and other receivables – net	6	<b>4,148,921,283</b>	<b>3,008,533,972</b>
Advances to associates	13	<b>2,176,004,191</b>	<b>2,114,834,185</b>
Refundable deposits	8	<u><b>4,689,321</b></u>	<u><b>4,625,737</b></u>
		<u><b>P 7,089,996,115</b></u>	<u><b>P 6,494,373,652</b></u>

None of the Group's financial assets are secured by collateral or other credit enhancements, except for cash and cash equivalents as described below.

#### (a) Cash and Cash Equivalents

The credit risk for cash and cash equivalents is considered negligible, since the counterparties are reputable banks with high quality external credit ratings. Included in the cash and cash equivalents are cash in banks and short-term placements, which are insured by the Philippine Deposit Insurance Corporation up to a maximum coverage of P500,000 for every depositor per banking institution.

#### (b) Trade and Other Receivables – net and Advances to Associates

The Group's trade receivables as at March 31, 2024 and June 30, 2023 are due mainly from customers of H.R. Owen. The Group maintains policies that require appropriate credit checks to be completed on potential customers prior to delivery of goods and services. On-going credit checks are periodically performed on the Group's existing customers to ensure that the credit limits remain at appropriate levels. The Group applies the simplified approach in measuring ECL which uses a lifetime expected loss allowance for all trade receivables and other receivables.

ECL for advances to associates are measured and recognized using the net asset approach. The Group does not consider any risks in the amounts due from associates as it has enough net assets to cover the amount due. Moreover, based on historical information on payments of associates, management considers the credit quality of receivables that are not past due or impaired to be good.

In respect to trade receivables from the customers of H.R. Owen and other receivables and advances to associates, the Group is not exposed to any significant credit risk exposure to any single counterparty or any group of counterparties having similar characteristics. The trade receivables of H.R. Owen are mostly related to servicing and bodyshop operations as the sale of vehicles is on a cash basis. The credit risk from servicing and bodyshop operations of H.R. Owen is minimal as H.R. Owen will not release the car without full payment. The Group's receivables are actively monitored to avoid significant concentrations of credit risk.

*(c) Other Non-current Assets*

The refundable deposits of the Group under Other Non-Current Assets account in the consolidated statements of financial position pertain to security deposits made to various lessors and utility companies which the Group is not exposed to significant credit risk.

### ***3.3 Liquidity Risk***

The ability of the Group to finance increases in assets and meet obligations as they become due is extremely important to the Group's operations. The Group's policy is to maintain liquidity at all times. This policy aims to honor all cash requirements on an on-going basis to avoid raising funds above market rates or through forced sale of assets.

Liquidity risk is also managed by borrowing with a spread of maturity periods. The Group has significant fluctuations in short-term borrowings due to industry specific factors. The Group mitigates any potential liquidity risk through maintaining substantial unutilized banking and used vehicle stocking loan facilities.

As at March 31, 2024 and June 30, 2023, the Group's financial liabilities pertain to Trade and Other Payables, except those tax-related liabilities, and Loans Payable and Borrowings inclusive of future interest. Trade and other payables and loans payable and borrowings are considered to be current which are expected to be settled within 12 months from the end of each reporting period.

## **4. SEGMENT REPORTING**

### ***4.1 Business Segments***

The Group is organized into different business units based on its products and services for purposes of management assessment of each unit. In identifying its operating segments, the management generally follows the Group's four service lines. The Group is engaged in the business of Leasing, Services, Investments and Motor Vehicle Dealership. Presented below is the basis of the Group in reporting to its strategic steering committee for its strategic decision-making activities.

*(a)* The Leasing segment mainly pertains to the lease of on-line lottery equipment by the Group to PCSO.

*(b)* The Services segment mainly pertains to the hotel operations of PHPI.

*(c)* Investments segment relates to investing activities.

- (d) The Motor Vehicle Dealership segment mainly pertains to the luxury motor vehicle retailers and provision of aftersales services of H.R. Owen.

#### 4.2 Segment Assets and Liabilities

Segment assets are allocated based on their physical location and use or direct association with a specific segment. Segment assets include all operating assets used by a segment and consist principally of operating cash, receivables, advances, inventories and property and equipment, net of allowances and provisions. Similar to segment assets, segment liabilities are also allocated based on their use or direct association with a specific segment. Segment liabilities include all operating liabilities and consist principally of accounts, taxes currently payable and accrued liabilities.

#### 4.3 Intersegment Transactions

Segment revenues, expenses and performance include sales and purchases between business segments. Such sales and purchases are eliminated in consolidation.

The Group's operating business are organized and managed separately according to the nature of segment accounting policies.

#### 4.4 Analysis of Segment Information

The tables in the succeeding pages present revenue and profit information regarding business segments for the nine months ended March 31, 2024, March 31, 2023 and for the year ended June 30, 2023, and certain assets and liabilities information regarding industry segments as at March 31, 2024, March 31, 2023 and June 30, 2023.

	<u>March 31, 2024</u>			
	<u>Investments</u>	<u>Services</u>	<u>Motor Vehicle Dealership</u>	<u>Total</u>
Revenues and income:				
Revenue from externals				
Customers	-	106,917,893	27,978,256,598	28,085,174,491
Interest Income	67,247,168	20,992	118,775,092	186,043,252
Other Income	8,406,465	3,649,910	43,094,050	55,150,425
Equity share in net income from associates	-	(3,013,799)	116,704,158	113,690,359
Inter-segment income	=	=	=	=
Total revenues and income	<u>75,653,633</u>	<u>107,574,996</u>	<u>28,256,829,898</u>	<u>28,440,058,527</u>
Expenses:				
Costs and operating expenses before depreciation	14,993,821	107,439,470	27,165,720,465	27,288,153,756
Depreciation and amortization	18,000	21,803,388	577,416,823	599,238,211
Interest expense	6,358,885	6,339,999	444,929,179	457,628,062
Loss on disposal of PPE	-	-	-	-
Other income (loss) from other sources	-	-	-	-
Inter-segment cost and expenses	=	=	<u>38,882</u>	<u>38,882</u>
Total Expenses	<u>21,370,705</u>	<u>135,582,857</u>	<u>28,188,105,349</u>	<u>28,345,058,911</u>
Segment profit (loss) before tax	<u>54,282,928</u>	<u>(28,007,861)</u>	<u>68,724,549</u>	<u>94,999,616</u>

Net profit (loss)	<u>41,173,126</u>	<u>(28,010,682)</u>	<u>68,724,550</u>	<u>81,886,993</u>
Segment Assets	<u>9,274,523,453</u>	<u>1,629,763,661</u>	<u>20,513,732,357</u>	<u>31,418,019,471</u>
Segment Liabilities	<u>1,332,674,063</u>	<u>1,468,607,278</u>	<u>15,807,770,755</u>	<u>18,609,052,096</u>
Capital expenditures	<u>P 7,135,363</u>	<u>                    </u>	<u>P 985,692,679</u>	<u>P 992,828,042</u>

**March 31, 2023**

	<b><u>Investments</u></b>	<b><u>Services</u></b>	<b><u>Motor Vehicle Dealership</u></b>	<b><u>Total</u></b>
Revenues and income:				
Revenue from externals				
Customers	-	83,238,118	27,237,729,656	27,320,967,774
Interest Income	45,656,258	9,434	78,923,850	124,589,542
Other Income	9,821,277	1,885,153	63,266,940	74,973,670
Equity share in net income from associates	-	116,191,525	53,613,744	169,805,269
Inter-segment income	=	=	=	=
Total revenues and income	<u>55,477,535</u>	<u>201,324,230</u>	<u>27,433,534,190</u>	<u>27,690,335,955</u>
Expenses:				
Costs and operating expenses before depreciation	11,557,548	86,530,382	26,475,004,661	26,573,092,591
Depreciation and amortization	18,000	17,193,541	422,411,668	439,623,209
Interest expense	33,286,770	6,067,445	264,245,162	303,599,377
Loss on disposal of PPE	-	-	20,372,956	20,372,956
Other income (loss) from other sources	1,260,865	-	-	1,260,865
Inter-segment cost and expenses	=	=	=	=
Total Expenses	<u>46,123,183</u>	<u>109,791,368</u>	<u>27,182,034,447</u>	<u>27,337,948,998</u>
Segment profit (loss) before tax	<u>9,354,353</u>	<u>91,532,862</u>	<u>251,499,743</u>	<u>352,386,957</u>
Net profit (loss)	<u>1,409,921</u>	<u>91,531,429</u>	<u>205,176,020</u>	<u>298,117,370</u>

Segment Assets	<u>4,693,140,410</u>	<u>1,499,602,642</u>	<u>21,188,433,548</u>	<u>27,381,176,600</u>
Segment Liabilities	<u>995,535,074</u>	<u>137,352,881</u>	<u>15,873,806,899</u>	<u>17,006,694,854</u>
Capital expenditures	<u>P 7,135,363</u>	<u>                    </u>	<u>P 1,613,845,815</u>	<u>P 1,620,981,178</u>

**June 30, 2023**

	<b><u>Services</u></b>	<b><u>Investments</u></b>	<b><u>Motor Vehicle Dealership</u></b>	<b><u>Total</u></b>
Revenues and income:				
Revenue from externals				
Customers	P 104,105,308	P -	P38,409,126,906	P38,513,232,214
Interest income	13,772	63,249,721	125,889,402	189,152,905
Other income	2,505,201	15,035,899	114,611,932	132,153,032
Equity share in net income from associates	174,395,784	-	85,022,717	259,418,501
Inter-segment	<u>-</u>	<u>72,000,000</u>	<u>-</u>	<u>72,000,000</u>
Total revenues and income	<u>P 281,020,065</u>	<u>P 150,285,620</u>	<u>P38,734,650,957</u>	<u>P39,165,956,652</u>



Expenses:				
Costs and operating expenses before depreciation	P 118,057,445	P 12,793,704	P 37,078,215,301	P 37,209,066,450
Depreciation and amortization	22,760,612	24,000	658,739,857	681,524,469
Interest expense	8,565,739	33,860,070	392,015,518	434,441,327
Equity share in net loss of associates	-	-	-	-
Other expenses (income)	( -	24,529,269	7,501,095	32,030,364
Inter-segment	-	-	-	-
Total expenses	<u>P 149,383,796</u>	<u>P 71,207,043</u>	<u>P 38,136,471,771</u>	<u>P 38,357,062,610</u>
Profit (loss) before tax	<u>P 131,636,269</u>	<u>P 79,078,577</u>	<u>P 598,179,196</u>	<u>P 808,894,042</u>

**June 30, 2023**

	<b><u>Servises</u></b>	<b><u>Investments</u></b>	<b><u>Motor Vehicle Dealership</u></b>	<b><u>Total</u></b>
Net profit (loss)	<u>P 138,271,779</u>	<u>P 77,147,330</u>	<u>P 473,744,940</u>	<u>P 689,164,049</u>
Segment Assets	<u>P1,537,353,070</u>	<u>P 9,161,437,902</u>	<u>P 21,726,584,921</u>	<u>P32,425,375,893</u>
Segment Liabilities	<u>P1,351,199,798</u>	<u>P 1,268,604,252</u>	<u>P 17,057,325,461</u>	<u>P19,677,129,511</u>
Capital expenditures	<u>P 7,135,363</u>	<u>-</u>	<u>P 985,692,679</u>	<u>P 992,828,042</u>

Currently, the Group's operation has two geographical segments: London, England for the motor dealership segment and all other segments are in the Philippines.

## 5. CASH AND CASH EQUIVALENTS

Cash and cash equivalents consist of the following:

	<b><u>March 31, 2024</u></b> <b>(Unaudited)</b>	<b><u>June 30, 2023</u></b> <b>(Audited)</b>
Cash on hand and in banks	<b>P 760,381,320</b>	<b>P 1,310,993,832</b>
Short-term placement	<u>-</u>	<u>55,385,926</u>
	<b><u>P 760,381,320</u></b>	<b><u>P 1,366,379,758</u></b>

Cash in banks generally earn interest based on daily bank deposit rates.

## 6. TRADE AND OTHER RECEIVABLES

This account is composed of the following:

	<b><u>March 31, 2024</u></b> <b>(Unaudited)</b>	<b><u>June 30, 2023</u></b> <b>(Audited)</b>
Trade receivables	<b>P 654,919,064</b>	<b>P 1,180,709,402</b>
Deposits	<b>2,652,196,492</b>	<b>1,976,135,230</b>

Payments for future acquisition of investments	-	349,279
Manufacturer's bonuses	191,769,832	53,069,496
Due from related party	22,040,938	1,438,738
Advances to officers and employees	87,194	90,043
Other receivables	<u>643,001,753</u>	<u>248,969,970</u>
	4,164,015,273	3,460,762,158
Allowance for impairment	<u>(15,093,990)</u>	<u>(31,483,535)</u>
	<b><u>P 4,148,921,283</u></b>	<b><u>P 3,429,278,623</u></b>

Trade receivables are usually due within 30 to 60 days and do not bear any interest. Deposits represent amounts provided to a foreign asset management firm engaged in the business of general trading and financing services.

Payments for future acquisition of investments represent deposits made to foreign parties for future acquisition of investment securities. These include deposits made to Inter-Pacific Securities Sdn Berhad (IPSSB), a related party under common ownership who acts as stockbroker of the Parent Company.

Other receivables include outstanding warranty claims, finance commissions and interest income.

## 7. INVENTORIES

The compositions of this account are shown below.

	<u>March 31, 2024</u> (Unaudited)	<u>June 30, 2023</u> (Audited)
At cost:		
Vehicles	P 4,175,171,220	P 5,225,645,357
Parts and components	267,911,006	245,016,259
Hotel supplies	<u>5,031,968</u>	<u>4,278,692</u>
	<u>4,448,114,194</u>	<u>5,474,940,308</u>
At net realizable value:		
Vehicles	1,967,148,946	1,825,762,651
Parts and components	<u>42,295,537</u>	<u>189,615,063</u>
	2,009,444,484	2,015,377,714
Allowance for inventory write down	<u>(305,982,211)</u>	<u>(246,854,344)</u>
	<u>1,703,462,273</u>	<u>1,768,523,370</u>
	<b><u>P 6,151,576,467</u></b>	<b><u>P 7,243,463,678</u></b>

Certain vehicles are carried at net realizable value which is lower than their cost. An analysis of the movements in allowance for inventory write down is presented below.

	<u>March 31, 2024</u> (Unaudited)	<u>June 30, 2023</u> (Audited)
Balance at beginning of year	P 246,854,344	P 179,593,201
Write-off during the year	(309,889,350)	451,923,751
Additional provision during the year	364,210,661	(407,108,535)
Translation adjustment	<u>4,806,556</u>	<u>22,445,927</u>
Balance at end of year	<b><u>P 305,982,211</u></b>	<b><u>P 246,854,344</u></b>

## 8. PREPAYMENTS AND OTHER CURRENT ASSETS

The details of this account are as follows:

	<u>March 31, 2024</u> (Unaudited)	<u>June 30, 2023</u> (Audited)
Current:		
Prepaid taxes	P 427,086,692	P 508,010,654
Prepaid expenses	10,900,284	413,461,058
Input VAT	106,715,746	96,277,562
Advances to suppliers	21,939,167	53,179,619
Creditable withholding tax	8,309,235	7,616,503
Refundable deposits	362,877	3,854,282
Deferred input VAT	12,720	4,353,438
Other current assets	<u>-</u>	<u>-</u>
	<b><u>P 575,326,721</u></b>	<b><u>P 1,086,753,116</u></b>
Non-current:		
Refundable deposits	726,455	771,455
Deferred input VAT	<u>1,175,218</u>	<u>1,175,218</u>
	<u>1,901,672</u>	<u>1,946,673</u>
	<b><u>P 577,228,393</u></b>	<b><u>P 1,088,699,789</u></b>

VAT recoverable pertains to the excess of input tax over output tax on sale of vehicles which the Group can reclaim under the tax laws in the United Kingdom (UK).

Prepaid expenses include subscriptions, refurbishment costs, maintenance expenses, license and support arrangements, insurance, and advertising which are expected to be realized in the next reporting period.

Advances to suppliers pertain to advances for supplies on the hotel and service vehicle operations, which are expected to be realized in the next reporting period.

The advance payment for the land acquisition pertains to disbursements made to a third party agent for the acquisition of land for the development of multi-franchise site and head office in United Kingdom. As of March 31, 2024 and June 30, 2023, the Group and the third party agent have executed a contract conditional on planning permission.

## 9. INVESTMENT SECURITIES

This account consists of the following financial assets:

### *9.1 Financial Assets at Fair Value through Profit or Loss (FVTPL)*

	<b><u>March 31, 2024</u></b> <b>(Unaudited)</b>	<u>June 30, 2023</u> (Audited)
Quoted equity securities	<b><u>P -</u></b>	<b><u>P</u></b>

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

	<b><u>March 31, 2024</u></b> <b>(Unaudited)</b>	<u>June 30, 2023</u> (Audited)
Equity securities:		
Quoted	<b>P 409,434,869</b>	P 522,720,415
Unquoted	<b><u>378,101,452</u></b>	<u>367,847,277</u>
	<b><u>P 787,536,321</u></b>	<b><u>P 890,567,692</u></b>

The quoted and unquoted equity securities consist of listed foreign shares of stock and investments in shares of stock of foreign privately-held companies, respectively. The fair values of the quoted financial assets have been determined by reference to published prices in an active market. The fair values of unquoted securities have been determined using the discounted cash flow valuation.

## 10. PROPERTY AND EQUIPMENT

The gross carrying amounts and accumulated depreciation and amortization of property and equipment at the beginning and end of reporting periods March 31, 2024 and June 30, 2023 are shown below.

	Computers and On-line Lottery Equipment	Building	Building-Others	Transportation Equipment	Workshop Equipment	Office Furniture, Fixtures and Equipment	Hotel and Kitchen Equipment and Utensils/Linens	Leasehold Improvements	Construction in Progress	Land	TOTAL
<b>March 31, 2024</b>											
Cost	120,000	720,291,386	2,854,509,896	24,168,360	2,299,393,257	13,900,927	20,279,160	1,146,357,635	776,534,847	709,158,773	8,564,714,241
Accumulated depreciation and amortization	(56,000)	(198,110,778)	(56,811,555)	(16,002,571)	(524,089,580)	(11,844,611)	(13,947,662)	(779,836,239)	-	-	(1,600,698,965)
Net carrying amount	<u>64,000</u>	<u>522,180,608</u>	<u>2,797,698,341</u>	<u>8,165,789</u>	<u>1,775,303,677</u>	<u>2,056,315</u>	<u>6,331,498</u>	<u>366,521,395</u>	<u>776,534,847</u>	<u>709,158,773</u>	<u>6,964,015,275</u>

	Buildings	Transportation Equipment	Workshop Equipment	Office Furniture, Fixtures and Equipment	Hotel and Kitchen Equipment and Utensils	Leasehold improvements	Land	Sanitary Landfill Cell Area	Construction in Progress	Total
<b>June 30, 2023</b>										
Cost	P 3,469,796,281	P 16,976,346	P 2,319,608,132	P 13,118,766	P 17,049,640	P 1,109,255,422	P 696,474,687	P 96,159,261	P 670,179,868	P 8,408,618,403
Accumulated depreciation and amortization	( 213,369,677 )	( 14,216,514 )	( 479,695,375 )	( 11,492,419 )	( 13,115,756 )	( 763,368,336 )	-	( 147,001 )	-	( 1,495,405,078 )
Net carrying amount	<u>P 3,256,426,604</u>	<u>P 2,759,832</u>	<u>P 1,839,912,757</u>	<u>P 1,626,347</u>	<u>P 3,933,884</u>	<u>P 345,887,086</u>	<u>P 696,474,687</u>	<u>P 96,012,260</u>	<u>P 670,179,868</u>	<u>P 6,913,213,325</u>

## 11. INVESTMENT PROPERTY

In 2017, the Group acquired certain residential property amounting to 2,218,235 GBP (about P132,720,106), which is classified by the Group as investment property.

In 2018, the Group ceased to occupy and leased out a property with a carrying amount of 3,581,690 GBP (about P256,346,568) that have been previously classified as Buildings under Property and Equipment account in the consolidated statements of financial position (see Note 10). The property was revalued to fair value of 4,125,000GBP (about P295,232,025) at the date of transfer and the Group recognized gain, net of related deferred tax, amounting to 450,948 GBP (about P32,274,979) which is presented under Other Comprehensive Income (Loss) in the April 30, 2018 consolidated statement of comprehensive income. In 2020, the Group sold the said reclassified property at a sales price of 5,800,000 GBP (around P366,007,260). The Group recognized gain amounting to 1,675,000 GBP (around P108,442,683), which is presented as Gain on Sale of Investment Property in the 2020 consolidated statement of comprehensive income. The revaluation reserve resulting from the reclassification of the property in 2018 from Property and Equipment account to Investment Property account was subsequently transferred to Retained Earnings.

The translated amount of investment property as at March 31, 2024 and June 30, 2023 amounted to P131,534,630 and P129,181,985, respectively.

## 12. LEASES

The Group has a lease for a certain land and building. The lease is reflected separately on the consolidated statement of financial position as Right-of-use Asset and Lease Liability. The depreciation expense relating to right-of-use assets is presented as part of Depreciation and amortization under costs and operating expenses in the 2023 consolidated statement of comprehensive income.

The table below describes the nature of the Group's leasing activities by type of right-of-use assets recognized in the consolidated statement of financial position.

	<u>Number of right-of-use assets leased</u>	<u>Range of remaining term</u>	<u>Average remaining lease term</u>	<u>Number of leases with extension options</u>	<u>Number of leases with termination options</u>
Land	1	39 years	40 years	1	-
Building	21	1 to 20 years	7 years	-	6

The carrying amounts of the Group's right-of-use assets and the movements during the period March 31, 2024 and June 30, 2023 are shown below.

	<u>Land</u>	<u>Building</u>	<u>Total</u>
Balance at July 1, 2023	P 86,878,950	P 2,137,190,250	P 2,224,069,200
Effect of PFRS 16 adoption	-	-	-
Additions	-	514,254,663	514,254,663
Translation adjustment	-	37,076,750	37,076,750
Reassessment		( 64,807,628)	( 64,807,628)

Amortization	( 1,769,029 )	( 257,586,177 )	( 259,355,204 )
Balance at March 31, 2024	<b><u>P 85,109,921</u></b>	<b><u>P 2,366,127,858</u></b>	<b><u>P 2,451,237,779</u></b>
<b><u>June 30, 2023</u></b>			
	<b><u>Land</u></b>	<b><u>Building</u></b>	<b><u>Total</u></b>
Balance at July 1, 2022	P 89,237,654	P 2,669,886,022	P 2,759,123,676
Additions	-	285,253,086	285,253,086
Translation adjustment	-	99,600,105	99,600,105
Termination	-	( 443,838,316 )	( 443,838,316 )
Remeasurement	-	( 95,186,145 )	( 95,186,145 )
Amortization	( 2,358,704 )	( 378,524,502 )	( 380,883,207 )
Net carrying amount	<b><u>P 86,878,950</u></b>	<b><u>P 2,137,190,250</u></b>	<b><u>P 2,224,069,200</u></b>

Lease liabilities are presented in the consolidated statement of financial position as at March 31, 2024 and June 30, 2023 as follows:

	<b><u>March 31, 2024</u></b>	<b><u>June 30, 2023</u></b>
	<b>(Unaudited)</b>	<b>(Audited)</b>
Current	<b>P 296,224,200</b>	<b>P 268,960,099</b>
Non-current	<b><u>2,228,439,624</u></b>	<b><u>2,056,330,090</u></b>
	<b><u>P 2,524,663,824</u></b>	<b><u>P 2,325,290,189</u></b>

### 13. INVESTMENTS IN AND ADVANCES TO ASSOCIATES AND NON-CONTROLLING INTEREST

These investments are accounted for under the equity method in the consolidated financial statements of the Group:

<b>March 31, 2024</b>	<b>PLPI</b>	<b>BPPI</b>	<b>BAPI</b>	<b>CPI</b>	<b>SBMPI</b>	<b>NPI</b>	<b>CBFC</b>	<b>PGMC</b>	<b>VideoDoc</b>	<b>BAAI</b>	<b>Total</b>
Investment:											
Acquisition costs:											
Beginning balance	P 40,000	P 180,400	P 203,896	P 400	P 43,335	P 82,283	P 162,500	P 454,880	P 120,373	P 37,890	P 1,325,058
Reclassification	-	-	-	-	-	-	-	-	-	-	-
Additional investment	-	-	-	-	-	-	-	-	-	P -	-
Impairment	-	-	-	-	-	-	-	-	-	-	-
Translation adjustment	-	-	-	-	-	-	-	-	-	-	-
	<b><u>40,000</u></b>	<b><u>180,400</u></b>	<b><u>203,896</u></b>	<b><u>400</u></b>	<b><u>43,335</u></b>	<b><u>82,283</u></b>	<b><u>162,500</u></b>	<b><u>454,880</u></b>	<b><u>120,373</u></b>	<b><u>37,890</u></b>	<b><u>1,325,058</u></b>
Deduction of interest in associate –											
Loss on deemed disposal	-	-	( 149,988 )	-	-	-	-	-	-	-	( 149,988 )
Dividend income	-	-	( 70,700 )	-	-	-	-	( 164,000 )	-	-	( 234,700 )
Accumulated equity share in net profit (losses):											
Share in net profit (losses) in prior years	146,666	( 180,400 )	527,367	( 400 )	( 37,751 )	( 53,715 )	( 42,131 )	P 279,236	( 58,058 )	( 4,047 )	576,768
Share in net profit (losses) during the year	( 5,379 )	-	116,784	-	-	( 11,615 )	85	13,895	-	( 79 )	113,690
Share in other comprehensive income during the year	-	-	-	-	-	-	-	-	-	-	-
Translation adjustment	-	-	-	-	-	-	-	-	-	-	-
	<b><u>141,288</u></b>	<b><u>(180,400)</u></b>	<b><u>644,150</u></b>	<b><u>(400)</u></b>	<b><u>(37,751)</u></b>	<b><u>(65,330)</u></b>	<b><u>(42,046)</u></b>	<b><u>P 293,132</u></b>	<b><u>(58,058)</u></b>	<b><u>(4,126)</u></b>	<b><u>690,458</u></b>
Total investments in associates	<b><u>181,288</u></b>	<b><u>-</u></b>	<b><u>627,359</u></b>	<b><u>-</u></b>	<b><u>5,584</u></b>	<b><u>16,953</u></b>	<b><u>120,454</u></b>	<b><u>584,012</u></b>	<b><u>62,315</u></b>	<b><u>33,764</u></b>	<b><u>1,631,728</u></b>
Less: Impairment of Investment	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>(5,584)</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>(62,315)</u></b>	<b><u>-</u></b>	<b><u>(67,899)</u></b>
	<b><u>181,288</u></b>	<b><u>-</u></b>	<b><u>627,359</u></b>	<b><u>-</u></b>	<b><u>(0)</u></b>	<b><u>16,953</u></b>	<b><u>120,454</u></b>	<b><u>584,012</u></b>	<b><u>-</u></b>	<b><u>33,764</u></b>	<b><u>1,563,829</u></b>
Advances to associates	<b><u>475,244</u></b>	<b><u>558,886</u></b>	<b><u>-</u></b>	<b><u>3,023</u></b>	<b><u>-</u></b>	<b><u>1,229,148</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>81,892</u></b>	<b><u>-</u></b>	<b><u>2,348,194</u></b>
Less: Impairment of Investment	<b><u>-</u></b>	<b><u>(87,274)</u></b>	<b><u>-</u></b>	<b><u>(3,023)</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>(81,892)</u></b>	<b><u>-</u></b>	<b><u>(172,189)</u></b>
	<b><u>475,244</u></b>	<b><u>471,612</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>1,229,148</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>2,176,004</u></b>
	<b><u>P 656,532</u></b>	<b><u>P 471,612</u></b>	<b><u>P 627,359</u></b>	<b><u>-</u></b>	<b><u>(0)</u></b>	<b><u>P 1,246,101</u></b>	<b><u>P 120,454</u></b>	<b><u>P 584,012</u></b>	<b><u>-</u></b>	<b><u>P 33,764</u></b>	<b><u>P 3,739,833</u></b>

	PLPI	BPPI	BAPI	PGMC	CPI	SBMPI	NPI	BAAI	CBFC	VideoDoc	Total
<b>June 30, 2023</b>											
Investment:											
Acquisition costs:											
Beginning balance	P 40,000	P 180,400	P 203,896	P 454,880	P 400	P 43,335	P 82,283	P 37,890	P 162,500	P 120,373	P 1,325,957
Deduction of interest in associate in prior years	-	-	( 149,988)	-	-	-	-	-	-	-	( 149,988)
Dividends:											
Dividends received in current year	-	-	-	( 72,000)	-	-	-	-	-	-	( 72,000)
Dividends received in prior years	-	-	( 70,700)	( 92,000)	-	-	-	-	-	-	( 162,700)
	-	-	( 70,700)	( 164,000)	-	-	-	-	-	-	( 234,700)
Accumulated equity share in comprehensive income (loss):											
Share in comprehensive income (losses) in prior years	129,457	( 180,400)	441,679	137,509	( 400)	( 37,751)	( 61,601)	( 3,677)	( 50,308)	( 58,058)	316,450
Share in net profit (losses) during the year	17,209	-	85,391	141,351	-	-	7,658	( 368)	8,177	-	259,418
Share in other comprehensive losses during the year	-	-	297	376	-	-	228	-	-	-	901
	146,666	( 180,400)	527,367	279,236	( 400)	( 37,751)	( 53,715)	( 4,045)	( 42,131)	( 58,058)	576,769
Total investments in associates	186,666	-	510,575	570,116	-	5,584	28,568	33,845	120,369	62,315	1,518,038
Allowance for impairment	-	-	-	-	-	( 5,584)	-	-	-	( 62,315)	( 67,899)
Total investments in associates - net	186,666	-	510,575	570,116	-	-	28,568	33,845	120,369	-	1,450,139
Advances	460,534	544,615	-	-	3,023	-	1,196,959	-	-	-	2,205,131
Allowance for impairment	-	( 87,274)	-	-	( 3,023)	-	-	-	-	-	( 90,297)
Advances - net	460,534	457,341	-	-	-	-	1,196,959	-	-	-	2,114,834
	<u>P 647,200</u>	<u>P 457,341</u>	<u>P 510,575</u>	<u>P 570,116</u>	<u>P -</u>	<u>P -</u>	<u>P 1,225,527</u>	<u>P 33,845</u>	<u>P 120,369</u>	<u>P -</u>	<u>P 3,564,973</u>

#### 14. INTANGIBLE ASSETS

The compositions of this account are shown below.

	<u>March 31, 2024</u> (Unaudited)	<u>June 30, 2023</u> (Audited)
Goodwill	P 923,283,916	P 906,770,039
Dealership rights	735,700,772	722,541,935
Customer relationship	<u>132,238,945</u>	<u>143,925,211</u>
	<u>P 1,791,223,633</u>	<u>P 1,773,237,185</u>

#### 15. TRADE AND OTHER PAYABLES, AND PROVISIONS

This account consists of the following:

	<u>March 31, 2024</u> (Unaudited)	<u>June 30, 2023</u> (Audited)
Current:		
Trade Payables	P 1,276,756,599	P 1,614,874,077
Accrued expenses	564,762,966	978,445,220
Withholding taxes payable	629,243	81,869,254
Deferred consideration	52,812,931	45,112,164
Due to a related party	9,571,762	7,997,427
Other payables	<u>734,368,867</u>	<u>226,030,527</u>



	<u>P 2,638,902,368</u>	<u>P 3,023,003,772</u>
Non-Current:		
Provisions	5,173,536	103,238,192
Deferred consideration	<u>52,812,931</u>	<u>97,579,114</u>
	<u>P 57,986,467</u>	<u>P 200,817,306</u>

## 16. LOANS PAYABLE AND BORROWINGS

This account consists of the following:

	<u>March 31, 2024</u> (Unaudited)	<u>June 30, 2023</u> (Audited)
Current		
Vehicle stocking loans	P 4,986,189,734	P 5,205,098,299
Bank loans	<u>65,613,711</u>	<u>199,102,059</u>
	P 5,051,803,445	P 5,404,200,358
Non-current		
Bank loans	<u>1,932,935,152</u>	<u>1,971,234,061</u>
	<u>P 6,984,738,597</u>	<u>P 7,375,434,419</u>

## 17. CARRYING AMOUNTS AND FAIR VALUES OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES

The carrying amounts and fair values of the categories of assets and liabilities presented in the consolidated statements of financial position are shown below.

		<u>March 31, 2023</u> (Unaudited)		<u>June 30, 2023</u> (Audited)	
		Carrying Values	Fair Values	Carrying Values	Fair Values
<i>Financial Assets</i>					
Loans and receivables:					
	Cash and cash equivalents	5 P 760,381,320	P 760,381,320	P 1,366,379,758	P 1,366,379,758
	Trade and other receivables - net	6 4,148,921,283	4,148,921,283	3,008,533,972	3,008,533,972
	Advances to associates - net	13 2,176,004,191	2,176,004,191	2,114,834,185	2,114,834,185
	Refundable deposits- current	8 <u>4,689,321</u>	<u>4,689,321</u>	<u>4,625,737</u>	<u>4,625,737</u>
		<u>P7,089,996,115</u>	<u>P7,089,996,115</u>	<u>P 5,127,993,84</u>	<u>P5,127,993,84</u>
	Financial assets at FVTPL	9 <u>P -</u>	<u>P -</u>	<u>P -</u>	<u>P -</u>
	Financial assets at FVOCI	9 <u>P 787,536,321</u>	<u>P 787,536,321</u>	<u>P 890,567,692</u>	<u>P 890,567,69</u>
<i>Financial Liabilities</i>					
Financial liabilities at amortized cost:					
	Loans payable and borrowings	16 P 6,984,738,597	P 6,984,738,597	P7,375,434,419	P 7,214,690,320
	Trade and other payables	15 2,638,902,368	2,638,902,368	1,852,168,622	1,852,168,622
	Advances from related party	12 <u>959,270,800</u>	<u>959,270,800</u>	<u>849,352,420</u>	<u>815,370,614</u>
		<u>P 10,582,911,765</u>	<u>P 10,582,911,765</u>	<u>P10,076,955,461</u>	<u>P9,882,229,556</u>

**ANNEX "B"**

**BERJAYA PHILIPPINES, INC. AND SUBSIDIARIES**  
*(Formerly Prime Gaming Philippines, Inc. and Subsidiaries)*  
*[A Subsidiary of Berjaya Lottery Management (HK) Limited]*

**1 Aging of Accounts Receivables as of 31 March 2024**

Type of Accounts Receivables	Neither Past Due nor Impaired	Past Due not Impaired			Past Due Accts & Items in Litigation	Total
		61-90 days	91-120 days	Over 180 days		
	(Peso)		(Peso)	(Peso)	(Peso)	(Peso)
<b>a Trade Receivables</b>						
1) PCSO	-	-	-	-	-	-
2) Guest/City Ledger	5,902,516	516,470	368,907	590,252	-	7,378,145
3) Vehicle Debtor	356,147,506	64,754,092	97,131,138	129,508,184	-	647,540,921
3) Others	-	-	-	-	-	-
Subtotal	362,050,023	65,270,562	97,500,045	130,098,436	-	654,919,066
Less: Allow. For Doubtful Acct.	-	-	-	15,094,011	-	15,094,011
<b>Net Trade receivable</b>	362,050,023	65,270,562	97,500,045	115,004,425	-	639,825,055
<b>b Non - Trade Receivables</b>						
1) Deposits	2,652,196,492	-	-	-	-	2,652,196,492
2) Payment for future acquisition of inv	-	-	-	-	-	-
3) Other Receivables	856,899,737	-	-	-	-	856,899,737
	-	-	-	-	-	-
Subtotal	3,509,096,228	-	-	-	-	3,509,096,228
Less: Allow. For Doubtful Acct.	-	-	-	-	-	-
<b>Net Non - trade receivable</b>	3,509,096,228	-	-	-	-	3,509,096,228
<b>Net Receivables (a + b)</b>	<b>3,871,146,251</b>	<b>65,270,562</b>	<b>97,500,045</b>	<b>115,004,425</b>	<b>-</b>	<b>4,148,921,283</b>

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(1)

Notes:

OK

If the Company's collection period does not match with the above schedule, a revision is necessary to make the schedule not misleading.  
The proposed collection period in this schedule may be changed to appropriately reflect the Company's actual collection period.

**2 Accounts Receivable Description**

Type of Receivables	Nature/Description	Collection/Liquidation Period
Trade Receivables		
1) PCSO	gross receipt from lottery ticket sales	30-60 days
2) Guest/City Ledger	rooms revenue and sale of food and beverages	30-60 days
3) Vehicle Debtor	sale of vehicles, parts and accessories and servicing and body shop sales	30-60 days

Notes:  
To indicate a brief description of the nature and collection period of each receivable accounts with major balances or separate receivable captions, both the trade and non - trade accounts.

**3 Normal Operating Cycle:**

365 days

**BERJAYA PHILIPPINES INC. AND SUBSIDIARIES**  
9th Floor, Rufino Pacific Tower  
6784 Ayala Avenue, Makati City

**Financial Indicators**  
**March 31, 2024**

Financial Indicators	Computation		Ratios		Computation	Ratios
	March 2024	March 2023	March 2024	March 2023	June 2023	June 2023
<b>Quick ratio</b>						
Cash and cash equivalents +	760,381,320	1,210,210,987			1,366,379,777	
Financial asset at fair value through profit or loss	-	615,710			-	
Trade and other receivables - net +	4,148,921,283	3,219,432,952			3,429,278,623	
Advances to associates	2,176,004,191	2,114,974,550	0.60	0.53	2,114,834,185	0.52
Total Current Liabilities	11,887,128,816	12,320,169,632			13,181,330,757	
<b>Current/liquidity ratio</b>						
Total Current Assets	13,812,209,982	14,330,477,908	1.16	1.16	15,240,709,360	1.16
Total Current Liabilities	11,887,128,816	12,320,169,632			13,181,330,757	
<b>Debt-to-equity ratio</b>						
Total Liabilities	16,940,269,859	17,006,694,854	1.52	1.64	18,247,432,142	1.67
Total Equity	11,112,314,531	10,374,481,746			10,916,533,095	
<b>Debt-to-assets ratio</b>						
Total Liabilities	16,940,269,859	17,006,694,854	0.60	0.62	18,247,432,142	0.63
Total Assets	28,052,584,390	27,381,176,600			29,163,965,237	
<b>Equity-to-assets ratio</b>						
Total Equity	11,112,314,531	10,374,481,746	0.40	0.38	10,916,533,095	0.37
Total Assets	28,052,584,390	27,381,176,600			29,163,965,237	
<b>Annualized PPE Turnover</b>						
Net Revenue	28,085,174,492	27,320,967,774	10.12	10.26	38,513,232,214	13.74
PPE	6,964,015,275	6,237,908,056			6,913,213,325	
<b>Annualized Return on assets</b>						
Net Profit	81,886,990	298,117,368	0.73%	2.55%	617,164,048.00	5.22%
Total Assets	28,052,584,390	27,381,176,600			29,163,965,237.00	
<b>Annualized Return on equity</b>						
Net Profit	81,886,990	298,117,368	1.85%	6.73%	617,164,048.00	13.94%
Total Equity	11,112,314,531	10,374,481,746			10,916,533,095.00	
<b>Annualized</b>	2.51	2.34			2.47	
<b>Earnings per share</b>						
Net Profit Attributable to Owners of the Parent Company	79,384,273	296,460,005	0.02	0.07	614,967,297	0.14
Weighted Average Number of Outstanding Common Shares	4,341,280,693	4,341,280,693			4,341,280,693	