SECURITIES AND EXCHANGE COMMISSION SEC FORM 17-C

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

1. Date of Report (Date of earliest event reported)

Dec 15, 2021

2. SEC Identification Number

36359

3. BIR Tax Identification No.

000-438-702-000

4. Exact name of issuer as specified in its charter

BASIC ENERGY CORPORATION

5. Province, country or other jurisdiction of incorporation

MAKATI CITY

- 6. Industry Classification Code(SEC Use Only)
- 7. Address of principal office

UB 111 Paseo de Roxas Bldg., Paseo de Roxas Avenue, Legaspi Village, Makati City Postal Code 1229

8. Issuer's telephone number, including area code

(+632) 9917-8118

9. Former name or former address, if changed since last report not applicable

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

Title of Each Class	Number of Shares of Common Stock Outstanding and Amount of Debt Outstanding	
Common Shares	14,668,643,064	
Listed with PSE	3,090,875,714	

11. Indicate the item numbers reported herein

Item No. 9

The Exchange does not warrant and holds no responsibility for the veracity of the facts and representations contained in all corporate disclosures, including financial reports. All data contained herein are prepared and submitted by the disclosing party to the Exchange, and are disseminated solely for purposes of information. Any questions on the data contained herein should be addressed directly to the Corporate Information Officer of the disclosing party.



Basic Energy Corporation BSC

PSE Disclosure Form 5-1 - Substantial Acquisitions References: SRC Rule 17 (SEC Form 17-C) and Section 4.4 and/or Section 5 of the Revised Disclosure Rules

Subject of the Disclosure

Substantial Acquisition (Equity Investment) of BSC in Filoil Energy Company Inc. (FEC) - 60% Equity Interest

Background/Description of the Disclosure

The acquisition of 60% equity interest in FEC was in line with the intention and purpose of the Company and pursuant to the prior approval of the BSC's Board of Directors (as per Company Disclosure No. C06898-2021 dated Oct 18. 2021) and Shareholder affirmation upon ratification of all acts of the Board of Directors and Management, and all the acts of the various committees of the company during the fiscal year 2020-2021 (per Company Disclosure No. C07984-2021 dated Nov 25, 2021).

On December 7, 2021, the Parties had executed the Subscription Agreement in preparation for the perfection of BSC's investment in FEC. On December 10, 2021 BSC (the Company) had consummated its intention to revive its interest in the downstream oil industry by acquiring 60% equity interest in Filoil Energy Company Inc. (FEC)

Date of Approval by Board of Directors	Oct 15, 2021
Date of Approval by Stockholders	Nov 24, 2021
Other Relevant Regulatory Agency, if applicable	Securities and Exchange Commission
Date of Approval by Relevant Regulatory Agency	N/A

Rationale for the transaction including the benefits which are expected to be accrued to the Issuer as a result of the transaction

In furtherance of BSC's corporate purpose to become a total energy company providing end-to-end activities from the upstream oil business, renewable energies and now with the investment into FEC - the downstream gas and oil business and allied logistics services as well.

The transaction is also seen to provide BSC with a more stable source of passive (dividend) income derived from the downstream oil industry business and fuel logistics services of FEC.

Description of the transaction including the timetable for implementation and related regulatory requirements, if any

Overview of Transaction: Entry of MAP 2000 Development Corporation (M2DC) was the triggering event that revived BSC's interest in the downstream oil industry. With the investment of M2DC, BSC acquired the capability and resources to further pursue its existing renewable energy (RE) projects and opened its doors to look into other projects and investments as may be allowed under the law and its Articles of Incorporation.

One such investment that was considered is the revival of BSC's involvement in the downstream oil industry as a means of bringing in a more stable source of income aside from its existing RE projects. Eventually BSC had decided that Filoil Energy Company Inc. (FEC) would be the ideal investee-partner that aligns with its corporate mission and vision.

Summary of Relationship of Parties: M2DC is currently a majority corporate shareholder in BSC having subscribed to 67% equity interest in the Company. The relationship of M2DC with FEC is via indirect affiliation. M2DC is the majority corporate-shareholder in Filoil Gas and Energy Company (FGEC) at 55%, while FGEC was initially a majority corporate-shareholder in FEC at 99..74% prior to BSC's entry. After BSC's entry FGEC is now a minority corporate-shareholder in FEC as its equity interest in the company was reduced to 39.9%.

The following are the timeline of material events that lead to the substantial acquisition of BSC of 60% equity interest in FEC:

Dec 18, 2020 – signing of MOA with M2DC; disclosure date Dec 20, 2020 Company Disclosure No. C08767-2020; with M2DC's subscription condition upon the increase of BSC's authorized capital stock from Php. 2.5B to Php. 5 Billion.

Jan 7, 2021 – filing of Comprehensive Corporate Disclosure (CCD) by BSC with the Exchange; with CCD subject to further updates upon developments and compliance of the BSC and M2DC with the terms and conditions agreed upon under the MOA. (Per Company Disclosure No. C00169-2021; Amended/Updated Jan 13, 2021 - C00207-2021; Oct 7, 2021 - C06689-2021; and Oct 11, 2021 - C06758-2021)

September 30, 2021 – BSC Board approval to conduct feasibility study to invest in downstream and enter into a MNDA and MOU with target company FEC; and appointment of an external and independent expert, E.C. Aguirre & Co. to do the evaluation of the fairness of the proposed project and transaction price

October 15, 2021 Committee Meetings- Risk Committee and Related Party Transaction Committee concluded the review of the Evaluation Report and Valuation submitted by EC Aguirre & Co. and recommended approval of the project to BSC's Board of Directors. (Per Company Disclosure No. C06898-2021 disclosure date Oct 18, 2021)

October 15, 2021 Special Board Meeting - approval of the Project and authorizing the President and CEO to sign the subscription agreement where BEC will subscribe up to 60% interest in FEC. (Per Company Disclosure No. C06898-2021 disclosure date Oct 18, 2021)

November 24, 2021 Annual Shareholders Meeting - affirmation of Shareholders upon ratification of of all acts of the Board of Directors and Management, and all the acts of the various committees of the company during the fiscal year 2020-2021 (per Company Disclosure No. C07984-2021 dated Nov 25, 2021)

December 7, 2021 - signing of the Subscription Agreement by BSC and FEC; salient terms and conditions being – 1) Cash investment/subscription by BSC of Php 3 Billion; 2) Subscription to 60% equity interest or 5,812,277 shares of FEC; 3) DST for the account of FEC.

December 10, 2021 - receipt of BSC of full payment of M2DC's subscription payment for 9,827,990,853 shares of BSC; majority of funds received from M2DC's subscription payment to be used by BSC to fund its investment into FEC.

December 10, 2021 - consummation of the subscription and payment by BSC to FEC

Identities of the parties to the transaction

Name	Nature of Business	Nature of any material relationship with the Issuer, their directors/officers or any of their affiliates	
Filoil Energy Company Inc.	engaged in oil and gas business and downstream petroleum activities	two (2) directors of BSC are concurrently serving as directors in the subsidiaries of FEC and are associated and/or have dealt directly with FEC in past transactions; relationship of M2DC with FEC is by indirect affiliation through common corporate entity FGEC; M2DC equity interest in FGEC 55%; FGEC interest in FEC prior to BSC entry 99.74% and later reduced to 39.9% upon BSC's entry into FEC	

Terms and conditions of the transaction

The nature and amount of consideration (e.g. price per share, the aggregate amount)

Cash investment at an aggregate amount of Php. 3,000,000,000.00

Price per share = Php 516.15 for 5,812,277 shares

Additional paid-in capital (APIC) component of Php. 2,418,772,300.00

Basis upon which the amount of consideration or value of the transaction was determined

Valuation Report of the engaged external and independent expert - E.C. Aguirre & Co.

The discounted cash flows approach was used to establish the Value of acquired company's (FEC's) investments. Under the said approach, the value of the business is estimated by calculating future annual net cash flows generated from the business and then discounting these cash flows stream to the present time using an appropriate discount rate. Capital asset pricing model ("CAPM") was used to calculate the appropriate weighted average cost of capital ("WACC") to discount the future cash flows.

The number of shares to be acquired	5,812,277
Ratio/percentage to total outstanding capital stock	60

Terms of payment

Cash; BSC's obligation to subscribe and to pay the Subscription Price to FEC shall be done after the signing of the Subscription Agreement and on Financial Close (until date not later than December 15, 2021 or such other date as the Parties may agree); Documentary Stamp Tax is for the account of FEC.

As of Dec 10, 2021 BSC has remitted full payment of the subscription price to FEC.

Conditions precedent to closing of the transaction, if any

Execution of the Subscription Agreement (done; Dec 7, 2021)

Post-closing Activity/Condition Subsequent - negotiation and execution of Shareholders Agreement until date not later than December 15, 2021 or such other date as the Parties may agree.

Description of the company subject of the transaction

Nature and business

Filoil Energy Company, Inc. (FEC) is a Filipino-owned company incorporated on January 8, 2002 and is registered to engage in petroleum trading whether wholesale or retail through Filoil gasoline stations. The first Filoil station opened in Dasmarinas, Cavite in 2002 and the retail outlets grew in number with over 200 stations until mid-2016. Filoil also managed and operated depot terminals strategically located nationwide, that supported and assured the supply to Filoil stations as well as its other oil company clients.

On July 8, 2016, FEC has entered into a joint venture (JV) with the French-owned downstream oil industry player, Total—which partnership continues to exist to date. Under the Filoil – Total partnership the downstream oil industry portfolio of Filoil had grown even further with this business synergy, serving the JV's own retail stations, its dealers and all other oil companies nationwide.

Discussion of major projects and investments

FEC's major projects and investment consisted of its joint venture with the Total Group (Total Marketing Services S.A. of France) in mid-2016 up to the present, resulting in the formation of three (3) operating joint venture companies engaged in downstream petroleum activities and oil and gas business, including retail and marketing, supply, depot management and logistics and property holding.

List of subsidiaries and affiliates, with percentage holdings

Name	% Ownership
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Total (Philippines) Corporation	49%
Filoil Logistics Corporation	51%
La Defense Filipinas Holdings Corporation	60%

Capital structure

Authorized capital stock

Type of Security	Amount	Number of Shares	
Common Shares	1,000,000,000.00	10,000,000	

Subscribed Shares

Type of Security	Amount	Number of Shares	
Common Shares	968,712,800.00	9,687,128	

Paid-Up Capital

Amount	t	968,712,800.00
Number	of Shares	9,687,128

Issued Shares

Type of Security	Amount	Number of Shares	
Common Shares	968,712,800.00	9,687,128	

Outstanding Shares

Type of Security	Amount	Number of Shares	
Common Shares	968,712,800.00	9,687,128	

Par Value

Type of Security	Amount	
Common Shares	100.00	

Ownership Structure (including percentage holdings)

Name	Number of Shares	% Ownership
Filoil Gas and Energy Company Inc.	3,864,851	39.90%
Basic Energy Corporation	5,812,277	60.00%
Rafaelito N. Villavicencio	7,999	0.08%
Elisa S. Samaniego	800	0.01%
Lourdes M. Tobias	200	0
Veronna G. De Leon	200	0
Rodolfo M. Villarica	801	0.01%

Board of Directors

Name	(Regular or Independent)
RAFAELITO N. VILLAVICENCIO	Regular
RODOLFO M. VILLARICA	Regular
ELISA S. SAMANIEGO	Regular
LOURDES M. TOBIAS	Regular
VERONNA G. DE LEON	Regular

Principal Officers

Name	Position/Designation
RAFAELITO N. VILLAVICENCIO	President/CEO

LOURDES M. TOBIAS	Treasurer	
VERONNA G. DE LEON	Corporate Secretary	

Effect(s)/impact on the business, financial condition and operations of the Issuer

Effects on BSC - the perfection of the project is the culmination of BSC's aim to become a total energy company that provides end-to-end activities from the upstream oil business, renewable energies and now with the investment into FEC - the downstream gas and oil business and allied logistics services as well.

As to financial impacts/effects - the transaction is also seen to provide BSC with a more stable source of passive (dividend) income derived from the downstream oil industry business and fuel logistics services of FEC.

Other Relevant Information

please refer to attachments for further information; note that attached GIS of FEC shall be updated once amended to reflect details post-entry of BSC

Filed on behalf by:

Name	Dominique Pascua
Designation	Compliance Officer

COVER SHEET

AUDITED FINANCIAL STATEMENTS

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

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

FILOIL ENERGY COMPANY, INC.

FINANCIAL STATEMENTS

DECEMBER 31, 2020 AND 2019

and

Report of Independent Auditors



STATEMENT OF MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL STATEMENTS

The management of **Filoil Energy Company Inc.** is responsible for the preparation and fair presentation of the financial statements including the schedules attached therein, for the years ended December 31, 2020 and 2019, 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 of error.

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

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

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

Tibayan Santos Magpantay and Company, the independent auditor, appointed by the stockholders, has audited the financial statements of the company in accordance with Philippine Standards on Auditing, and in its report to the stockholders or members, has expressed its opinion on the fairness of presentation upon completion of such audit.

Rafaelito N. Villavicencio

Chairman/President

Lourdes M. Tobias

Treasurer

tsm

TIBAYAN SANTOS MAGPANTAY AND COMPANY

CERTIFIED PUBLIC ACCOUNTANTS

Report of Independent Auditors

The Stockholders and Board of Directors FILOIL ENERGY COMPANY, INC.
Building F, Phoenix Sun Business Park.
E. Rodriguez Jr. Avenue,
Bagumbayan, Quezon City

3RD FLOOR SAVILLE BUILDING 8728 PASEO DE ROXAS AVE. CORNER. SEN GIL PUYAT AVE. MAKATI CITY, PHILIPPINES

> TEL. NO. (02) 899-46-64 (02) 899-46-71 FAX. NO. (02) 899-36-73

Opinion

We have audited the financial statements of Filoil Energy Company, Inc. (the "Company") which comprise of the statements of financial position as of December 31, 2020 and 2019, and the statements of comprehensive income, changes in stockholders' equity and cash flows statements for the years then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2020 and 2019 and of its financial performance and its cash flows for the years then ended in accordance with Philippine Financial Reporting Standards (PFRS).

Basis of Opinion

We conducted our audit in accordance with Philippine Standards on Auditing (PSAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the Philippines, The *Code of Ethics for Professional Accountants in the Philippines*, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

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

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

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

Should Company's financial reporting

RACQUELANNA. GARGANTIEL COLLECTION SECTION

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance whether the 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 PSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the 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 Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company'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 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 Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the
 disclosures, and whether the financial statements represent the underlying transactions and events
 in a manner that achieves fair presentation.

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

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

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RACQUEL ANDIA, GARGANTIEL

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the 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.

Report on Other Legal and Regulatory Requirements

The supplementary information required by the Bureau of Internal Revenue disclosed in Note 23 to the financial statements is presented for purposes of additional analysis and is not a required part of financial statements prepared in accordance with Philippine Financial Reporting Standards.

Tibayan Santos Magpantay and Company

By:

PETER RAYMOND T. SANTOS

Partner
CPA Cert. No. 142130
P.T.R. No. 8535387
Issued on January 6, 2021
at Makati City
T.I.N. 187-836-008-000
BIR Accreditation No. 08-005946-002-2019
valid until April 03, 2022
BOA/PRC Registration No. 0287
valid until September 28, 2021

Makati City May 31, 2021



tsm.

TIBAYAN SANTOS MAGPANTAY AND COMPANY

CERTIFIED PUBLIC ACCOUNTANTS

Report of Independent Auditors

The Stockholders and Board of Directors
FILOIL ENERGY COMPANY, INC.
Building F, Phoenix Sun Business Park,
E. Rodriguez Jr. Avenue,
Bagumbayan, Quezon City

3[™] FLOOR SAVILLE BUILDING 8728 PASEO DE ROXAS AVE. CORNER. SEN. GIL PUYAT AVE. MAKATI CITY, PHILIPPINES

> TEL. NO. (02) 899-46-64 (02) 899-46-71 FAX. NO. (02) 899-36-73

We have audited the financial statements of Filoil Energy Company, Inc. as of and for the year ended December 31, 2019, on which we have rendered the attached report dated May 31, 2021.

In compliance with the SRC Rule 68, we are stating that the Company has a total number of five (5) stockholder owning one hundred (100) or more shares.

In compliance with Revenue Regulations V-20, we are also stating that none of the partners of the firm has any financial interest in the Company or any family relationships with its president, manager or principal stockholder of the Company.

The information regarding taxes, as required under RR 19-2011 and RR 15-2010, are shown as supplementary information, in the notes to financial statements.

Tibayan Santos Magpantay and Company

By:

PETER RAYMOND T. SANTOS

Partner CPA Cort. No. 1/2130 P.T.R. No. 8535387

Issued on January 6, 2021

at Makati City

T.I.N. 187-836-008-000

BIR Accreditation No. 08-005946-002-2019

valid until April 03, 2022

BOA/PRC Registration No. 0287

valid until September 28, 2021

Makati City May 31, 2021



FILOIL ENERGY COMPANY, INC.

STATEMENTS OF FINANCIAL POSITION

DECEMBER 31, 2020 AND 2019



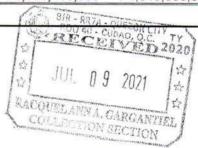
	2020	2019
		(as restated)
ASSETS		
Current Assets		
Cash (Notes 2, 4, 5 and 6)	₽ 107,629,026	P 143,004,159
Receivables (Notes 2, 4, 5 and 7)	1,414,563,636	1,676,140,310
Prepayments and other current assets (Notes 2, 4, 5 and 8)	48,664,569	24,160,673
Total Current Assets	1,570,857,231	1,843,305,142
Non-Current Assets		
Property and equipment (Notes 2 and 9)	5,314,701	18,038,300
Intangibles (Notes 2 and 10)	153,677	339,287
Deferred tax assets (Notes 2 and 21)	4,016,869	3,327,438
Investments (Notes 2 and 11)	2,406,067,608	2,784,625,403
Total Non-Current Assets	2,415,552,855	2,806,330,428
	₱3,986,410,086	₽4,649,635,570

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Stockholders' Equity	2,553,172,043	2,319,134,588
Total Liabilities	1,433,238,043	2,330,500,982
Retirement benefit obligation (Notes 2, 5 and 15)	11,389,562	9,091,458
Non-current Liability		
Total current liabilities	1,421,848,481	2,321,409,524
Income tax payable (Notes 2, 5 and 21)		1,304,541
Installment payable (Notes 2, 5 and 14)	3,195,169	4,134,245
Notes payable (Notes 2, 5 and 13)	343,788,510	1,267,559,908
Accounts payable and accrued expenses (Notes 2, 5 and 12)	₱1,074,864,802	P1,048,410,830

(See accompanying Notes to Financial Statements)



FILOIL ENERGY COMPANY, INC.

STATEMENTS OF COMPREHENSIVE INCOME

FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019

	2020	2019
		(as restated)
REVENUES (Notes 2 and 17)	₱953,505,227	₱465,736,023
DIRECT COSTS (Notes 2 and 18)	(726,109,707)	(75,233,801)
GROSS MARGIN	227,395,520	390,502,222
OPERATING EXPENSES (Notes 2 and 19)	(104,989,494)	(47,565,387)
OPERATING INCOME	122,406,026	342,936,835
EQUITY IN SUBSIDIARY NET INCOME (Notes 2 and 11)	171,830,399	312,761,696
FINANCE COST, net (Notes 2 and 20)	(29,295,189)	(77,623,362)
LOSS ON DISPOSAL (Note 9)	W. 10 10 10 10 10 10 10 10 10 10 10 10 10	(50,814,433)
OTHER (EXPENSE) INCOME, net	(594,200)	477,131
PROFIT BEFORE PROVISION FOR INCOME TAX	264,347,036	527,737,867
PROVISION FOR INCOME TAX (Notes 2 and 21)	(27,661,387)	(66,213,029)
NET INCOME FOR THE YEAR	236,685,649	461,524,838
OTHER COMPREHENSIVE LOSS (Notes 2 and 11)	(2,648,194)	(4,607,588)
TOTAL COMPREHENSIVE INCOME	₽234,037,455	₽456,917,250

(See accompanying Notes to Financial Statements)



FILOIL ENERGY COMPANY, INC.

STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019

	SHARE CAPITAL	OTHER COMPREHENSIVE	ACCUMUL	ACCUMULATED PROFITS (Notes 2 and 16)	2 and 16)	GRAND
	(Notes 2 and 16)	LOSS (Note 11 and 15)	Appropriated	Unappropriated	Total	TOTAL
		(As restated)		(As restated)		
January 1, 2019	P1,000,000	P 622,308	P1,303,000,000	P 557,595,030	P1,860,595,030	P1,862,217,338
Net income for the year	3	1	1	461,524,838	461,524,838	461,524,838
Other Comprehensive loss	ä	(4,607,588)	ï	Ē	i)	(4,607,588)
Appropriation during the year	•	t	111,000,000	(111,000,000)		í
December 31, 2019	1,000,000	(3,985,280)	1,414,000,000	908,119,868	2,322,119,868	2,319,134,588
Net income for the year		ğ	i	236,685,649	236,685,649	236,685,649
Appropriation during the year			1,144,400,000	(1,144,400,000)	T.	É
Other Comprehensive loss	A.	(2,648,194)	t	r	I.	(2,648,194)
December 31, 2020	P1,000,000	P(6,633,474)	P2,558,400,000	P 405,517	P2,558,805,517	P2,553,172,043

(See accompanying Notes to Financial Statements



FILOIL ENERGY COMPANY, INC.

STATEMENTS OF CASH FLOWS

FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019

	2020	2019
		(as restated)
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before provision for income tax	P 264,347,036	₽ 527,737,867
Adjustments to reconcile net income to net cash		
provided by operations:		
Equity in net income of a subsidiary (Note 11)	(171,830,399)	(312,761,696)
Interest expense (Note 20)	42,812,223	79,224,275
Interest income (Note 20)	(14,022,762)	(5,566,998)
Depreciation (Note 9)	12,723,599	21,083,361
Retirement benefit expense (Note 15)	2,298,104	2,298,104
Amortization of intangibles (Note 10)	185,610	813,966
Retirement fund contribution (Note 15)		(2,000,000)
Loss on disposal of property and equipment (Note 9)		50,814,433
Operating income before changes in working capital	136,513,411	361,643,312
(Increase) decrease in:		(8)
Receivables	(382,565,226)	(110,970,926)
Prepayments and other current assets	(52,854,714)	8,361,974
Increase in accounts payable and accrued expenses	670,595,872	175,570,474
Cash provided by operations	371,689,343	434,604,834
Taxes paid	(1,304,541)	(65,597,920)
Interest received	14,022,762	5,566,998
Net cash provided by operating activities	384,407,564	374,573,912
CASH FLOWS FROM INVESTING ACTIVITIES		
Dividends received (Note 11)	547,740,000	9
Additions to property and equipment (Note 9)	•	(3,494,411)
Additions to software (Note 10)		(250,045)
Proceeds from disposal of property and equipment		34,650,471
Net cash provided by investing activities	547,740,000	30,906,015
CASH FLOWS FROM FINANCING ACTIVITIES	047,740,000	00,000,010
Decrease in:		
Notes payable	(923,771,398)	(217,966,408)
Installment payable	(939,076)	(2,182,217)
Interest paid	(42,812,223)	(79,224,275)
Net cash used in financing activities	(967 522 697)	(299,372,900)
NET (DECREASE) INCREASE IN CASH	ASAN DOD TO LIECUM CITY	
CASH AT BEGINNING OF YEAR	(35,375,133) 143,004,159	106,107,027
12	155	36,897,132
CASH AT END OF YEAR	JUI PO 1072829,026	P 143,004,159
	COURLANN	
See accompanying Notes to Financial Statements)	COURLAYNA, GARGANTIEL COLLECTION SECTION	

FILOIL ENERGY COMPANY, INC.

NOTES TO FINANCIAL STATEMENTS

AS OF AND FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019

1. Corporate Information

Registration

Filoil Finance Management Corporation (the Company) was registered with the Securities and Exchange Commission (SEC) on January 8, 2002 primarily to engage in the business of providing general business management services, particularly in the field of financial management and consultancy, management information system and other related services except the management of fund portfolio and similar accounts of the managed corporation; provided further that it shall not engage in the business of being a broker/dealer in securities, government securities eligible dealer, investment adviser of an investment company and investment house.

On March 30, 2012, the SEC approved the amendment of the Company's articles of incorporation which effectively changed the corporate name to Filoil Energy Company, Inc. and modified the primary purpose, among others, to include the following: To purchase or otherwise acquire, store, hold, transport, use, experiment with, refine, process, manufacture, blend, market, distribute, exchange, sell and otherwise dispose of, import, export, handle, trade and generally deal in by wholesale or retail through gasoline outlets, any and all kinds of petroleum products, fuel raw materials, their by-products as well as alternative, renewable fuels and/or biofuels, its additives and related products, including related equipment and apparatus, as well as oil, gas and other volatile substances, lubricants, grease, ozokerite, sulphur, clays, bituminous substances, carbon, carbon black, hydrocarbon substances, phosphates, nitrates, coal, minerals and mineral substances of all grades, kinds, forms, descriptions and combinations, to the general public, including the activities of importing, exporting, buying, selling, leasing, assembling and manufacturing of electric and/or hybrid vehicles and providing, selling and supplying of electric energy, power or gas through charging stations as well as service/repair centers in support of the green transportation alternatives like electric vehicles.

Impact of Covid 19

The worldwide spread of the Corona Virus Disease 2019 (Covid-19) which was declared a pandemic by the World Health Organization in March 2020, has severely affected local economies as different measures to contain the virus were made. The measures include imposition of travel bans, quarantines, social-distancing and closures of non-essential services. In the Philippines, the spread of the Covid-19 resulted in the enforcement by the Philippine Government of an Enhanced Community Quarantine in March 2020. As a result, local businesses were forced to temporarily reduce, if not totally suspend its commercial operations during this period.

The Company evaluated the subsequent events and transactions that occurred after the reporting dates up to the date that the financial statements were issued and has concluded that these are non-adjusting subsequent events. Accordingly, the financial position and results of operations as of and for the year ended December 31, 2020 have not been adjusted to reflect their impact. Further, considering that the duration and impact of the pandemic is uncertain, it is not possible to reliably estimate the severity of the consequences, as well as their impact in the financial position and results of the Company in the succeeding periods.

Principal address

The Company's registered office is at Building F, Phoenix Sun Business Park, E. Rodriguez Jr. Avenue, Bagumbayan, Quezon City.

2. Summary of significant accounting principles

Statement of Compliance

The financial statements of the Company have been prepared in accordance with Philippine Financial Reporting Standards (PFRS) and Philippine Accounting Standard (PASs), including Philippine Interpretations from International Financial Reporting Interpretations Committee (IFRIC), issued by the Financial Reporting Standards Council (FRSC). The financial statements have been prepared using the measurement bases specified by PFRS for each type of asset, liability, income and expense. The measurement bases are more fully described in the accounting policies that follow.

Presentation of Financial Statements

The financial statements are presented in accordance with Philippine Accounting Standard (PAS) 1, Presentation of Financial Statements. The Company presents all items of income and expenses in a single statement of comprehensive income. The Company presents a third statement of financial position as at the beginning of the preceding period when it applies an accounting policy retrospectively, or makes a retrospective restatement or reclassification of items that has a material effect on the information in the statement of financial position at the beginning of the preceding period. The related notes to the third statement of financial position are not required to be disclosed.

Functional and Presentation Currency

These financial statements 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 financial statements of the Company are measured using its functional currency. Functional currency is the currency of the primary economic environment in which the Company operates.

Adoption of New and Amended PFRS

(a) Effective standards that are relevant to the Company

The Company adopted for the first time the following relevant amendments and annual improvements to PFRS which are effective for annual periods beginning on or after January 1, 2020:

(i) PAS 1 (Amendments), Presentation of Financial Statements, and PAS 8 (Amendments), Accounting Policies, Changes in Accounting Estimates and Errors - Definition of Material (effective from January 1, 2020). The amendments provide a clearer definition of 'material' in PAS 1 by including the concept of 'obscuring' material information with immaterial information as part of the new definition, and clarifying the assessment threshold (i.e., misstatement of information is material if it could reasonably be expected to influence decisions made by primary users, which consider the characteristic of those users as well as the entity's own circumstances). The definition of material in PAS 8 has been accordingly replaced by reference to the new definition in PAS 1. In addition, amendment has also been made in other Standards that contain definition of material or refer to the term 'material' to ensure consistency.

This amendment did not have a material effect on the Company's financial statements.

(ii) Revised Conceptual Framework for Financial Reporting (effective from January 1, 2020). The revised conceptual framework will be used in standard-setting decisions with immediate effect. Key changes include (a) increasing the prominence of stewardship in the objective of financial reporting, (b) reinstating prudence as a component of neutrality, (c) defining a reporting entity, which may be a legal entity, or a portion of an entity, (d) revising the definitions of an asset and a liability, (e) removing the probability threshold for recognition and adding guidance on derecognition, (f) adding guidance on different measurement basis, and, (g) stating that profit or loss is the primary performance indicator and that, in principle, income and expenses in other comprehensive income should be recycled where this enhances the relevance or faithful representation of the financial statements.

No changes will be made to any of the current accounting standards. However, entities that rely on the framework in determining their accounting policies for transactions, events or conditions that are not otherwise dealt with under the accounting standards will need to apply the revised framework from January 1, 2020. These entities will need to consider whether their accounting policies are still appropriate under the revised framework.

(b) Effective subsequent to calendar year 2020 but not adopted early

There are amendments to existing standards effective for annual periods subsequent to 2020, which are adopted by the FRSC. Management will adopt the following relevant pronouncement in accordance with their transitional provisions; and, unless otherwise stated, none of these are expected to have significant impact on the Company's financial statements:

(i) Property, Plant and Equipment – Proceeds before Intended Use (Amendment to PAS 16 Property, Plant and Equipment). The amendments prohibit an entity from deducting from the cost of an item of property, plant and equipment the proceeds from selling items produced before that asset is available for use. The proceeds before intended use should be recognized in profit or loss, together with the costs of producing those items which are identified and measured in accordance with PAS 2 Inventories.

The amendments also clarify that testing whether an item of property, plant and equipment is functioning properly means assessing its technical and physical performance rather than assessing its financial performance.

For the sale of items that are not part of a Company's ordinary activities, the amendments require the Company to disclose separately the sales proceeds and related production cost recognized in profit or loss and specify the line items in income. The disclosure is note required if such proceeds and costs are included in the statement of comprehensive income. The amendments are effective for annual reporting periods beginning on or after January 1, 2022. Earlier application is permitted. The amendments apply retrospectively, but only to items of property, plant and equipment made available for use on or after the beginning of the earliest period presented in the financial statements in which the Company first applies the amendments.

(ii) Onerous Contracts – Cost of Fulfilling a Contract (Amendment to PAS 37 Provision, Contingent Liabilities and Contingent Assets). The amendments clarify that the cost of fulfilling a contract when assessing whether a contract is onerous includes all costs that relate directly to a contract – i.e. it comprises both incremental costs and an allocation of other direct costs.

The amendments are effective for annual reporting periods beginning on or after January 1, 2022 to contracts existing all the date when the amendments are first applied. At the date of initial application, the cumulative effect of applying the amendments is recognized as an opening balance adjustment to retained earnings or other component of equity, as appropriate. The comparatives are not restated. Earlier application is permitted.

- (iii) Classification of Liabilities as Current or Non-current (Amendments to PAS 1 Presentation of Financial Statements). To promote consistency in application and clarify the requirements on determining whether a liability is current or non-current, the amendments:
 - Removed the requirement for a right to defer settlement of a liability for at least twelve
 months after the reporting period to be unconditional and instead requires that the right
 must have substance and exist at the end of the reporting period;
 - Clarified that a right to defer settlement exists only if the Company complies with conditions specified in the loan agreement at the end of the reporting period, even if the lender does not test compliance until a later date; and
 - Clarified that settlement of a liability includes transferring a Company's own equity instruments to the counterparty, but conversion options that are classified as equity do not affect classification of the liability as current or non-current.

The amendments apply retrospectively for annual reporting periods beginning on or after January 1, 2023. Earlier application is permitted.

Significant accounting policies

The significant accounting policies that have been used in preparing the financial statements are described below:

Financial Assets and Financial Liabilities

Recognition

The Company recognizes a financial asset or a financial liability in the statements of financial position when it becomes a party to the contractual provisions of a financial instrument. In the case of a regular way purchase or sale of financial assets, recognition is done using settlement date accounting.

Financial instruments are recognized initially at fair value of the consideration given (in case of an asset) or received (in case of a liability). The initial measurement of financial instruments, except for those designated as at FVPL, includes transaction costs.

Classification

The Company classifies its financial assets, at initial recognition, in the following categories: financial assets at amortized cost, financial assets at FVOCI and financial assets at FVPL. The classification depends on the business model of the Company for managing the financial assets and the contractual cash flow characteristics of the financial assets.

Financial assets are not reclassified subsequent to initial recognition unless the Company changes its business model for managing financial assets in which case all affected financial assets are reclassified on the first day of the reporting period following the change in the business model.

Financial Assets at Amortized Cost

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

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

After initial measurement, the financial assets are subsequently measured at amortized cost using the effective interest method, less any allowance for impairment. Amortized cost is calculated by taking into account any discount or premium on acquisition, and fees that are an integral part of the effective interest rate. Gains and losses are recognized in profit or loss when the financial assets are reclassified to FVPL, impaired or derecognized, as well as through the amortization process.

The Company's cash, receivables and refundable deposits are included in this category.

Cash includes cash on hand and in bank which is stated at its face value.

Financial Assets at FVOCI (equity instruments).

Upon initial recognition, the Company can elect to classify irrevocably its equity investments as equity instruments designated at fair value through OCI when they meet the definition of equity under PAS 32, Financial Instruments: Presentation and are not held for trading. The classification is determined on an instrument-by-instrument basis.

Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognized as other income in the statements of total comprehensive income when the right of payment has been established, except when the Company benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at fair value through OCI are not subject to impairment assessment.

Financial Assets at FVPL.

Financial assets at FVPL include financial assets held for trading, financial assets designated upon initial recognition at fair value through profit or loss, or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments. Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at fair value through profit or loss, irrespective of the business model. Notwithstanding the criteria for debt instruments to be classified at amortized cost or at fair value through OCI, as described above, debt instruments may be designated at fair value through profit or loss on initial recognition if doing so eliminates, or significantly reduces, an accounting mismatch.

Financial assets at fair value through profit or loss are carried in the statements of financial position at fair value with net changes in fair value recognized in profit or loss.

<u>Impairment</u>

The Company recognizes an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original effective interest rate.

For receivables, the Company applies a simplified approach in calculating ECLs. Therefore, the Company does not track changes in credit risk, but instead recognizes a loss allowance based on lifetime ECLs at each reporting date. The Company has established a provision matrix and a vintage analysis for trade receivables that is based on historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

For other financial assets such as refundable deposit, ECLs are recognized in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For cash, the Company applies the low credit risk simplification. The probability of default and loss given defaults are publicly available and are considered to be low credit risk investments. It is the Company's policy to measure ECLs on such instruments on a 12-month basis. However, when there has been a significant increase in credit risk since origination, the allowance will be based on the lifetime ECL.

The key inputs in the model include the Company's definition of default and historical data of three years for the origination, maturity date and default date. The Company considers trade receivables in default when contractual payment are 90 days past due, except for certain circumstances when the reason for being past due is due to reconciliation with customers of payment records which are administrative in nature which may extend the definition of default to 90 days and beyond. However, in certain cases, the Company may also consider a financial asset to be in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Company.

Determining the stage for impairment

At each reporting date, the Company assesses whether there has been a significant increase in credit risk for financial assets since initial recognition by comparing the risk of default occurring over the expected life between the reporting date and the date of initial recognition. The Company considers reasonable and supportable information that is relevant and available without undue cost or effort for this purpose. This includes quantitative and qualitative information and forward-looking analysis.

The Company considers that there has been a significant increase in credit risk when contractual payments are more than 90 days past due.

An exposure will migrate through the ECL stages as asset quality deteriorates. If, in a subsequent period, asset quality improves and also reverses any previously assessed significant increase in credit risk since origination, then the loss allowance measurement reverts from lifetime ECL to 12- months ECL.

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

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

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

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

Financial liabilities

Initial recognition and measurement Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Company does not have any financial liabilities at FVPL.

The Company's financial liabilities include accrued expenses and other payables (other than payables to government which is covered by other accounting standard).

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Loans and borrowings

This is the category most relevant to the Company. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit or loss.

This category generally applies to short term and long term debt.

Derecognition

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

Offsetting Financial Instruments

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

Inventories

Inventories are valued at lower of cost or net realizable value, after provisions for impairment, if any. Cost is determined using the moving average method and includes all directly attributable to acquisition such as the purchase price, freight, etc. that are not subsequently recoverable from taxing authorities. Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs necessary to make the sale.

Prepayments and other current assets

These assets are other resources controlled by the Company as a result of past events and recognized in the statements of financial position when it is probable that the future economic benefits will flow to the entity and the asset has a cost or value that can be measured reliably.

Other recognized assets of similar nature, where future economic benefits are expected to flow to the Company beyond one year after the reporting period or in the normal operating cycle of the business, if longer, are classified as non-current assets.

Property and equipment

The cost of an item of property and equipment is recognized as an asset if 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.

Property and equipment are carried at cost less accumulated depreciation and amortization and any impairment in value. The cost of property and equipment consists of its purchase price and any directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Expenditures for additions, major improvements and renewals are capitalized. The costs of day-to-day servicing are recognized in profit or loss as incurred.

Depreciation is computed using the straight-line method over the estimated useful lives of the assets. Leasehold improvements are amortized using the straight-line method over the estimated useful life of the improvements or the term of the lease, whichever is shorter.

The assets' residual values, useful lives and depreciation and amortization method are reviewed and adjusted if appropriate, at each financial year-end. An item of property and equipment is derecognized upon disposal or when no future economic benefits are expected from the continued use of the item. Any gain or loss arising on derecognition of the property and equipment (calculated as the difference between the net disposal proceeds and the carrying amount of the Item) is included in the statement of comprehensive income in the year the asset is derecognized.

Intangible Asset

Intangible assets are software licenses which are accounted for under the cost model. The cost of the asset is the amount of cash (or cash equivalents, where applicable) paid or the fair value of the other considerations given to acquire an asset at the time of its acquisition except goodwill. Following initial recognition, an intangible asset is carried at cost less any accumulated amortization and any accumulated impairment losses. Capitalized costs are amortized on a straight-line basis over the estimated useful lives of three years as these intangible assets are considered limited.

Costs associated with maintaining software licenses are recognized as expense in profit or loss as incurred. When an intangible asset is disposed of, the gain or loss on disposal is determined as the difference between the proceeds and the carrying amount of the assets and is recognized in profit or loss.

Impairment of non-financial assets

The Company's Property and Equipment, Software Licenses (under intangibles) and other non-financial assets are subject to impairment testing. All other individual assets or cash-generating units are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

For purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately indentifiable cash flows (cash-generating units). As a result, some assets are tested for impairment either individually or at the cash-generating unit level.

Impairment loss is recognized for the amount by which the asset's or cash-generating unit's carrying amount exceeds its recoverable amounts which is the higher of its fair value less cost to sell and its value in use. In determining value in use, management estimates the expected future cash flows from each cash-generating unit and determines the suitable interest rate in order to calculate the present value of those cash flows. Discount factors are determined individually for each cash-generating unit and reflect management's assessment of respective risk profiles, such as market and asset-specific risk factors.

All assets are subsequently reassessed for indications that an impairment loss previously recognized may no longer exist. An impairment loss is reversed if the asset's or cash-generating unit's recoverable amount exceeds its carrying amount.

Provisions and Contingencies

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event that will result to a probable outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the obligation.

Provisions are measured at the estimated expenditure required to settle the present obligation, based on the most reliable evidence available at the end of the reporting period, including the risks and uncertainties associated with the present obligation. Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. When time value of money is material, long-term provisions are discounted to their present values using a pretax rate that reflects market assessments 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.

In those cases where the possible outflow of economic resource as a result of present obligations is considered improbable or remote, or the amount to be provided for cannot be measured reliably, no liability is recognized in the financial statements. Similarly, possible inflows of economic benefits to the Company that do not yet meet the recognition criteria of an asset are considered contingent assets, hence, are not recognized in the financial statements. On the other hand, any reimbursement that the Company can be virtually certain to collect from a third party with respect to the obligation is recognized as a separate asset not exceeding the amount of the related provision.

Revenues

Revenue comprises revenue from sale of goods and rendering of services measured by reference to the fair value of consideration received or receivable by the Company for goods or services rendered, excluding value-added tax (VAT), rebates and trade discounts, if any.

To determine whether to recognize revenue, the Company follows a five-step process:

- (1) identifying the contract with a customer;
- (2) identifying the performance obligation;
- (3) determining the transaction price;
- (4) allocating the transaction price to the performance obligations; and,
- (5) recognizing revenue when/as performance obligations are satisfied.

For Step 1 to be achieved, the following five gating criteria must be present:

- the parties to the contract have approved the contract either in writing, orally or in accordance with other customary business practices;
- (ii) each party's rights regarding the goods or services to be transferred or performed can be identified;
- (iii) the payment terms for the goods or services to be transferred or performed can be identified;
- (iv) the contract has commercial substance (i.e., the risk, timing or amount of the future cash flows is expected to change as a result of the contract); and,
- (v) collection of the consideration in exchange of the goods and services is probable.

Revenue is recognized only when (or as) the Company satisfies a performance obligation by transferring control of the promised goods or services to a customer. The transfer of control can occur over time or at a point in time.

A performance obligation is satisfied at a point in time unless it meets one of the following criteria, in which case it is satisfied over time:

- (i) the customer simultaneously receives and consumes the benefits provided by the Company's performance as the Company performs;
- (ii) the Company's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; and,
- (iii) the Company's performance does not create an asset with an alternative use to the Company and the entity has an enforceable right to payment for performance completed to date.

The Company presents a contract asset when it performs by transferring control of goods and services to a customer before the customer pays consideration or before payment is due. A contract asset is the Company's right to consideration in exchange for goods or services that the Company has transferred to a customer.

The Company presents a contract liability when a customer pays the consideration, or the Company has the right to an amount of consideration that is unconditional (i.e., a receivable), before the Company transfers goods or performs service to the customer. A contract liability is the Company's obligation to transfer goods or services to a customer for which the Company has received consideration (or and amount of consideration is due) from the customer.

Interest income - Revenue is recognized as the interest accrues using the effective interest method, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial instruments to the net carrying amount of the financial asset. For income tax purposes, interest income is taxable as the interest accrues computed based on the terms of the agreement. Interest income on deposits with banks is presented net of final tax withheld by the banks.

Other income – Revenue, if any, is recognized as it is earned.

Costs and expenses

Costs and expenses are charged to operations when incurred. These are decreases in economic benefits during the accounting period in the form of outflows or decrease of assets or incurrence of liabilities that result in decreases in equity, other than those relating to distributions to equity participants. Expenses are generally recognized when the services are rendered or the expenses are incurred.

Leases

The Company accounts for its leases as follows:

(a) Company as Lessee

(i) Accounting for Leases in Accordance with PFRS 16

For any new contracts entered into on or after January 1, 2019, the Company considers whether a contract is, or contains, a lease. A lease is defined as a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration. To apply this definition, the Company assesses whether the contract meets three key evaluations which are whether:

- the contract contains an identified asset, which is either explicitly identified in the contract or implicitly specified by being identified at the time the asset is made available to the Company;
- the Company has the right to obtain substantially all of the economic benefits form use of the identified asset throughout the period of use, considering its rights within the defined scope of the contract; and,
- the Company has the right to direct the use of the identified asset throughout the period of
 use. The Company assess whether it has the right to direct 'how and for what purpose' the
 asset is used throughout the period of use.

At lease commencement date, the Company recognized a right-of-use asset and a lease liability in the statement of financial position. The right-of-use asset is measured at cost, which is made up of the initial measurement of the lease liability, any initial direct costs incurred by the Company, an estimate of any costs to dismantle and remove the asset at the end of the lease, and any lease payments made in advance of the lease commencement date (net of any incentives received). Subsequently, the Company depreciates the right-of-use asset on a straight-line basis from the lease commencement date to the end of the lease term. The Company also assesses the right-of-use asset for impairment when such indicators exist.

On the other hand, the Company measures the lease liability at the present value of the lease payments unpaid at the commencement date, discounted using the interest rate implicit in the lease if that rate is readily available or the Company's incremental borrowing rate. Lease payments include fixed payments (including in-substance fixed) less lease incentives receivable, if any, variable lease payments based on an index or rate, amounts expected to be payable under a residual value guarantee, and payments arising from options (either renewal or termination) reasonably certain to be exercised.

Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is remeasured to reflect any reassessment or modification, or if there are changes in in-substance fixed payments. When the lease liability is remeasured, the corresponding adjustment is reflected in the right-of-use asset, or profit and loss if the right-of-use asset is already reduced to zero.

(ii) Accounting for Leases in Accordance with PAS 17

Leases which do not transfer to the Company substantially all the risks and benefits of ownership of the asset are classified as operating leases. Operating lease payments are recognized as expense in profit or loss on a straight-line basis over the lease term. Associated costs, such as maintenance and insurance, are expensed as incurred.

The Company determines whether an arrangement is, or contains, a lease based on the substance of the arrangement. It makes an assessment of whether the fulfillment of the arrangement is dependent on the use of a specific or identified asset or assets and the arrangement conveys a right to use the asset for a period of time in exchange for consideration.

(b) Company as lessor

Leases wherein the Company substantially transfers to the lessee all risks and benefits incidental to ownership of the leased item are classified as finance leases and are presented as receivable at an amount equal to the Company's net investment in the lease. Finance income is recognized based on the pattern reflecting a constant periodic rate of return on the Company's net investment outstanding in respect of the finance lease.

Leases which do not transfer to the lessee substantially all the risks and benefits of ownership of the asset are classified as operating leases. Lease income from operating leases is recognized in profit or loss on a straight-line basis over the lease term.

Foreign Currency Transactions and Translation

The functional and presentation currency of the Company is the Philippine Peso. Transactions denominated in foreign currencies, if any, are recorded in Philippine Peso based on the exchange rates which approximates those prevailing at the transaction dates. Foreign currency gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the profit or loss.

Borrowing costs

Borrowing costs are recognized as expense in the period in which they were incurred, except those that are directly attributable to the acquisition, construction or production of a qualifying asses (i.e. an asset that takes a substantial period of time to get ready for its intended use or sale) which are capitalized as part of the cost of the asset. The capitalization of borrowing costs commences when expenditures for the asset and borrowing cost are being incurred and activities that are necessary to prepare the asset for its intended use or sale are in progress. Capitalization ceases when substantially all such activities are complete.

Investment income earned on the temporary investment of specific borrowing pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

Employee benefits

As of reporting date, the Company is in the process of finalizing a formal retirement plan which it will adopt and implement. Until this retirement plan is completed, the Company shall provide retirement benefits based on the minimum requirement which is of the defined benefit type as provided under the Retirement Pay Law, or Republic Act No. 7641. Under this Republic Act, an employee upon reaching the age sixty (60) years and who has served at least five (5) years is entitled to retirement benefits equivalent to at least one half-month salary for every year of service with a fraction of at least six (6) months being considered as one whole year.

The Company provides post-employment benefits to employees through a defined benefit plan, as well as a defined contribution plan.

(a) Post-employment defined benefit plan

Pension benefits are provided to employees through a defined benefit plan. A defined benefit plan is a pension plan that defines an amount of pension benefit that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and salary. The legal obligation, if any, for any benefits from this kind of pension plan remains with the Company, even if plan assets for funding the defined benefit plan have been acquired. The Company's defined benefit pension plan covers all regular full-time employees.

The liability recognized in the statements of financial position for defined benefit pension plans is the present value of the defined benefit obligation (DBO) at the reporting date less the fair value of any plan assets, together with adjustments for unrecognized actuarial gains or losses and past service costs. The DBO is calculated by independent actuaries using the projected unit credit method. The present value of the DBO is determined by discounting the estimated future cash outflows using interest rates of high quality corporate bonds that are denominated in the currency in which the benefits will be paid and that have terms to maturity approximating to the terms of the related pension liability.

Any remeasurements, comprising of actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions and the return on plan assets (excluding amount included in net interest) are reflected immediately in the statement of financial position with a charge or credit recognized in other comprehensive income in the period which they arise.

Past-service costs are recognized immediately in profit or loss in the period of a plan amendment.

(b) Post-employment defined contribution plan

A defined contribution plan is a pension plan under which the Company pays fixed contributions into an independent entity (such as Social Security System). The Company has no legal or constructive obligation to pay further contributions after payment of the fixed contribution. The contributions recognized in respect of defined contributions plan are expensed as they fall due. Liabilities and assets may be recognized if underpayment or prepayment has occurred and are included in current liabilities or current assets as they are normally of a short-term nature.

(c) Compensated absences

Compensated absences are recognized for the number of paid leave days (including holiday entitlement) remaining at the end of the reporting period at the undiscounted amount that the Company expects to pay as a result of the unused entitlement.

Income taxes

Tax expense is the aggregate amount included in the determination of profit or loss for the period in respect of current tax and deferred tax. Current tax assets or liabilities comprise those claims from, or obligation to, fiscal authorities relating to the current or prior reporting period, that are uncollected or unpaid at the end of the reporting period. They are calculated according to the tax rates and tax laws applicable to the fiscal periods to which they relate, based on the taxable profit for the year. All changes to current tax assets or liabilities are recognized as a component of tax expense in profit or loss.

Deferred tax is accounted for using the liability method, on temporary differences at the end of the reporting period between the tax base of assets and liabilities and their carrying amounts for financial reporting purposes. Under the liability method, with certain exceptions, deferred tax liabilities are recognized for all taxable temporary differences and deferred tax assets are recognized for all deductible temporary differences and the carryforward tax benefits of unused Net Operating Loss Carry-Over (NOLCO), if any, to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilized. Unrecognized deferred tax assets are reassessed at the end of each reporting period and are recognized to the extent that it has become probable that future taxable profit will be available to allow such deferred tax assets to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realized or the liability is settled provided such tax rates have been enacted or substantively enacted at the end of the reporting period. The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities. Most changes in deferred tax assets or liabilities are recognized as a component of tax expense in profit or loss, except to the extent that it relates to items recognized in other comprehensive income or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if the Company has legally enforceable right to set off tax assets against tax liabilities and the deferred taxes relate to the same taxation authority.

Related party transactions

Transactions between related parties are based on terms similar to those offered to non-related parties. Parties are considered related if one party has the ability, directly or indirectly, to control the other party or exercise significant influences over the other party in making financial and operating decisions and the parties are subject to common control or common significant influence. Related parties may be individuals or corporate entities. In considering each possible related party relationship, attention is directed to the substance of the relationship and not merely on the legal form.

Equity

Share capital is measured at par value for all shares issued and outstanding. Incremental costs directly attributable to the issue of shares are recognized as a deduction from equity, net of any tax effect. When the shares are sold to premium, the difference between the proceeds and the par value is credited to "Additional paid-in capital" account.

Direct costs incurred related to equity issuance, such as underwriting, accounting legal fees, printing costs and taxes are chargeable to "Additional paid-in capital" account. If additional paid-in capital is not sufficient, the excess is charged against the retained earnings.

Accumulated profits represent retained earnings of the Company less dividends declared if any.

Events After the End of a Reporting Period (subsequent events)

Post year-end events that provide additional information about the Company's financial position at the end of the 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 separate financial statements when material.

The relevant subsequent event is discussed in detail under Note 21 of the financial statements.

3. Management's use of judgment and estimates

The preparation of these financial statements in conformity with PFRS requires management to make judgment and estimates that affect certain reported amounts and disclosures.

The judgment and estimates used in the accompanying financial statements are based upon management's evaluation of relevant facts and circumstances as of the date of the financial statements. Accordingly, actual results could differ from those estimates, and such estimates will be adjusted accordingly.

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

Management judgments in applying accounting policies

In the process of applying the Company's accounting policies, management has made the following judgment, apart from those involving estimations, which have the most significant effect on the amounts recognized in the financial statements.

- Distinguishing operating and finance lease
 - The Company has entered into various lease agreements either as a lessee. Critical judgment was exercised by management to distinguish each lease agreement as either an operating or finance lease by looking at the transfer or retention of significant risk and rewards of ownership of the properties covered by the agreements. Failure to make the right judgment will result in either overstatement or understatement of assets and liabilities.
- Recognition of provisions and contingencies
 Judgment is exercised by management to distinguish between provisions and contingencies.
 Policies on recognition and disclosure of provisions and contingencies are discussed in Note 2.

Key sources of estimation uncertainty

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period:

- Impairment of trade and other receivables
 - Adequate amount of allowance for impairment is provided for specific and groups of accounts, where objective evidence of impairment exists. The Company evaluates the amount of allowance for impairment based on available facts and circumstances affecting the collectibility of the accounts, including, but not limited to, the length of the Company's relationship with the customers and counterparties, the customers and counter parties' current credit status based on known market forces, average age of accounts, collection experience and historical loss experience. The methodology and assumptions used in estimating future cash flows are reviewed regularly by the Company to reduce any differences between loss estimates and actual loss experience.

The carrying value of trade and other receivables and analysis of allowance for impairment, if applicable, on such financial assets are shown in Note 7.

Estimating useful lives of property and equipment and intangible assets (software licenses)
The Company estimates the useful lives of property and equipment and intangible assets based on the period over which the assets are expected to be available for use. The estimated useful lives of property and equipment and intangible assets are reviewed periodically and are updated if expectations differ from previous estimates due to physical wear and tear, technical or commercial obsolescence and legal or other limits on the use of the assets.

The carrying amounts of property and equipment and intangible assets are analyzed in Notes 9 and 10. Based on management's assessment as at December 31, 2020 and 2019, there is no change in estimated useful lives of property and equipment and intangible assets during those years. Actual results, however, may vary due to changes in estimates brought about by changes in factors aforementioned.

- · Determining realizable amount of deferred tax assets
 - The Company reviews its deferred tax assets at the end of each reporting period and reduces the carrying amount to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Management assessed that the deferred tax assets recognized as at December 31, 2020 and 2019 will be fully utilized in the coming years. The carrying value of deferred tax assets as of those dates is disclosed in Note 21.
- Impairment of non-financial assets
 In assessing impairment, management estimates the recoverable amount of each asset or a cash-generating unit based on expected future cash flows and uses an interest rate to calculate the present value of those cash flows. Estimation uncertainty relates to assumptions about future operating results and the determination of a suitable discount rate.

Though management believes that the assumptions used in the estimation of fair values reflected in these assumptions may materially affect the assessment of recoverable values and any resulting impairment loss could have a material adverse effect on the results of operations.

Valuation of post-employment defined benefits
 The determination of the Company's obligation and cost of pension is dependent on the selection of certain assumptions used by actuaries in calculating such amounts. Those assumptions are described in Note 15 and include, among others, discount rates, and salary increase rate. A significant change in any of these actuarial assumptions may generally affect the recognized expense, other comprehensive income or losses and the carrying amount of the post-employment benefit obligation in the next reporting period.

4. Risk management objectives and policies

The Company is exposed to a variety of financial risks which result from both its operating and investing activities. The Company's risk management is coordinated with the BOD, and focuses on actively securing the Company's short to medium-term cash flows by minimizing the exposure to financial markets.

The Company does not engage in the trading of financial assets for speculative purposes nor does it write options. The most significant financial risks to which the Company is exposed to are described as follows.

Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur financial loss. The Company continuously monitors defaults of customers and other counter parties, identified either individually or by group, and incorporate this information into its credit risk controls. Institutional sales are secured by requiring customers to issue letter of credits or post-dated checks. Likewise, where available at a reasonable cost, screening of potential customers include obtaining and using external credit ratings and/or reports since it is the Company's policy to doal only with credit worthy counterparties.

In general, the gross maximum exposure of the Company to credit risk corresponds to the total gross amounts of the following financial assets as shown in the statement of financial position or in the detailed analysis provided in the notes to the financial statements, as summarized below.

	2020	2019
Cash (see Notes 5 and 6)	₽ 107,593,146	₽ 142,970,659
Receivables (see Notes 5 and 7)	1,414,563,636	1,676,140,310
Refundable deposit (see Notes 5 and 8)	11,337,448	11,337,448
	P1,533,494,230	P1,830,448,417

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

Liquidity risk

The Company seeks to manage its liquid funds through cash planning on a monthly basis. It uses historical figures and forecast from its collection and disbursements. As part of its liquidity risk managements, the Company regularly evaluates it's projected versus actual cash flow. Likewise, the Company monitors the liquidity requirements to ensure it has sufficient funds to meet its operational needs. Surplus cash, if any, over and above the balance required for working capital management are invested in interest bearing accounts such as time deposits and other short-term investments.

Comparative liquidity ratios are provided below:

	2020	2019
Current ratio (current asset/ current liabilities)	1.105	0.794
Quick ratio (quick assets/current liabilities)	1.070	0.789

The current ratio assists in gauging the Company's ability to meet its short-term obligations. In addition, the use of quick ratio provides a more stringent measure of liquidity. In this particular ratio, only liquid assets such as cash and receivables are considered. Inventory and other assets are excluded as they may be difficult to dispose of.

Interest rates risk

Interest rates risk is the risk that the fair value or future cash flows of the Company's financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to interest rate risk relates primarily to its cash, notes and installment loans payable. The Company's interest rate risk on its cash relates to cash in banks and is considered insignificant. Interest rate for its short-term and long-term loans ranges from 3% to 12.50% per annum per annum. The Company manages this risk by negotiating for preferred interest rate for these loans.

5. Categories of financial assets and financial liabilities, and fair value measurement disclosures

Carrying amounts and fair values by category

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

	2020		2019	
	Carrying value	Fair Value	Carrying value	Fair Value
Financial Assets				
Cash (see Note 6)	₽ 107,593,146	P 107,593,146	P 142,970,659	₱ 142,970,659
Receivables (see Note 7)	1,414,563,636	1,414,563,636	1,676,140,310	1,676,140,310
Refundable deposits (See Note 8)	11,337,448	11,337,448	11,337,448	11,337,448
	P1,533,494,230	₱1,533,494,230	P1,830,448,417	₱1,830,448,417
Financial Liability				
Accounts payable and accrued expenses				
(excluding statutory payables) (see Note 12)	P 1,059,693,643	P 1,059,693,643	₱ 996,319,254	₽ 996,319,254
Notes payable (see Note 13)	343,788,510	343,788,510	1,267,559,908	1,267,559,908
Installment payable (see Note 14)	3,195,169	3,195,169	4,134,245	4,134,245
Retirement benefit obligation (see Note 15)	11,389,562	11,389,562	9,091,458	9,091,458
	₱1,418,066,884	P1,418,066,884	₱2,277,104,865	₱2,277,104,865

See Note 2 for a description of the accounting policies for each category of financial instrument. A description of the Company's risk management objectives and policies for financial instruments is provided in Note 4.

Fair value hierarchy

Financial assets and financial liabilities measured at fair value are categorized in accordance with the fair value hierarchy. This hierarchy groups financial assets and liabilities into three levels based on the significance of inputs used in measuring the fair value of the financial assets and liabilities.

The fair value hierarchy has the following levels:

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

The level within which the financial asset or financial liability is classified is determined based on the lowest level of significant input to the fair value measurement.

For purposes of determining the market value at Level 1, 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. All financial instruments presented in Note 5 are classified at Level 3, except for cash classified at Level 1. There were no movements in classification in 2020 and 2019.

6. Cash

This account consists of:

	2020	2019
Cash in bank (see Notes 4 and 5)	₱107,593,146	P142,970,659
Cash on hand	35,880	33,500
	P107,629,026	₱143,004,159

Cash in banks represent unrestricted funds deposited in local banks and earn interest at the prevailing bank deposit rates. Interest earned on bank deposits amounted to \$\mathbb{P}\$14,022,762 and \$\mathbb{P}\$5,566,998 as of reporting dates, respectively.

7. Receivables

This account consists of:

	2020	2019
Accounts receivables	P 160,576,536	₽ 214,989,278
Deposits and other receivables	1,253,987,100	1,461,151,032
	₽1,414,563,636	P1,676,140,310

- Accounts receivable are unsecured, non-interest bearing and are generally collectible within 30 to 90 days.
- Deposits to suppliers represent payments made in accordance with a contractual agreement entered into by the Company and are unsecured and non-interest bearing.
- Management periodically reviews its receivables on a per account and on an aggregate basis and as of reporting dates, no impairment loss was recognized.

8. Prepayments and other current assets

This account consists of:

	2020	2019
Input tax	P27,597,663	₽12,313,619
Guarantee and other deposit (see Notes 4 and 5)	11,337,448	11,337,448
Prepaid tax	9,228,640	¥
Deferred charges	420,747	427,678
Prepaid expenses	80,071	81,928
	P48,664,569	₱24,160,673

- Excess input tax pertains to VAT credits which may be applied against VAT liabilities arising from its sale of goods and services in succeeding periods.
- Guarantee deposit represents payment of a cash bond to a supplier in connection with its purchase
 of fuel.
- Prepaid expenses include payments for insurance and supplies which will be utilized in the succeeding period.
- Deferred charges represent capitalized borrowing cost directly attributable to the Company's installment liability.

9. Property and Equipment

Movement in this account in 2020 follows:

	& equip		In Progress	- 6	Equipment	Office Furniture and Equipment	Ruilding &	Generator set	Total
Cost January 1 and December 31, 2020	P		P	+:	P13,526,014	₱10,417,187	9 4,147,877	P 45,480,650	P 73,572,628
Accumulated depreciation and amorti	zation								
January 1, 2020		187		-	9,296,762	7,858,748	2,170,947	36,207,871	55,534,328
Depreciation and amortization		21		40	1,836,912	1,270,915	574,402	9,041,370	12,723,599
December 31, 2020				*	11,133,674	9,129,663	2,745,349	45,249,241	68,257,927
Net Book Value	P		P		P 2,393,240	P 1,287,524	P1,402,528	P 231,409	P 5,314,701

As of December 31, 2019, this account consists of:

	Gas Stations	Construction	Transportation	Office Furniture	Building &	Generator set	Total
	& equipment	In Progress	Equipment	and Equipment	Improvement	Generator set	Total
Cost							
January 1, 2019	₱92,989,568	₱ 30,262,439	P13,526,914	₽ 8,311,909	P2,758,744	P45,480,650	P193,330,224
Additions	143		100	2,105,278	1,389,133	8	3,494,411
Reclassification	30,262,439	(30,262,439)	J.	2	-	F 18	36
Disposal	(123,252,007)				-	-	(123,252,007)
December 31, 2019			13,526,914	10,417,187	4,147,877	45,480,650	73,572,628
Accumulated depreciation and amo	ortization						
January 1, 2019	29,628,284	-	7,459,850	6,576,003	1,407,431	27,166,501	72,238,069
Depreciation and amortization	8,158,818	-	1,836,912	1,282,745	763,516	9,041,370	21,083,361
Disposal	(37,787,102)	<u></u>			e ::	*	(37,787,102
December 31, 2019	2		9,296,762	7,858,748	2,170,947	36,207,871	55,534,328
Net Book Value	Р.	р.	P4,230,152	P2,558,439	P1,976,930	₱9,272,779	P18,038,300

- The Company's disposals of property and equipment in 2019 with carrying value of ₱85,464,905 resulted in the recognition of loss on disposal of ₱50,814,433.
- Property and equipment accounts are evaluated on an annual basis for any indication of impairment.
 No impairment losses were recognized for the years ended December 31, 2020 and 2019, respectively.
- Property and equipment accounts are depreciated to allocate costs over the following estimated useful lives of the related assets:

	Years		
Gas stations	10		
Transportation equipment	5		
Office furniture and equipment	3-5		
Building improvement	Lease term or five years		
Generator set	5		

10. Intangibles

This account consists of intangibles representing cost of software which is amortized over a period of five (5) years. The movement in this account is provided below:

	2020	2019
Cost		
January 1	₽9,789,808	₱9,539,763
Additions	<u> </u>	250,045
December 31	9,789,808	9,789,808
Accumulated amortization		
January 1	9,450,521	8,636,555
Amortization for the year (see Note 19)	185,610	813,966
December 31	9,636,131	9,450,521
Carrying Value	P 153,677	₽ 339,287

11. Investments

This account consists of:

	2020	2019
		(as restated)
Investment at cost	P1,675,623,000	₱1,675,623,000
Investment at equity	730,444,608	1,109,002,403
Carrying Value	P2,406,067,608	₽2,784,625,403

Investment at cost

Total (Philippines) Corporation

TPC was established on August 15, 1997 and is engaged in the importation and trading of fuels, oils and lubricants. It is also engaged in the importation and marketing of fertilizers, pesticides and other agricultural chemicals. On July 8, 2016, FEC acquired Total (Philippines) Corporation's (TPC) 847,485 common shares with P1,000 par value for a total of P1,675,623,000. This acquisition represents 49% interest of the Company in TPC.

Management has reassessed its involvement in TPC and concluded that it has no significant influence and outright control nor power to participate in the financial and operating policies of the investee. Likewise, recent experience demonstrates that FEC has no practical ability to direct the relevant activities of TPC. This reassessment resulted in the recognition of prior period adjustments which are discussed in detail in Note 16 of the financial statements.

No dividends were paid to FEC during the years ended December 31, 2020 and 2019, respectively.

Investment at equity

As of reporting dates, the Company's investment at equity consists of the following:

Filoil Logistics Corporation

Filoil Logistics Corporation was incorporated and registered with the SEC on December 18, 2015 originally as Filoil Corporation, with FEC holding 100% of the share capital. This percentage interest was further reduced to 51% in 2016.

On March 16, 2016, SEC approved Filoil Corporation's amended articles of incorporation which effectively changed its corporate name to Filoil Logistics Corporation.

Filoil Corporation was established primarily:

- a. to engage in the business of providing fuel sourcing, logistics services, and supply sales of fuel to oil companies and other clients; to engage or otherwise acquire, store, hold, transport, use, experiment with, refine, process, manufacture, blend, market, distribute, exchange, sell and otherwise dispose of, import, export, and handle, trade and generally deal in, by wholesale basis, any and all kinds of petroleum products, including alternative fuels, renewable fuels and/or biofuels, its additives and related products, as well as oil, gas and other volatile substances, lubricants, grease, ozokerite, sulphur, clays, bituminous substances, carbon, carbon black, hydrocarbon substances, phosphates, nitrates, coal, ores, minerals and mineral substances of all grades, kinds, forms, descriptions and combinations, and in support;
- b. to engage in fuel depot/terminal/storage operations as well as; and generally,
- c. to do and perform all acts and things necessary or proper or incidental for the accomplishment of the foregoing purposes.

La Defense Filipinas Holding Company (LDFHC)

The Company owns 60% of the share capital of LDFHC which was incorporated and registered with Security and Exchange Commission on July 16, 1998 primarily to acquire by purchase, exchange, assignment, gift or otherwise, and to hold, own and use, for investment or otherwise, and to sell, assign, transfer and otherwise, operate enjoy and dispose of, any and all properties of any kind and description.

The movement in the Company's investment at equity follows:

	FLC	LDFHC	Total
January 1, 2016	₽ 255,000	Ρ -	₽ 255,000
Transactions during the year:			
Additional investment	-	298,215,800	298,215,800
Equity share in 2016 profits	41,536,354	47,008,854	88,545,208
December 31, 2016	41,791,354	345,224,654	387,016,008
Transactions during the year:			
Dividends received	(39,780,000)	21	(39,780,000)
Additional investment	224,145,000	-	224,145,000
Equity share in 2017:			
Profit (loss)	248,071,210	(765,907)	247,305,303
Other comprehensive income	(1,547,121)	7 E 8	(1,547,121)
December 31, 2017	472,680,443	344,458,747	817,139,190

	FLC	LDFHC	Total
(Continued)			
December 31, 2017	472,680,443	344,458,747	817,139,190
Transactions during the year:			
Dividends received	(354,400,000)	Θ.	(354,400,000)
Stock issuance cost	(447,780)	-	(447,780)
Equity share in 2018:			
Profit (loss)	338,835,076	(934,960)	337,900,116
Other comprehensive income	656,769		656,769
December 31, 2018	457,324,508	343,523,787	800,848,295
Transactions during the year:			
Equity share in 2019:			
Profit (loss)	313,978,591	(1,216,895)	312,761,696
Other comprehensive income	(4,607,588)	·= ((4,607,588)
December 31, 2019	766,695,511	342,306,892	1,109,002,403
Transactions during the year:			
Dividends received	(547,740,000)		(547,740,000)
Equity share in 2020:			
Profit (loss)	172,590,504	(760, 105)	171,830,399
Other comprehensive income	(2,648,194)	-	(2,648,194)
December 31, 2020	₽388,897,821	P341,546,787	₽730,444,608

The relevant condensed financial information of the above investees are presented below:

	FLC		LDFI	HC
	2020	2019	2020	2019
Assets				
Current	₱7,779,592,850	₱11,383,845,635	23,313,669	₽ 23,425,434
Non-current	454,502,277	661,911,544	385,607,138	385,607,138
Total	8,234,095,127	12,045,757,179	408,920,807	409,032,572
<u>Liabilities</u>				
Current	7,383,706,055	10,205,441,360	213,163	208,746
Non-current	87,844,325	336,991,288	55,051,827	53,901,167
Total	7,471,550,380	10,542,432,648	55,264,990	54,109,913
Stockholders' Equity	762,544,747	1,503,324,531	353,655,817	354,922,659
Profit and Loss				
Revenues	30,954,826,844	43,166,176,703	153,371	22,499
Gross profit	1,542,880,985	1,880,518,126	153,371	22,499
Operational (loss) profit	613,117,772	913,020,061	(1,266,842)	(2,028,159)
Other comprehensive income	(5,192,537)	(9,034,487)	+	
Net (loss) profit	338,412,753	615,644,299	(1,266,842)	(2.028.159)

12. Accounts payable and accrued expenses

This account consists of:

	2020		2019
Due to related party (see Notes 16 and 22)	₽ 644,141,900	P	644,141,900
Accounts payable	377,879,149		335,488,721
Accounts payable Accrued expenses	37,672,594		16,688,633
Accrued expenses Statutory payable	15,171,159		52,091,576
Statutory payable	P1,074,864,802	Þ.	1,048,410,830

- Due from related party represents unsecured and non-interest bearing payables to Filoil Gas Company, Inc.
- Accounts payable are non-interest bearing and generally matures between 30 to 90 days.
- Accrued expenses represent liabilities for unbilled goods and services which have been received by the Company as of reporting dates.
- Statutory payable represents liabilities for government remittances such as contributions to Social Security System, Philhealth Insurance Corporation and Home Development Mutual Fund.

13. Notes payable

Omnibus Notes Facility and Security Agreement (ONSFA)

On June 29, 2016 the Company entered into an Omnibus Notes Facility and Security Agreement for a notes facility with BDO Unibank, Inc. for an aggregate amount of Two Billion Five Hundred Million Pesos (P2,500,000,000). The purpose of this facility is to refinance the construction of depots and newly-constructed/acquired gas stations and finance the construction of new gas stations.

As of December 31, 2020 and 2019, the Company has outstanding unsecured short-term notes payable from various local banks amounting to \$\mathbb{P}\$343,788,510 and \$\mathbb{P}\$1,267,559,908 respectively. These notes bear interest based on interest rates ranging from 3.7% to 5.25%. Interest expense related to these notes is presented as part of finance cost in the statements of comprehensive income.

14. Installment payable

The Company's installment payable represents liabilities obtained by the Company from local banks to finance the acquisition of service vehicles. Interest per annum ranges from 9.50% to 12.50%. As of December 31, 2020 and 2019, this amounted to P3,195,169 and P4,134,245 respectively.

15. Retirement benefit obligation

The Company has an unfunded, non-contributory retirement plan which provides for retirement benefit in accordance with the Retirement Pay Law, Republic Act (RA) 7641. Under the existing retirement plan, membership in the plan shall be automatic for all officers and employees who are considered having regular employment status. Normal retirement date of each member shall be the first day of the month coincident with or next following his attainment of sixty years (60) provided that the employee has rendered at least five (5) years of continuous service is qualified for normal retirement. Moreover, the plan provides that the retirement benefit shall be a sum equivalent to one-half month salary for every year of credited services in accordance with RA 7641.

The Company's retirement benefit expense and retirement benefit obligation as shown in the statements of operation and statements of financial position were computed based on the most recent actuarial valuation report dated May 21, 2019. Details follow:

	2020	2019
Retirement benefit obligation, beginning	₽ 9,091,458	₽8,793,354
Retirement benefit expense (see Note 19)	2,298,104	2,298,104
Contribution during the year		(2,000,000)
Retirement benefit obligation, ending	P11,389,562	₱9,091,458

Defined benefit cost recognized in profit or loss follows:

	2020	2019
Current service cost	₽ 993,617	₽ 993,617
Past service cost	839,314	839,314
Total service cost	1,832,931	1,832,931
Interest expense	465,173	465,173
Interest expense	₽2,298,104	₱2,298,104

Actuarial gain recognized in other comprehensive income (OCI) in 2018 amounted to ₽1,512,660.

The principal assumptions used to determine retirement benefit obligations for the year ended December 31, 2020 and 2019 are as follows:

7.50%
3.20%

16. Stockholders' equity

a. Share Capital

The Company's authorized, issued and outstanding capital stock amounts to \$1,000,000 divided into 10,000 shares of common stock with par value of \$100 per share. The Company has five (5) stockholders owning 100 or more shares each of the Company's share capital as of reporting date.

b. Application for increase in Authorized Capital Stock

On April 18, 2018, the Board of Directs and stockholders representing more than two-thirds of the outstanding capital stock approved the increase of the Company's authorized capital stock from P1,000,000 divided into 10,000 shares to P1,000,000,000 divided into 10,000,000 shares, both at P100 per share. In connection with this increase which is subject to the approval of , the Company shall issue up to 6,441,419 new common shares to Filoil Gas Company, Inc., the subscription price of which has been paid by the latter to the Corporation via conversion of liabilities to equity and cash. Upon assignment by Filoil Gas Company, Inc. of its advances to the Corporation in the amount of P644,141,876, the Corporation shall issue 6,441,419 new shares subscribed by Filoil Gas Company, Inc. and paid up by conversion of the advances of Php644,141,876 to equity and the remaining P24 by cash payment.

As of reporting date, the Company's application for increase in authorized capital stock is pending approval of the Securities and Exchange Commission.

c. Accumulated Profits

On December 28, 2018, the Board of Directors approved the \$\mathbb{P}\$280,000,000 additional appropriation for the purpose of repaying the existing loans of the Company. This is in addition to the appropriation made in the prior years for the same purpose. An additional P111,000,000 was appropriated for the repayment of loan as approved by the Board of Directors on December 2019.

On November 27, 2020, the BOD approved the reversal of \$\mathbb{P}\$1,070,000,000 and the same was reverted back to unappropriated accumulated profits of the Corporation. Likewise, an appropriation for \$\mathbb{P}\$11,400,000 for the payment of its retirement obligation was approved on the said BOD meeting.

Subsequently on December 29, 2020, the BOD approved the appropriation of accumulated profits amounting to \$\mathbb{P}\$2,203,000,000 for the purpose of financing the Company's offshore trading business expansion project which will be involved in the wholesale trading of fuel and related products in Singapore beginning 2021.

As of December 31, 2020 and 2019, total appropriated accumulated profits of the Company amounted to P2,558,400,000 and 1,414,000,000 respectively.

d. Prior period adjustment

As discussed in Note 11, managements' reassessment of its investment in TPC resulted in the Company's restatement of the 2019 accounts to recognize its effects on the affected assets, liabilities and equity components as shown below:

	As previously	Adjustment in 2019			As restated
	stated	January 1	December 31	Net Adj	As restated
Changes in asset and liabilit Investments	¥ ₱1,907,307,170	₱433,429,487	₱443,888,746	₱877,318,233	P 2,784,625,403
Changes in components of e Retained earnings Other comprehensive	equity 1,414,098,559	458,491,633	449,529,676	908,021,309	2,322,119,868

The effects of the adjustment on profit or loss statement for the year 2019 is shown below:

	As previously	Adjustment in 2019			As restated
	stated	January 1	December 31	Net Adj	As restated
Changes in profit or loss Equity in net income of subsidiary	P(136,767,980)	P -	P 449,529,676	P 449,529,676	₱312,761,696

17. Revenues

This account consists of:

	2020	2019
Sale of goods	₽726,175,508	₽ 10,375,517
Sale of services	227,329,719	455,360,506
	P953,505,227	₽465,736,023

18. Direct costs

This account consists of:

	2020	2019
Purchases	₽726,109,707	₽ 9,925,934
Direct labor	» » •	28,157,472
Others	*	37,150,395
3.13.3	₽726,109,707	₹75,233,801

19. Operating expenses

This account consists of

	2020	2019
Management fees	₽ 44,420,541	₽ 310,771
Professional fee	22,977,753	964,492
Depreciation (see Note 9)	12,723,599	21,083,361
Subcon fees	10,054,226	800,700
Salaries and allowances	3,738,708	6,646,985
Representation	2,751,149	466,749
Retirement benefit expense (see Note 15)	2,298,104	2,298,104
Fines and penalties	2,086,085	1,592,909
Documentation fees	1,614,287	415,483
Transportation	736,908	2,215,613
Repairs and maintenance	655,714	4,034,155
Rent expenses	424,834	608,912
Amortization of intangibles (see Note 10)	185,610	813,966
Taxes and licenses	130,872	1,721,884
Insurance	96,444	283,608
Communication, light and water	73,840	242,733
Security services	. 1	923,542
Donations	_	527,047
Miscellaneous	20,820	1,614,373
	P104,989,494	P47,565,387

20. Finance cost, net

This account consists of:

2020	2019
₽42,812,223	P79,224,275
505,728	3,966,085
(14,022,762)	(5,566,998)
₽ 29,295,189	₽77,623,362
	505,728 (14,022,762)

21. Income taxes

This account consists of:

	2020	2019
Current	P28,350,818	₱66,902,461
Deferred	(689,431)	(689,432)
	₽27,661,387	P66,213,029

a. Current income tax

The reconciliation of the provision for income tax computed at the statutory rate to the income tax expense as shown in the statement of comprehensive income for the period ended December 31, 2020 and 2019 follows:

	2020	2019
Income before provision for income tax	P264,347,036	₽527,737,867
Tax rate	30%	30%
Income tax at preferential rate of 30%	79,304,111	158,321,360
Reconciling items:		
Tax effect of:		
Non-deductible expenses (Non-taxable income)		
Equity in net (loss) income of subsidiaries	(51,549,120)	(93,828,509)
Interest income subjected to final tax	(4,206,828)	(1,670,099)
Interest expense	3,487,399	688,916
Retirement benefit expense	689,431	689,431
Fines and penalties	625,825	477,873
Donations	-	158,114
Other non-deductible expenses		2,065,375
	₽ 28,350,818	₱66,902,461

Minimum Corporate Income Tax (MCIT) of two percent (2%) of the gross taxable income as of the end of the taxable year is imposed on a corporation when the MCIT is greater than the RCIT. Computation of MCIT follows:

2020	2019
P227,395,520	₽390,502,222
305,368	1,563,481
227,700,888	392,065,703
2%	2%
P 4,554,018	₽ 7,841,314
	- 4,004,010

As of December 31, 2020 and 2019, the Company's prepaid tax and income taxes payable amounted to \$\mathbb{P}9,228,640\$ and \$\mathbb{P}1,304,541\$, respectively, computed as follows:

	2020	2019
Income tax due (higher between RCIT and MCIT)	₱28,350,818	₱66,902,461
Less: Tax credits		
Prior years' excess credits		10,940,360
Creditable withholding tax	37,579,458	54,657,560
Total Tax credits	37,579,458	65,597,920
(Over payment) Income tax payable	₽ (9,228,640)	₽ 1,304,541

b. Deferred income tax

Deferred income tax as shown in the statements of operation represents movement in deferred tax assets as of reporting date. Deferred tax asset is recognized for income tax benefit arising from temporary differences related to the retirement benefit obligation which can be utilized in the succeeding periods. Movements in deferred tax assets follow:

P2,638,007
689,431
3,327,438
689,431
₽4,016,869

Realization of future tax benefit related to deferred tax assets is dependent on the Company's ability to generate future taxable income during the periods in which they are expected to be recovered.

c. Subsequent events

The Corporate Recovery and Tax Incentives for Enterprises (CREATE) Act which was signed on March 26, 2021 and became effective 15 days thereafter, amended the existing National Internal Revenue Code. The relevant provisions of the CREATE Act follows:

1. Corporate income tax (CIT)

- a. Adoption of graduated CIT rate effective 1 July 2020:
 - 20% CIT for domestic corporations with total assets of PHP100m and below, and with net taxable income of PHP5m and below
 - ii. 25% CIT for other domestic corporations
- Reduction of minimum corporate income tax (MCIT) to 1% from 1 July 2020 to 30 June 2023
- c. Repeal of improperly accumulated earnings tax (IAET)

2. Value-added tax (VAT) and Percentage Tax

VAT-exemption on the sale or importation of drugs, vaccines and medical devices specifically prescribed and directly used for the treatment of COVID-19 registered with and approved by the FDA from 1 January 2021 to 31 December 2023

Given that the CREATE Act was signed after the end of the current reporting period, the Company determined that this event is a non-adjusting subsequent event. Accordingly, its impact was not reflected in the Company's financial statements as of and for the year ended December 31, 2020, and instead, will be taken up prospectively in the next applicable reporting period. The Company used the prevailing tax rates as of December 31, 2020 in determining its current and deferred taxes in its 2020 financial statements.

As a result of the application of the lower RCIT rate starting July 1, 2020, the provision for income tax and income tax payable, as presented in the 2020 annual income tax return of the Company, would be lower than the amount presented in the 2020 financial statements. In addition, the recognized deferred tax assets as of December 31, 2020 would be remeasured to the lower rate in the 2021 financial statements. This will result in a decline in the recognized deferred tax asset in 2020 and will be charged to 2021 profit or loss, unless it can be recognized in other comprehensive income as provided in the applicable reporting standard.

The impact of the CREATE Act on the Company's financial statements as of and for the year ended December 31, 2020, is presented below:

		As at	Effect of changes in	Adjusted amount based
	Decembe	er 31, 2020	Tax Rates	on the reduced tax rates
Statement of Comprehensive Income				
Income tax current	P	28,350,818	₱(2,362,569)	2 5,988,249
Provision for income tax deferred		689,431	57,452	631,979
Net income for the year	23	36,685,649	2,305,117	238,990,766
Statement of Financial Position				
Prepaid income tax	P	9,228,640	2,362,569	P 11,591,209
Deferred tax asset		4,016,869	(57,452)	3,959,417

22. Related party transactions

In the normal course of business, the Company transacts with related parties which is provided below:

Related party relationships

The description of transactions entered by the Company with its subsidiaries and associates follow:

a. Investments

The Company's investments in FLC, LDFHC and TPC are discussed in detail under Note 11.

b. Management income

This represents charges for business and technical support services rendered by the Company in accordance with the provisions of the agreement entered into. Revenues arising from this are presented as part of sale of services while the corresponding trade receivables which are unsecured and non-interest bearing are shown as part of receivables in the statement of financial position.

c. Sale of stations

In the normal course of business, the Company sold fuel stations to TPC and the corresponding receivables arising from these transactions are non-interest bearing and are shown as part of receivables in the statement of financial position.

d. Due to related party

This represents amounts due from Filoil Gas Company, Inc. presented as of part of accounts payable and accrued expenses, which are unsecured and non-interest bearing.

e. Key management compensation

Key management includes directors and officers of the Company and the compensation paid are limited to salaries and short-term employee benefits. These are presented as party of salaries and wages in the Company's operating expenses.

23. Supplementary information required by the Bureau of Internal Revenue (BIR)

Presented below is the supplementary information which is required by the BIR under its existing Revenue Regulations (RR) to be disclosed as part of the notes to financial statements. This supplementary information is not a required disclosure under PFRS.

Revenue Regulations No. 19 - 2011

On December 9, 2011, the BIR issued RR 19-2011 which prescribes the new form that will be used for income tax filing covering and starting with periods ending December 31, 2011 and onwards. This recent regulation requires schedules of taxable revenues and other non-operating income, costs of sales and services, and itemized deductions, to be disclosed in the notes to financial statements.

The amounts of taxable revenues and income, and deductible costs and expenses presented below are based on relevant tax regulations issued by the BIR, hence, may not be the same as the amounts reflected in the 2020 statement of comprehensive income.

(a) Taxable Revenues

Taxable Revenues for the year ended December 31, 2020 which is subject to regular tax rate amounted to P953,505,227.

(b) Deductible Cost of Sales

The Company's deductible cost of sales under the regular tax rate regime amounted to P726,109,707.

(c) Itemized deductions for the year are as follows:

Management fees	₽ 44,420,541
Interest expense	22,977,753
Professional fee	15,166,726
Depreciation	12,723,599
Subcon fees	10,054,226
Salaries and allowances	3,738,708
Representation	2,751,149
Documentation fees	1,614,287
Realized foreign exchange loss	899,568
Transportation	736,908
Repairs and maintenance	655,714
Bank charges	505,727
Rent expenses	424,834
Amortization of intangibles	185,610
Taxes and licenses	130,872
Insurance	96,444
Communication, light and water	73,840
Miscellaneous	20,819
	P133,198,158

(d) Other taxable income amounted to ₱305,368.



REPUBLIC OF THE PHILIPPINES SECURITIES AND EXCHANGE COMMISSION

SEC Building, EDSA, Greenhills City of Mandaluyong, Metro Manila

COMPANY REG. NO. A200119172

OF AMENDED ARTICLES OF INCORPORATION

KNOW ALL PERSONS BY THESE PRESENTS:

This is to certify that the amended articles of incorporation of the

FILOIL ENERGY COMPANY, INC.

[Formerly: FILOIL FINANCE MANAGEMENT CORPORATION]
[Amending Articles I & II Primary and Secondary Purposes thereof.]

copy annexed, adopted on January 30, 2012 by majority vote of the Board of Directors and by the vote of the stockholders owning or representing at least two-thirds of the outstanding capital stock, and certified under oath by the Corporate Secretary and a majority of the Board of Directors of the corporation was approved by the Commission on this date pursuant to the provision of Section 16 of the Corporation Code of the Philippines, Batas Pambansa Blg. 68, approved on May 1, 1980 and copies thereof are filed with the Commission.

Unless this corporation obtains or already has obtained the appropriate Secondary License from this Commission, this Certificate does not authorize it to undertake business activities requiring a Secondary License from this Commission such as, but not limited to acting as: broker or dealer in securities, government securities eligible dealer (GSED), investment adviser of an investment company, close-end or open-end investment company, investment house, transfer agent, commodity/financial futures exchange/broker/merchant, financing company and time shares/club shares/membership certificates issuers or selling agents thereof. Neither does this Certificate constitute as permit to undertake activities for which 0other government agencies require a license or permit.



BENITO A. CATARAN

Director

Company Registration and Monitoring Department



COVER SHEET

A 2 0 0 1 1 9 1 7 2 S.E.C. Registration Number

F	1	L	0	1	L		E	N	E	R	G	Y		C	0	M	P	Α	N	Y,	1	N	C.		
(f	0	r	m	е	r	1	У		F	1	L	0	1	L		F	1	N	Α	N	C	E			
M	A	N	A	G	E	M	E	N	T		C	0	R	P	0	R	A	T	1	0	N)			

(Company's Full Name)

В	L	D	G.	F		Р	Н	0	E	N	1	X		S	U	N		В	U	S	1	N	E	S	S		
P	A	R	K,		E.		R	0	D	R	1	G	U	E	Z		J	R.		Α	٧	E.					
В	Α	G	U	M	В	Α	Y	Α	N,		Q	U	E	Z	0	N		С	1	T	Y						

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

Veronna G. de Leon		(02) 912-72	242
Contact Person		Company Telepho	one No.
1 2 3 1 Month Day Fiscal Year	Amended Articles of Incorporation FORM TYPE	Monti	h Day al Meeting
	Secondary License Type, If Applica	able	
	First (C	Change of Corporate Necond Articles (Purpo	Name) and
Dept. Requiring this Doc.		nded Articles Number	
	Tota	al Amount of Borrowin	ngs
5			
Total No. of Stockholders	Do	mestic	Foreign
File Number Document I.D	be accomplished by SEC Personnel con	ncerned	

ARTICLES OF INCORPORATION

OF

FILOIL ENERGY COMPANY, INC.

(formerly FILOIL FINANCE MANAGEMENT CORPORATION)

Know All Men By These Presents:

The undersigned incorporators, all of legal age and majority of whom are residents of the Philippines, have this day voluntarily agreed to form a stock corporation under the laws of the Republic of the Philippines.

THAT WE HEREBY CERTIFY:

FIRST:

That the name of the said corporation shall be:

FILOIL ENERGY COMPANY, INC.

(as amended on January 30, 2012)

SECOND:

A. That the primary purpose of this corporation is:

(as amended on January 30, 2012)

To purchase or otherwise acquire, store, hold, transport, use, experiment with, refine, process, manufacture, blend, market, distribute, exchange, sell and otherwise dispose of, import, export, handle, trade and generally deal in, by wholesale or retail through gasoline outlets, any and all kinds of petroleum products, fuel raw materials, their by-products, as well as alternative, renewable fuels and/or biofuels, its additives and related products, including related equipment and apparatus, as well as oil, gas and other volatile substances, lubricants, grease, ozokerite, sulphur, clays, bituminous substances, carbon, carbon black, hydrocarbon substances, phosphates, nitrates, coal, minerals and mineral substances of all grades, kinds, forms, descriptions and combinations, to the general public, including the activities of importing, exporting, buying, selling, leasing, assembling and manufacturing of electric and/or hybrid vehicles and providing, selling and supplying of electric energy, power or gas through charging stations as well as service/repair centers in support of the green transportation alternatives like electric vehicles.

(as amended on July 31, 2006 and further amended on January 30, 2012)

That the SECONDARY PURPOSES of the Corporation are:

- To import, export, buy, sell, lease, design, manufacture and assemble electric and/or hybrid vehicle, engage in electric and/or hybrid vehicle transportation operation, and provide and sell electric power or other alternative source of energy for such electric and/or hybrid vehicles through retail outlets with charging stations;
- 2. To acquire by purchase, lease, contract, concession or otherwise any and all real estate, lands, land patents, options, grants, franchises, water and other rights, privileges, easements, estates, interests and properties of every kind and description whatsoever which the Corporation may deem necessary or appropriate in connection with the conduct of any activities which the Corporation may lawfully engage, and to own, hold and, operate, improve, develop, reorganize, manage, grant, lease, sell, exchange, or otherwise dispose of the whole or any part thereof;

- To engage in general construction including assembly, installation, repair, maintenance, development and any work upon buildings, roads and others, gasoline establishments, and upon any apparatus, equipment and structure;
- 4. To purchase or otherwise, acquire, assemble, install, construct, equip, repair, remodel, maintain, operate, hold, own, lease or sublease, rent, mortgage, charge, sell, convey or otherwise dispose of, any and all kinds of terminals, office buildings, commercial retail establishments, gas refilling stations, buildings and structures and all kinds of machinery, apparatus, equipment, fixtures and appliances necessary and related to the activities of the Corporaton;
- 5. To enter into, make and perform contracts and arrangements of every kind and description for any lawful purpose with any person, firm, association, corporation, municipality, body politic, territory, province, state, government or colony or dependency thereof, without limit to amount, and to obtain from any government or authority any rights, privileges, contracts and concessions which the Corporation may deem desirable to obtain and to carry out, exercise or comply with any such contracts, arrangements, rights, privileges and concessions;
- 6. To apply for, obtain, register, purchase, lease or otherwise acquire, and to hold, own, use, exercise, develop, operate and introduce, and to sell, assign, grant licenses or territorial rights in respect of, or otherwise to turn to account of dispose of, any copyrights, trade marks, trade names, brands, labels, patents or inventions, improvements or processes used in connection with or secured under letters patent of any country, government or authority or otherwise, in relation to any of the purposes herein stated; and to acquire, use, exercise or otherwise, turn to gain licenses or rights in respect of any such copyrights, trade marks, trade names, brands, labels, patents, inventions, improvements, processes and the like;
- 7. To mortgage, encumber or otherwise hypothecate any of its properties for the account and benefit of the Corporation and/or to authorize any person, firm, association or corporation in which it may have some interests to mortgage, encumber or otherwise hypothecate any of its properties for the account and benefit of such person, firm, association or corporation subject to such terms and conditions as may be agreed upon by the parties;
- 8. To borrow or raise money for any of the purposes of the Corporation, and from time to time without limit as to the amount, to draw, make, accept, endorse, discount, transfer, assign, execute and issue promissory notes, drafts, bills of exchange, warrants, binds, debentures and other negotiable and transferable instruments and evidences of indebtedness, and for the purpose of securing any of its obligations or contracts to convey, transfer, assign, deliver, mortgage and/or pledge all or any part of the property or assets at any time held or owned by the Corporation on such terms and conditions as the Board of Directors of the Corporation shall authorize and as may be permitted by law; and to sell or otherwise dispose of any binds, debentures or other obligations of the Corporation for its corporate purposes;
- To purchase, take on lease, or otherwise acquire, own, hold, develop, operate, lease, mortgage or pledge, sell, assign, convey, transfer, exchange or otherwise dispose of, real or personal property or any interest therein;
- 10. To provide general business management services, particularly in the field of financial management and consultancy, management information system and other related services except the management of funds portfolio and similar accounts of the managed corporation; provided further that it shall not engage in the business of being a broker/dealer in securities, government securities eligible dealer (GSED), investment adviser of an investment company and investment house;
- 11. To exercise all or any of its corporate powers, rights and privileges and to conduct its business in all or any of its branches in any part of the world, and for this purpose to have and maintain, and to discontinue such number of offices and agencies therein as may be convenient; and
- 12. To do all and everything necessary, suitable or proper for the accomplishment of any of the purposes or the furtherance of any of the powers herein set forth, either alone or in association with other corporations, firms or individuals, and to do every other act or acts, thing or things, incidental or pertinent to or growing out of or connected with the foregoing purposes or powers or any part or parts thereof.

B. That the corporation shall have all the express powers of a corporation as provided for under Section 36 of the Corporation Code of the Philippines.

THIRD: That the place where the principal office of the corporation is to be established is at:

No./Street: 1F, Bldg. F, Phoenix Sun Business Park

E. Rodriguez Jr. Ave. (if applicable)

City/ Town: Bagumbayan (Libis), Quezon City Province

FOURTH: That the term for which the corporation is to exist is fifty (50) years from and after the date of issuance of the certificate of incorporation.

FIFTH: That the names, nationalities and residences of the incorporators of the corporation are as follows:

Nationality	Residence (Complete Address)
Fil.	
	Fil. Fil. Fil.

SIXTH: That the number of directors of said corporation is <u>five</u> (5) and that the names, nationalities and residence of the first directors who are to serve until their successors are elected and qualified as provided by the by-laws are as follows:

Name	Nationality	Residence (Complete Address)
Rafaelito N. Villavicencio	Fil.	
Rufino F. Malla Jr.	Fil.	
Elisa S. Samaniego	Fil.	
Lourdes M. Tobias	Fil.	
Veronna G. de Leon	Fil.	

SEVENTH: That the authorized capital stock of the corporation is <u>ONE MILLION PESOS</u> (PhP 1,000,000.00) pesos in lawful money of the Philippines, divided into <u>Ten Thousand (10,000)</u> shares with the par value of ONE HUNDRED (PhP 100.00) pesos per share.

EIGHTH: That at least 25% of the authorized capital stock has been subscribed and at least 25% of the total subscription has been paid as follows:

Name	Nationality	No. of Shares Subscribed	Amount Subscribed	Amount Paid
Rafaelito N.Villavicencio	Fil.	2,000	200,000.00	52,000.00
Rufino F. Malla Jr.	Fil.	200	20,000.00	5,000.00
Elisa S. Samaniego	Fil.	200	20,000.00	5,000.00
Lourdes M. Tobias	Fil.	50	5,000.00	1,500.00
Veronna G. de Leon	Fil.	50	5,000.00	1,500.00
Total		2,500	250,000.00	65,000.00

NINTH: That no transfer of stock or interest which would reduce the ownership of Filipino citizens to less than the required percentage of the capital stock as provided by existing laws shall be allowed or permitted to be recorded in the proper books of the corporation and this restriction shall be indicated in the stock certificates issued by the corporation.

TENTH: That <u>LOURDES M. TOBIAS</u> has been elected by the subscribers as treasurer of the corporation to act as such until his/her successor is duly elected and qualified in accordance with the bylaws; and that as such Treasurer, he/she has been authorized to receive for and in the name and for the benefit of the corporation, all subscriptions paid in by the subscribers.

ELEVENTH: That the corporation manifests its willingness to change its corporate name in the event of any other person, firm or entity has acquired a prior right to use the said firm name or one deceptively or confusingly similar to it.

In Witness whereof, we have set our hands this $20^{\rm th}$ day of December, 2001 at Quezon City.

(Sgd.) Rafaelito N. Villavicencio

(Sgd.) Rufino F. Malla Jr.

(Sgd.) Elisa S. Samaniego

(Sgd.) Veronna G. de Leon

(Sgd.) Lourdes M. Tobias

WITNESSES:

(Sgd.) FERNANDO GUEVARA

(Sgd.) RUDOR M. MALLA

(All incorporators appearing on the fifth article and the two witnesses should affix their signatures on the blanks provided in this page above their respective names.)

ACKNOWLEDGEMENT

Republic of the Philippines)
QUEZON CITY) S.S.

BEFORE ME, a Notary Public in and for QUEZON CITY Philippines, this ____day of DEC. 27, 2001 personally appeared :

Name	Community Tax Certificate No.	Date & Place issued
Rafaelito N. Villavicencio	10695069	Taytay, Rizal/ 3-9-01
Rufino F. Malla Jr.	05980827	Quezon City/ 1-11-01
Elisa S. Samaniego	10695068	Taytay, Rizal/ 3-9-01
Lourdes M. Tobias	08001427	Taytay, Rizal/ 4-6-00
Veronna G. de Leon	08001424	Taytay, Rizal/ 4-6-00

all known to me and to me known to be the same persons who executed the foregoing Articles of Incorporation and they acknowledged to me that the same is their free and voluntary act and deed.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my notarial seal on the date and at the place first above written.

(Sgd.) CIELITA A. CATUBAY

Notary Public Until December 31, 2002 PTR 1960506; 1-6-2001; QUEZON CITY TIN 140-951-194

Doc. No.<u>714;</u> Page No. <u>43;</u> Book No. <u>54;</u> Series of <u>2001.</u> (STOCK CORPORATION)

DIRECTORS' CERTIFICATE



KNOW ALL MEN BY THESE PRESENTS:

WE, the undersigned majority of directors and the Corporate Secretary of FILOIL FINANCE MANAGEMENT CORPORATION (FILOIL ENERGY COMPANY, INC.), do hereby certify that the Articles of Incorporation of said Corporation was amended by a majority vote of the directors and the vote of stockholders representing at least two-thirds (2/3) of the outstanding capital stock at a meeting held on January 30, 2012 at its principal office in Bldg. F, Phoenix Sun Business Park, E. Rodriguez Jr. Ave., Brgy. Bagumbayan, Quezon City.

The amended provisions of the attached Amended Articles of Incorporation refer to change in corporate name (Article I) and amendment of purpose/s (Article II).

	hereunto signed this certificate this day of
MAR 1 4 2012	11/
M	fu /2
RAFAELITO N. VILLAVICENCIO	FRANCISCO G. PASICOLAN
TIN:	TyN: :
CTC No. 03250246	CTC No. 03260248
Issued on January 16, 2012, Quezon City	/ Issued on January 16, 2012 at Quezon City
	Stable
ELISA S. SAMANIEGO	LOURDES M. TOBIAS
TIN:	TIN:
CTC No. 04265380	CTC No. 08578204
Issued on March 13, 2011 at Quezon City	Issued on Jan. 14, 2011 at Marikina City
Call	
CTC No. 18853952 Issued on at January 31, 2012, Taytay, Rizal Corporate Secretary SUBSCRIBED AND SWORN TO bef PASIL LITY by to	fore me this day of <u>MAR 1 4 2012</u> in he above-named persons with their respective Tax
identification Numbers.	
Doc. No. <u>39</u>	Notary Public William
Page No. 8	ATTY, MARK B. ESPINOSA
Book No/	Notary Public for City of Pasig
Series of 2012.	Until December 31, 2013
	Roll No. 50333
	IBP No. 845 (40 / 1.18.12 / Guimaras
	PTR No. 7579966 / 1.18.12 / Pasig City
	W1903-A PSE Centre, Pasig City

Print Finish



Republic of the Philippines SECURITIES AND EXCHANGE COMMISSION

Reservation Payment Confirmation

This certifies that the name FILOIL ENERGY COMPANY, INC. has been reserved from March 8, 2012 to April 7, 2012.

Reference Reservation Number (RRN): RRN20120308093030862

Type of Industry: Liquefied Petroleumgas And Other Fuel Products, Retailing

Breakdown of Fees:

Reservation Fee: Php 40.00

TOTAL: Php 40.00

Important Reminders:

NOTE: The fact that the name is available at the date verified, it is not to be regarded as an approval of the registration of the company or any application for change of name. No expense for printing of materials using a verified name should be incurred until registration takes effect. As this is a computer printout, any erasure or alteration on this document nullifies verification.

The applicant undertakes to change the reserved name in case another person or firm has acquired a prior right to the use of the said firm name or the same is deceptively or confusingly similar to one already registered.

Please do not pay for your Name Reservation and Extension WITHIN THE SAME DAY via Funds Transfer. You may course your payment at any selected UnionBank branches or at the SEC Teller.

Stamp Number: 1016759



For SEC use only:
Override By: mvlimuco
Reason: Other Override Remark(s) - w/ letter of appeal/request amending its orig.
name-A20119172/consent to use name of FILOIL GAS CO., INC.-A200119125; approved by Atty. Del Rosario dtd. 3.07.12

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Republic of the Philippines

SECURITIES AND EXCHANGE COMMISSION

Reservation Notice:

This certifies that the name FILOIL ENERGY COMPANY, INC. has been reserved from March 8, 2012 to April 7, 2012 by JERRY POTICAR.

Reference Reservation Number (RRN): RRN20120308093030862

Type of Industry: [G52370] Liquefied Petroleumgas And Other Fuel Products, Retailing

Activation Key: Wxd90986yjg

Payment Transaction Number: (refer to SEC Teller)

Reservation Fee: Php 40.00 Important Reminders:

Please pay within 4 days at any SEC office.

Please file your SEC Registration forms within the reservation period at SEC office.

You may also accomplish and print your SEC Registration forms online. For more details, please visit the SEC i-Register site at *iregister.sec.gov.ph*. In case you don't have an internet access, you may go to the nearest SECCCU Internet desk. You will be assisted by SECCCU staff during your online registration.

Please do not pay for your Name Reservation and Extension WITHIN THE SAME DAY via Funds Transfer. You may course your payment at any selected UnionBank branches or at the SEC Teller.

Please remember the Activation Key and Reference Reservation Number printed on this reservation notice. These two codes will enable you to add your reservation on your Online Account.

You may reserve a company name for a maximum of 90 calendar days.

If you have not completed your company registration within the reservation period, you may apply for reservation extension online or at any SEC office.

If the reservation period has elapsed and you still have not completed your company registration, your company name reservation will be forfeited. In this case, you should verify and reserve the company name again.

NOTE: The fact that the name is available at the date verified, it is not to be regarded as an approval of the registration of the company or any application for change of name. No expense for printing of materials using a verified name should be incurred until registration takes effect. As this is a computer printout, any erasure or alteration on this document nullifies verification.

The applicant undertakes to change the reserved name in case another person or firm has acquired a prior right to the use of the said firm name or the same is deceptively or confusingly similar to one already registered.

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

AFFIDAVIT OF UNDERTAKING TO CHANGE NAME

I, VERONNA G. DE LEON, of legal age, Filipino and with office address at Bldg. F, Phoenix Sun Business Park, E. Rodriguez Jr. Ave., Bagumbayan, Quezon City, after having been sworn in accordance with law hereby depose and state that:

I am the Corporate Secretary and one of the Directors of FILOIL ENERGY COMPANY, INC. (formerly FILOIL FINANCE MANAGEMENT CORPORATION) which is in the process of amending its Articles of Incorporation to effect said new corporate name with the Securities and Exchange Commission;

I, in behalf of said Corporation, hereby undertake to change its corporate name immediately upon receipt of notice or directive from the Commission that another corporation, partnership or person has acquired a prior right to the use of that name or that the name has been declared as misleading, deceptive, confusingly similar to a registered name, or contrary to public morals, good customs or public policy;

This affidavit is executed to attest to the truth of the foregoing and for whatever legal purpose and intent it may serve.

IN WITNESS WHEREOF, I hereby sign this affidavit this _____ day of MAR 2 2 2012 at __PASI6_CITY ____.

VERONNA G. DE LEON Affiant

SUBSCRIBED AND SWORN to before me this ____ day of MAR 2 2 2 2 2 in PASIG CITY ____ affiant exhibiting to me her Social Security System I.D. No. 03-5326023-8.

Doc. No.: <u>\$4</u>; Page No.: <u>17</u>; Book No.: <u>1</u>; Series of 2012. ATTY. MARK B. SPINOSA Notary Public for City of Pasig Until December 31, 2013

Roll No. 56333

IBP No. 885 869 / 1.18.12 / Guimaras PTR No. 787 866 / 1.18.12 / Pasig City W1903-A PSE Centre, Pasig City



2012-02-008-SEC

08 February 2012

SECURITIES AND EXCHANGE COMMISSION SEC Building, EDSA, Greenhills Mandaluyong City

Attention: Mr. Benito A. Cataran

Director, Company Registration and Monitoring Department

Gentlemen:

Respectfully endorsed the attached amended Articles of Incorporation of FILOIL ENERGY COMPANY, INC. – amending Article I "change of corporate name from FILOIL FINANCE MANAGEMENT CORPORATION," (as amended on January 30, 2012) and with the information that this Department interposes no objection thereto, particularly in its primary purpose "to purchase or otherwise acquire, store, hold, transport, use, experiment with, refine, process, manufacture, blend, market, distribute, exchange, sell and otherwise dispose of, import, export, and handle, trade and generally deal in, by wholesale basis or retail through gasoline outlets, any and all kinds of petroleum products, fuel raw materials, their by-products, biofuels, its additives and related products, as well as oil, gas and other volatile substances, lubricants and grease (as amended on January 30, 2012)," as mentioned in the said amended Articles of Incorporation. However, this endorsement is subject to the condition that FILOIL ENERGY COMPANY, INC. shall comply with all pertinent government laws, rules, and regulations as well as those administered and enforced by the DEPARTMENT OF ENERGY, prior to engaging in the petroleum business.

Very truly yours,

ZENAIDA Y. MONSADA Director

MVO/RSE/REM



JUL

GENERAL INFORMATION SHEET (GIS)

FOR THE YEAR 2021

STOCK CORPORATION

FORMS AND CONTENTS

GENERAL INSTRUCTIONS:

- 1. FOR USER CORPORATION: THIS GIS SHOULD BE SUBMITTED WITHIN THIRTY (30) CALENDAR DAYS FROM THE DATE OF THE ANNUAL STOCKHOLDERS' MEETING. DO NOT LEAVE ANY ITEM BLANK, WRITE "N.A." IF THE INFORMATION REQUIRED IS NOT APPLICABLE TO THE CORPORATION OR "NONE" IF THE INFORMATION IS NON-EXISTENT. IF THE ANNUAL STOCKHOLDERS' MEETING IS HELD ON A DATE OTHER THAN THAT STATED IN THE BY-LAWS, THE GIS SHALL BE SUBMITTED WITHIN THIRTY (30) CALENDAR DAYS AFTER THE ELECTION OF THE DIRECTORS, TRUSTEES AND OFFICERS OF THE CORPORATION AT THE ANNUAL MEMBERS' MEETING.
- 2. IF NO MEETING IS HELD, THE CORPORATION SHALL SUBMIT THE GIS NOT LATER THAN JANUARY 30 OF THE FOLLOWING YEAR. HOWEVER, SHOULD AN ANNUAL STOCKHOLDERS' MEETING BE HELD THEREAFTER, A NEW GIS SHALL BE SUBMITTED/FILED.
- 3. THIS GIS SHALL BE ACCOMPLISHED IN ENGLISH AND CERTIFIED AND SWORN TO BY THE CORPORATE SECRETARY OF THE CORPORATION.
- THE SEC SHOULD BE TIMELY APPRISED OF RELEVANT CHANGES IN THE SUBMITTED INFORMATION AS THEY ARISE. FOR CHANGES RESULTING FROM ACTIONS THAT AROSE BETWEEN THE ANNUAL MEETINGS, THE CORPORATION SHALL SUBMIT AMENDED GIS CONTAINING THE NEW INFORMATION TOGETHER WITH A COVER LETTER SIGNED THE CORPORATE SECRETARY OF THE CORPORATION. THE AMENDED GIS AND COVER LETTER SHALL BE SUBMITTED WITHIN SEVEN (7) DAYS AFTER SUCH CHANGE OCCURED OR BECAME EFFECTIVE.
- 5. SUBMIT FOUR (4) COPIES OF THE GIS TO THE RECEIVING SECTION AT THE SEC MAIN OFFICE, OR TO SEC SATELLITE OFFICES OR EXTENSION OFFICES. ALL COPIES SHALL UNIFORMLY BE ON A4 OR LETTER-SIZED PAPER. THE PAGES OF ALL COPIES SHALL USE ONLY ONE SIDE
- 6. ONLY THE GIS ACCOMPLISHED IN ACCORDANCE WITH THESE INSTRUCTIONS SHALL BE CONSIDERED AS HAVING BEEN FILED.
- 7. THIS GIS MAY BE USED AS EVIDENCE AGAINST THE CORPORATION AND ITS RESPONSIBLE DIRECTORS/OFFICERS FOR ANY VIOLATION OF EXISTING

LAWS, RULES AND REGULATIONS			Section of the section of		The state of the s
		PLEASE PRINT LEGIBL	Y ===		==
CORPORATE NAME:	FILOIL ENER	GY COMPANY, INC			DATE REGISTERED: 08/01/2002
BUSINESS/TRADE NAME:	,	TLOIL			FISCAL YEAR END:
SEC REGISTRATION NUMBER:	A20	0119172			December 31
DATE OF ANNUAL MEETING PER BY-L	AWS:				CORPORATE TAX IDENTIFICATION NUMBER (TIN)
		Y IN MARCH			229-969-798
ACTUAL DATE OF ANNUAL MEETING		h 25, 2021			WEBSITE/URL ADDRESS:
COMPLETE PRINCIPAL OFFICE ADDRI	A COLUMN TO THE PARTY OF THE PA	A CONTRACTOR OF THE PROPERTY O	- 1-2		E-MAIL ADDRESS:
	Brgy. Magasp	ac, Gerona, Tarlac			feci@filoi.com.ph
COMPLETE BUSINESS ADDRESS:					FAX NUMBER:
Bldg F. Phoenix Su	n Business Park E. I	Rodriguez Jr. Ave Bagun	ıbayan, Qı	nezon City	(02)-8421-7300
OFFICIAL E-MAIL ADDRESS	ALTERNATE	E-MAIL ADDRESS	OFF	TICIAL MOBILE NUMBER	ALTERNATS MOBILE NUMBER
feci@filoi.com.ph	feci_adm	in@filoi.com.ph		09171400386	09171394822
NAME OF EXTERNAL AUDITOR & ITS: TIBAYAN SANTOS I PETER RAY			SEC ACCR	EDITATION NUMBER (if applicable) 0312-F 1489-A	(02)-8912-7242 OR 46
PRIMARY PURPOSE/ACTIVITY/INDUS		900 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 -	INDUST	RY CLASSIFICATION:	GEOGRAPHICAL CODE:
B-1000000000000000000000000000000000000	IN	TERCOMPANY AFFILIAT	TONS ==		
PARENT COMPANY		SEC REGISTRATIO	N NO.	AI	DDRESS
SUBSIDIARY/AFFILIA	TE	SEC REGISTRATIO	N NO.	AI	DDRESS
TOTAL PHILIPPINES CORPO	DRATION	A199713122		BGC, T	AGUIG CTTY
FILOIL LOGISTICS CORPOR	RATION	CS20152472	3	BGC, T	AGUIG CITY
LA DEFENSE FILIPINAS HOL	DING CO.	A199810494		BGC, T	AGUIG CFFY
ECOLOGY INSURANCE AGEN	CY CORP.	CS201708224		BAGUMBAY	ISINESS PARK E. ROD. JR. AVE., AN, QUEZON CITY
AMLAN NEGROS REALTY DEVELO		CSS20170158	-	BAGUMBAY	JSINESS PARK E. ROD. JR. AVE., AN, QUEZON CITY
	NO	TE: USE ADDITIONAL SHEET	IF NECESS	ARY	

STOCK CORPORAT	
	ERGY COMPANY, INC.
	The state of the s
A. Is the Corporation a covered person under the Anti Mon	
(AMLA), as amended? (Rep. Acts. 9160/9164/10167/10	305)
Please check the appropriate box:	CONTRACTOR OF THE PROPERTY OF
1,	
a. Banks	Jewelry dealers in precious metals, who, as a
b. Offshore Banking Units	4. business, trade in precious metals
C. Quasi-Banks	
d. Trust Entities	Sherring Colors and the second
e. Non-Stock Savings and Loan Associations	The state of the s
f. Pawnshops	
g. Foreign Exchage Dealers	5. Jewelry dealers in precious stones, who, as a
h. Money Changers	business, trade in precious stone
i. Remittance Agents	
j. Electronic Money Issuers	
k. Financial Institutions which Under Special Laws are subject to	
Bangko Sentral ng Pilipinas' (BSP) supervision and/or regulation,	Company service providers which, as a business,
including their subsidiaries and affiliates.	provide any of the following services to third
2.	parties:
a. Insurance Companies	
b. Insurance Agents	a. acting as a formation agent of juridical persons
c. Insurance Brokérs	b. acting as (or arranging for another person to act as)
d. Professional Reinsurers	a director or corporate secretary of a company, a
e. Reinsurance Brokers	partner of a partnership, or a similar position in
f. Holding Companies	relation to other juridical persons
g. Holding Company Systems	
h. Pre-need Companies	c. providing a registered office, business address or
i. Mutual Benefit Association	accommodation, correspondence or administrative
j. All Other Persons and entities supervised and/or regulated by the	address for a company, a partnership or any other
Insurance Commission (IC)	legal person or arrangement
3,	
a. Securities Dealers	d. acting as (or arranging for another person to act as
☐ b. Securities Brokers	a nominee shareholder for another person
C. Securities Salesman	The state of the s
E C Securities sursum	Persons who provide any of the following services:
d. Investment Houses	a. managing of client money, securities or other assets
e. Investment Agents and Consultants	
f. Trading Advisors	□ b. management of bank, savings or securities account
g. Other entities managing Securities or rendering similar services	
☐ h. Mutual Funds or Open-end Investment Companies	c. organization of contributions for the creation,
i. Close-end Investment Companies	operation or management of companies
j. Common Trust Funds or Issuers and other similar entities	
k. Transfer Companies and other similar entities	d. creation, operation or management of juridical
1. Other entities administering or otherwise dealing in currency,	persons or arrangements, and buying and selling
commodities or financial derivatives based there on	business entities
☐ m. Entities administering of otherwise dealing in valuable objects	8. None of the above
n. Entities administering or otherwise dealing in cash Substitutes and	
other similar monetary instruments or property supervised and/o	
regulated by the Securities and Exchange Commission (SEC)	business:
regulated by the securities and inchange commission (SEC)	Julianasi.
R Has the Cornection complied with the manipument or Control	mor Duo Dilimorco
B. Has the Corporation complied with the requirements on Custo (CDD) or Know Your Customer (KYC), record-keeping, and sub-	
under the AMLA, as amended, since the last filing of its GIS?	mission of reports Yes 6 No

GENERAL INFORMATION SHEET 2021

STOCK CORPORATION

PLEASE PRINT LEGIBLY

CORPORATE NA	AME:			FILOIL ENERG	Y COMPANY, INC		
	- St.		CAPITA	L STRUCTURE			
AUTHORIZED CA	PITAL STOCK						
		TYPE OF SHARES *	NUMBER OF SHARES	PAR/STAT	TED VALUE	AMOUNT (PhP (No. of shares X Par/Sta) ited Value)
		COMMON	10,000		100.00	1,000,000.00	
ONE MILLIO	N PESOS						
		TOTAL	10,000		TOTAL P	1,000,000.00	
SUBSCRIBED CAP	PITAL						
FILIPINO	NO. OF STOCK- HOLDERS	TYPE OF SHARES *	NUMBER OF SHARES	NUMBER OF SHARES IN THE HANDS OF THE PUBLIC **	PAR/STATED VALUE	AMOUNT (PhP)	% of ownership
	5	COMMON	10,000		1.00	1,000,000.00	100%
		TOTAL	10.000	TOTAL	TOTAL P	1,000,000.00	
FOREIGN (INDICATE BY NATIONALITY)	NO. OF STOCK- HOLDERS	TYPE OF SHARES *	NUMBER OF SHARES	NUMBER OF SHARES IN THE HANDS OF THE PUBLIC**	PAR/STATED VALUE	. AMOUNT (PhP)	% OF OWNERSHIP
N/A							
Percentage of Fo	reign Equity :	TOTAL		TOTAL	TOTAL P		
,			Test		SUBSCRIBED P	1,000,000.00	
PAID-UP CAPIT	TAL		-3×				
FILIPINO	NO. OF STOCK- HOLDERS	TYPE OF SHARES *	NUMBER OF SHARES	PAR/STAT	TED VALUE	AMOUNT (PhP)	% OF OWNERSHIP
	5	COMMON	10,000		100.00	1,000,000.00	100%
		TOTAL	10,000		TOTAL P		
FOREIGN (INDICATE BY NATIONALITY)	NO. OF STOCK- HOLDERS	TYPE OF SHARES *	NUMBER OF SHARES	PAR/STATED VALUE		AMOUNT (PhP)	% OF OWNERSHIP
N/A							
0.00 %		TOTAL			TOTAL P		
				TOTAL PAID-U		1,000,000,00	

NOTE: USE ADDITIONAL SHEET	IF NECESSARY

Common, Preferred or other classification

^{**} Other than Directors, Officers, Shareholders owning 10% of outstanding shares.

GENERAL INFORMATION SHEET 2021

STOCK CORPORATION
PLEASE PRINT LEGIBLY

CORPORATE NAME:	FILOIL ENERG							
*	DIR	ECTO	RS / O	FFICER				
NAME/CURRENT RESIDENTIAL ADDRESS	NATIONALITY	INCR	BOARD	GENDER	STOCK HOLDER	OFFICER	EXEC.	TAX IDENTIFICATION NUMBER
1. RODOLFO M. VILLARICA	FILIPINO	, N	М	М	Y	N/A		
2. RAFAELITO N. VILLAVICENCIO	FILIPINO	Y	С	м	Y	PRES		
3. BLISA S. SAMANIEGO	FILIPINO	Y	М	F	Y	N/A		
4. LOURDES M. TUBIAS	FILIPINO	Y	М	F	·Y	TREAS.		
S. VERUNNA G. DE LEUN	FILIPINO	Y	М	F	Y	CORP.SEC		
6. ~~NOTHING FOLLOWS~~								
7.								
8.								
9.								
10.					-			
11.	,							
12.		(*						
13.								
14.								
15.								

INSTRUCTION

FOR SEX COLUMN, PUT "F" FOR FEMALE, "M" FOR MALE.

FOR BOARD COLUMN, PUT "C" FOR CHAIRMAN, "M" FOR MEMBER, "I" FOR INDEPENDENT DIRECTOR.

FOR INC'R COLUMN, PUT "Y" IF AN INCORPORATOR, "N" IF NOT.

FOR STOCKHOLDER COLUMN, PUT "Y" IF A STOCKHOLDER, "N" IF NOT.

FOR OFFICER COLUMN, INDICATE PARTICULAR POSITION IF AN OFFICER, FROM VP UP INCLUDING THE POSITION OF THE TREASURER, SECRETARY, COMPLIANCE OFFICER AND/OR ASSOCIATED PERSON.

FOR EXECUTIVE COMMITTEE, INDICATE "C" IF MEMBER OF THE COMPENSATION COMMITTEE; "A" FOR AUDIT COMMITTEE; "N" FOR NOMINATION AND ELECTION COMMITTEE. ADDITIONALLY WRITE "C" AFTER SLASH IF CHAIRMAN AND "N" IF MEMBER.

GENERAL INFORMATION SHEET 2021

STOCK CORPORATION

CORPORATE NAME:	FILOIL ENER	GY COMPANY, I	NC.				
TOTAL NUMBER OF STOCKHOLDERS:	5		NO. OF STOCKHOLDERS WITH 100 OR MORE SHAR				
TOTAL ASSETS BASED ON LATEST AUDITED FIN	NANCIAL STATEM	MENTS:	PhP 3,128,175,437.0	0			
	. STO	OCKHOLDER'S	INFORMATION	-			
		SHARES	SUBSCRIBED		S COLDS	TAX IDENTIFICATION NUMBER	
NAME, NATIONALITY AND CURRENT RESIDENTIAL ADDRESS	ТУРЕ	NUMBER	AMOUNT (PhP)	% OF OWNER- SHIP			
1 RAFAELITO N. VILLAVICENCIO							
FILIPINO	СОМ	7,999	799,900.00	1	700 000 00		
	TOTAL	7,999	799,900.00	79.99%	799,900.00		
	TOTAL	7,999	799,900.00				
2. ELISA S. SAMANIEGO FILIPINO	сом	800	80,000.00	8.00%	80,000.00		
	TOTAL	800	30,000.00				
3. LOURDES M. TOBIAS							
FILIPINO	сом	200	20,000.00	. 2.00%	20,000.00		
	TOTAL	200	20,000.00				
4. VERONNA G. DE LEON							
FILIPINO	COM ··	200	20,000.00		20,000.00		
	TOTAL	200	20,000.00	2.00%			
5. RODOLFO M. VILLARICA							
FILIPINO	СОМ	. 801	80,100.00	8.01%	80,100.00		
	TOTAL	801	89,100.00				
6.	19.						
~~NOTHING FOLLOWS~~							
	TOTAL						
7.							
	TOTAL					1	
TOTAL AMOUNT O	OF SUBSCRIBE		1,000,000.00		1	,000,000,000	
		TOTAL AM	OUNT OF PAID-UP	CAPITAL		,,	

INSTRUCTION: SPECIFY THE TOP 20 STOCKHOLDERS AND INDICATE THE REST AS OTHERS

Note: For PDTC Nominee included in the list, please indicate further the beneficial owners owning more than 5% of any class of the company's voting securities. Attach separate sheet, if necessary.

GENERAL INFORMATION SHEET 2021 STOCK CORPORATION

FILOIL ENERGY COMPANY, INC. CORPORATE NAME: NO. OF STOCKHOLDERS WITH 100 OR MORE SHARES EACH: 5 TOTAL NUMBER OF STOCKHOLDERS: 5 PhP 3,128,175,437.00 TOTAL ASSETS BASED ON LATEST AUDITED FS: STOCKHOLDER'S INFORMATION SHARES SUBSCRIBED TAX AMOUNT PAID NAME, NATIONALITY AND CURRENT IDENTIFCATION AMOUNT % OF OWNER-RESIDENTIAL ADDRESS (PhP) TYPE NUMBER NUMBER SHIP (PhP) 8. TOTAL 9. TOTAL 10. TOTAL 11. TOTAL

INSTRUCTION: SPECIFY THE TOP 20 STOCKHOLDERS AND INDICATE THE REST AS OTHERS

TOTAL AMOUNT OF PAID-UP CAPITAL

0.00%

Note: For PDTC Nominee included in the list, please indicate further the beneficial owners owning more than 5% of any class of the company's voting securities. Attach separate sheet, if necessary.

TOTAL

TOTAL

TOTAL

TOTAL AMOUNT OF SUBSCRIBED CAPITAL

12.

13.

14.

0.00

GENERAL INFORMATION SHEET 2021 STOCK CORPORATION

PLEASE PRINT LEGIBLY

CORPORATE NAME:	PILOIL EN	ERGY COMPAN	I, INC.			
TOTAL NUMBER OF STOCKHOLDERS:	5		NO. OF STOCKHOLDING WITH SO	O OR MORE STEATES EAC	H.	5
TOTAL ASSETS BASED ON LATEST AUDITED FS:	PhP 3,128,1	75,437.00				
	S	TOCKHOLDER	'S INFORMATION			
		SHAR	ES SUBSCRIBED	and the second		TAX IDENTIFICATION NUMBER
NAME, NATIONALITY AND CURRENT RESIDENTIAL ADDRESS	туре	NUMBER	AMOUNT (PhP)	% OF OWNER- SHIP	AMOUNT PAID (PhP)	
15.						
				- 1		
	TOTAL	-				
16.						
	TOTAL					
17.						
				4		
	TOTAL					
18.						
	TOTAL					
19.						
				- 1		
	TOTAL				* *	
20.						
				-		
	TOTAL					
21. OTHERS (Indicate the number of the remaining stockholders)						
	-			-		
	TOTAL					
TOTAL AMOUNT OF	SUBSCRIB	ED CAPITAL		0.00%		0.00
		TOTALA	MOUNT OF PAID-UP	CAPITAL		0.00

Note: For PDTC Nominee included in the list, please indicate further the beneficial owners owning more than 5% of any class of the company's voting securities. Attach separate sheet, if necessary.

GENERAL INFORMATION SHEET 2021 STOCK CORPORATION

		= PLE	ASE PRINT LEGIBLY			
CORPORATE NAME: FI	LOIL ENERGY COMPA	NY, INC.				
1. INVESTMENT OF CORPO			AMOUNT (Ph	DATE OF BOARD RESOLUTION		
FUNDS IN ANOTHER CO	RPUKATION					
1.1 STOCKS			N/A			N/A
1.2 BONDS/COMMERC by Private Corpora			N/A		N/A	
1.3 LOANS/ CREDITS/			N/A			N/A
1.4 GOVERNMENT TRI	EASURY BILLS		N/A		N/A	
1.5 OTHERS			N/A			N/A
2. INVESTMENT OF CORPO SECONDARY PURPOSES	NDER ITS	DATE OF BOARD RESOLUTION		DATE OF STOCKHOLDERS RATIFICATION		
	N/A					
3. TREASURY SHARES N/A				NO. OF SHARES		% AS TO THE TOTAL NO. OF SHARES ISSUED
4. UNRESTRICTED/UNAPE 5. DIVIDENDS DECLARED TYPE O			RECEDING YEAR:	N/A DUNT (PhP)	R: PhP 98	,559.00 DATE DECLARED
5.1 CASH						
5.2 STOCK						
5.3 PROPERTY					- 3	
J.J THOTELLY		TOTAL	P			
6. ADDITIONAL SHARES IS		The state of the s				
DATE		SHARES			AMOU	NT
DAIL		/A			AMOU	
		I/A				
		/A				
		/A				
SECONDARY LICENSE/REGI	STRATION WITH SEC	AND OT	HER GOV'T AGENCY	:		
NAME OF AGENCY:	SEC		BSP		1C	
TYPE OF LICENSE/REGN.	N/A		N/A		N/A	
DATE ISSUED:	N/A	N/A		1	N/A	
DATE STARTED OPERATIONS:	N/A		N/A		N/A	
TOTAL ANNUAL COMPENSATION OF		NO. OF OFFICERS	TOTAL NO. OF RAN FILE EMPLOYEE		TOTAL MANPOWER COMPLEMENT	

NOTE: USE ADDITIONAL SHEET IF NECESSARY

I, VERONNA G. DE LEON, Corporate Secretary of FILOIL ENERGY COMPANY INC. declare under penalty of perjury that all matters set forth in this GIS have been made in good faith, duly verified by me and to the best of my knowledge and belief are true and correct.

I hereby attest that all the information in this GIS are being submitted in compliance with the rules and regulations of the Securities and Exchange Commission (SEC) the collection, processing, storage and sharing of said information being necessary to carry out the functions of public authority for the performance of the constitutionally and statutorily mandated functions of the SEC as a regulatory agency.

I further attest that I have been authorized by the Board of Directors/Trustees to file this GIS with the SEC.

I understand that the Commission may place the corporation under delinquent status for failure to submit the reportorial requirements three (3) times, consecutively or intermittently, within a period of five (5) years (Section 177, RA No. 11232).

Done this ____ day of ______ 5 JUN 20121 in ____ OUEZON OUT

VERONNA G. DE LEON

(Signature over printed name)

SUBSCRIBED AND SWORN TO before me in _______ on ___ 2 5 JUN 2021 by affiant who personally appeared before me and exhibited to me his/her competent evidence of identity consisting of sued at ______ on _____.

PAGE NO. 3 ROOKNO. 5 ATTY. CONCEIDED P. VILLARENA Notary Public for Quezon City Until Deq**NOTARY PUBLIC** PTR No. 0683154 / 1-4-2021/ OC IBP No. 093587 / 10-22-2019/ QC Roll No. 30457 / 05-09-80 MCLE VI-0030379 / 2-21-2020 Adm. Matter No. NP-001(2020-2021) TIN NO. 131-942-754



REPUBLIC OF THE PHILIPPINES

SECURITIES AND EXCHANGE COMMISSION

SEC Building, EDSA, Greenhills City of Mandaluyong, Metro Manila 1000 - 1000

KALAYAAN

COMPANY REG. NO. A200119172

CERTIFICATE OF INCORPORATION

KNOW ALL MEN BY THESE PRESENTS:

This is to certify that the Articles of Incorporation and By-Laws of

FILOIL FINANCE MANAGEMENT CORPORATION

were duly approved by the Commission on this date upon the issuance of this Certificate of Incorporation in accordance with the Corporation Code of the Philippines (Batas Pambansa Big. 68), and copies of said Articles and By-Laws are hereto attached.

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

IN WITNESS WHEREOF, I have hereunto set my hand and caused the seal of this ommission to be affixed at Mandaluyong City, Metro Manila, Philippines, this day of nuary, Two Thousand Two.



BENITO A. CATARAN

Director

Company Registration and Monitoring Department



COVER SHEET

FILOIL FINANCE MANAGEMENT CORPORATION

(Company's Full Name)

1F, Bldg. F, Pheenix Sun Business Park, E. Redriguez Jr. Ave., Libis, Quezen City

(Company's Address: No. Street City / Town / Province)

Company's Telephone Number

December 21		any day in March			
December 31 (Fiscal Year End (Month & Day) FOR REGISTRANTS WITH	ing)	Annual Meeting			
RELATIONSHIP TYPE (RELN TYPE)		PANY (If registrant is a subsidiary) the registrant O - OTHERS			
RELN SEC NUMBER	COMPANY NAME				
Certified Correct:	re over printed name)	Position:			
(Signatu	re over printed name)	Date:			
	Do not fill below	this line The The Third Th			
		KEUSKUP			
		LCU: 4(2-28-0/			
Express Lane / Regular Lane	1 - 1415D	LCU			
	Suger Si	SEC No. 121119172			
Cashier					
	The state of	FILE No.			
Central Receiving Unit		DOC. ID			
Constant Receiving Out					
		AREA CODE / / / / / / / IND. CODE / / / / / /			

ARTICLES OF INCORPORATION

OF

FILOIL FINANCE MANAGEMENT CORPORATION

(Name of Corporation)

Know All Men By These Presents:

The undersigned incorporators, all of legal age and majority of whom are residents of the Philippines, have this day voluntarily agreed to form a stock corporation under the laws of the Republic of the Philippines.

THAT WE HEREBY CERTIFY:

FIRST: The name of this corporation shall be:

FILOIL FINANCE MANAGEMENT COMPORATION

SECOND: A. That the primary purpose of this corporation is

To engage in the business of providing general business
management services, parricularly in the field of financial management
and consultancy, management information system and other related services,
except the management of funds pertfolio and similar accounts of the
managed corporation, Provided further that it shall not
engage in the business of being a broker/dealer in securities,
government securities eligible dealer (GSED), investment
adviser of an investment company and investment house.

SC-97-01

conformed copy

1

B. That the corporation shall have all the express powers of a corporation as provided for under Section 36 of the Corporation Code of the Philippines.

THIRD: That the place where the principal office of the corporation is to be established is at:

No./Street E. Redriguez Jr. Avenue (If applicable)

City/Town Libis, Quezon City Province

FOURTH: That the term for which the corporation is to exist is fifty (50) years from and after the date of issuance of the certificate of incorporation.

FIFTH: That the names , nationalities, and residences of the incorporators are as follows:

Name	Nationality	Residence (Complete Address)
Rafaelite N. Villavice	ncie Fil.	
Rufine F. Malla, Jr.	Fil.	
Elisa S. Samaniego	Fil.	
Lourdes M. Tebias	F11.	
Verenna G. de Leen	F11.	
	2	
- II		
- HA 17	- 3.	
* ,	17.7	
	-	

SIXTH: That the number of directors of said corporation shall be _______ (5) and that the names, nationalities and residences of the first directors who are to serve until their successors are elected and qualified as provided by the by-laws are as follows:

Name N	lationality	Residence (Complete Address)	
afaelite N. Villavicencie	Fil.		
ufine F. Malla, dr.	F11.		
lisa S. Samaniego	F11.		
ourdes M. Tobias	F11.		
erenna G. de Leen	F11.		
			- 1 Al
			_
190			
	* #		
		al stock of the corporatio	
pesos in lawful mo	oney of the	Philippines, divided	into
		(10,000 shares with the	

EIGHTH: That at least 25% of the authorized capital stock has been subscribed and at least 25% of the total subscription has been paid as follows:

Name Rafaelite N. Villavicencie	Nationality F11.	No. of Shares Subscribed 2,000	Amount Subscribed 200,000.00	Amount Paid 52,000.00
Rufine F. Malla, Jr.	F11.	200	20,000.00	5,000.00
Elisa S. Samaniege	Fil.	200	20,000.00	5,000.00
Lourdes M. Tobias	Fil.	50	5,000.00	1,500.00
Verenna G. de Leen	Fil.	50	5,000.00	1,500.00
		4	11	
A CONTRACT OF THE PARTY OF THE				
	250	7.0		
1528	·			
	-	1-6		
				
H		-		-

		-		
A. S.				
Total		2,500	250,000.00	65,000.00

NINTH: No transfer of stock or interest which would reduce the stock ownership of Filipino citizens to less than the required percentage of the capital stock as provided by existing laws shall be allowed or permitted to be recorded in the proper books of corporation and this restriction shall be indicated in the stocks certificates issued by the corporation.

TENTH	: That	Lourdes M. Tobias	has
		rs as treasurer of the corporation to act as such	
successor is duly	elected and	qualified in accordance with the by-laws; and	that as such
Treasurer, he / sh	e has been a	authorized to receive for and in the name and fo	r the benefit
of the corporation	, all subscri	ptions paid by the subscribers.	

ELEVENTH: That the corporation manifests its willingness to change its corporate name in the event another person, firm or entity has acquired a prior right to use the said firm name or one deceptively or confusingly similar to it.

In Witness whereof, we have set our hands this 20th day of December 12000 at Quezen City Color Reprint Repair of the Color Reprint Reprint

WITNESSES:

TERLEGINDO SUEVORO

RUDE WINDUA

(All incorporators appearing on the fifth article and the two witnessess should affix their signatures on the blanks provided in this page above their respective names.)

ACKNOWLEDGEMENT

Republic of the Philippines)		
S.S.		
QUEZON CITY		
BEFORE ME 200 Notary Pub day of, 19	personally appeared	Philippines, this
Name Communit	y Tax Certificate No. 10695069	Date & place Issued Taytay Rizal/ 3-9-01
Rufine F. Malla, Jr.	05980827	Quezen City/ 1-11-01
Elisa S. Samaniego	10695068	Taytay, Rizal/ 3-9-01
Lourdes M. Tebias	08001427	Taytay, Rizel/ 4-6-00
Verenna G. De Leen	08001424	Taytay, Rizal/ 4-6-00

all known to me and to me known to be the same persons who executed the foregoing Articles of Incorporation and they acknowledged to me that the same is their free and voluntary act and deed.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my notarial seal on the date and at the place first above written.

NOTARY PUBLIC

Until December 31, 19

Doc. No. 7/4

Page No. ____ Book No. _ <

Series of 201/

CIELITA A. CATUBAY

NOTARY PUBLIC

UNTIL DECEMBER 31, 2002

SC-97-01

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TREASURER'S AFFIDAVIT

REPUBLIC OF THE F	Control of the Contro
	IEZON CITY
by-laws of the corporal least 25% of the author least 25% of the subsc benefit and credit of the	en elected by the subscribers of the corporation as Treasurer thereof, successor has been duly elected and qualified in accordance with the tion, and that as such Treasurer. I hereby certify under oath that at prized capital stock of the corporation has been subscribed and at ription has been paid, and received by me in cash property for the e corporation.
Sentral Ng Pilipi	authorize the Securities and Exchange Commission and Bangko inas to examine and verify the deposit in the
in my name as treasure	Name of Bank) r in trust for the FILOIL FINANCE MANAGEMENT (Branch) (Name of Corporation)
incorporation. This aut the issuance of the Cer transferred to another b to verify and examine Commission is also aut	-up capital of the said corporation which is in the process of hority is valid and inspection of said deposit may be made even after tificate of Incorporation to the corporation. Should the deposit be bank prior to or after incorporation, this will also serve as authority the same. The representative of the Securities and Exchange thorized to examine the pertinent books and records of accounts of the said supporting papers to determine the utilization and depaid-up capital.
	LOUBDES No. TOBIAS
	DEC 2 7 2001
atCUEZON_C certificate No.	AND SWORN to before me this day of, 20, Philippines, affiant exhibiting to me his Community Tax issued at, on
	NOTARY PUBLIC Until December 31, 20
Doc. No. 765; Page No. 775; Book No. 775; Series of 20	CIELATA A. CATUBAY NOTARY PUBLIC UNTIL DECEMBER 31, 2002 TIN: 140-951-194
SC-97-01	

(STOCK)

BY - LAWS

OF

FILOIL FINANCE MANAGEMENT CORPORATION

(Name of Corporation)

ARTICLE I

SUBSCRIPTION, ISSUANCE AND TRANSFER OF SHARES

Section 1. Subscriptions - Subscribers to the capital stock of the corporation shall pay the value of the stock in accordance with the terms and conditions prescribed by the Board of Directors. Unpaid subscriptions shall not earn interest unless determined by the Board of Directors.

Section 2. Certificate - The stockholder shall be entitled to one or more certificates for fully paid stock subscription in his name in the books of the corporation. The certificates shall contain the matters required by law and the Articles of Incorporation. They shall be in such form and design as may be determined by the Board of Directors and numbered consecutively. The certificate shall be signed by the President, countersigned by the Secretary or Assistant Secretary, and sealed with the corporate seal.

Section 3. Transfer of Shares - Subject to the restrictions, terms and conditions contained in the Articles of Incorporation, shares may be transferred, sold, assigned or pledged by delivery of the certificates duly indorsed by the stockholder, his attorney-in-fact, or other legally authorized person. The transfer shall be valid and binding on the corporation only upon record thereof in the books of the corporation. The Secretary shall cancel the stock certificates and issue new certificates to the transferee.

No share of stock against which the corporation holds unpaid claim shall be transferable in the books of the corporation.

All certificates surrendered for transfer shall be stamped "Cancelled" on the face thereof, together with the date of cancellation, and attached to the corresponding stub with the certificate book.

Section 4. Lost Certificates - In case any stock certificate is lost, stolen, or destroyed, a new certificate may be issued in lieu thereof in accordance with the procedure prescribed under Section 73 of the Corporation Code.

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ARTICLE II

MEETINGS OF STOCKHOLDERS

- Section 1. Annual / Regular Meetings The annual / regular meetings of stockholders shall be held at the principal office on any day in March of each year, if a legal holiday, then on the day following.
- Section 2. Special Meeting The special meetings of stockholders, for any purpose or purposes, may at any time be called by any of the following: (a) Board of Directors, at its own instance, or at the written request of stockholders representing a majority of the outstanding capital stock, (b) President.
- Section 3. Place of Meeting Stockholders meetings, whether regular or special, shall be held in the principal office of the corporation or at any place designated by the Board of Directors in the city or municipality where the principal office of the corporation is located.
- Section 4. Notice of Meeting Notices for regular or special meetings of stockholders may be sent by the Secretary by personal delivery or by mail at least two (2) weeks prior to the date of the meeting to each stockholder of record at his last known address. The notice shall state the place, date and hour of the meeting, and the purpose or purposes for which the meeting is called.

When the meeting of stockholders is adjourned to another time or place, it shall not be necessary to give any notice of the adjourned meeting if the time and place to which the meeting is adjourned are announced at the meeting at which the adjournment is taken. At the reconvened meeting, any business may be transacted that might have been transacted on the original date of the meeting.

- **Section 5.** Quorum Unless otherwise provided by law, in all regular or special meeting of stockholders, a majority of the outstanding capital stock must be present or represented in order to constitute a quorum. If no quorum is constituted, the meeting shall be adjourned until the requisite amount of stock shall be present.
- **Section 6.** Conduct of Meeting Meeting of the stockholders shall be presided over by the President, or in his absence, by a chairman to be chosen by the stockholders. The Secretary, shall act as Secretary of every meetings, but if not present, the chairman of the meeting shall appoint a secretary of the meeting.
- Section 7. Manner of Voting At all meetings of stockholders, a stockholder may vote in person or by proxy. Unless otherwise provided in the proxy, it shall be valid only for the meeting at which it has been presented to the Secretary. All proxies must be in the hands of the Secretary before the time set for the meeting. Proxies filed with the Secretary may be revoked by the stockholders either in an instrument in writing duly presented and recorded with the Secretary, prior to a scheduled meeting or by their personal presence at the meeting.

Section 8. Closing of Transfer Books or Fixing of Record Date - For the purpose of determining the stockholders entitled to notice of, or to vote at, any meeting of stockholders or any adjournment thereof or to receive payment of any dividend, the Board of Directors may provide that the stock and transfer books be closed for ten (10) working days immediately preceding such meeting.

ARTICLE III

BOARD OF DIRECTORS

- Section 1. Powers of the Board Unless otherwise provided by law, the corporate powers of the corporation shall be exercised, all business conducted and all property of the corporation controlled and held by the Board of Directors to be elected by and from among the stockholders. Without prejudice to such powers as may be granted by law, the Board of Directors shall also have the following powers:
 - a.) From time to time, to make and change rules and regulations not inconsistent with these by-laws for the management of the corporation's business and affairs;
 - b.) To purchase, receive, take or otherwise acquire for and in the name of the corporation, any and all properties, rights, or privileges, including securities and bonds of other corporations, for such consideration and upon such terms and conditions as the Board may deem proper or convenient;
 - c.) To invest the funds of the corporation in other corporations or for purposes other than those for which the corporation was organized, subject to such stockholders' approval as may be required by law;
 - d.) To incur such indebtedness as the Board may deem necessary, to issue evidence of indebtedness including without limitation, notes, deeds of trust, bonds, debentures, or securities, subject to such stockholders approval as may be required by law, and/or pledge, mortgage, or otherwise encumber all or part of the properties of the corporation;
 - e.) To establish pension, retirement, bonus, or other types of incentives or compensation plans for the employees, including officers and directors of the corporation;
 - f.) To prosecute, maintain, defend, compromise or abandon any lawsuit in which the corporation or its officer are either plaintiffs or defendants in connection with the business of the corporation;

- g.) To delegate, from time to time, any of the powers of the Board which may lawfully be delegated in the course of the current business of the corporation to any standing or special committee or to any officer or agent and to appoint any person to be agent of the corporation with such powers and upon such terms as may be deemed fit;
- h.) To implement these by-laws and to act on any matter not covered by these bylaws, provided such matter does not require the approval or consent of the stockholders under the Corporation Code.
- Section 2. Election and Term The Board of Directors shall be elected during each regular meeting of stockholders and shall hold office for one (1) year and until their successors are elected and qualified.
- Section 3. Vacancies Any vacancy occurring in the Board of Directors other than by removal by the stockholders or by expiration of term, may be filled by the vote of at least a majority of the remaining directors, if still constituting a quorum; otherwise, the vacancy must be filled by the stockholders at a regular or at any special meeting of stockholders called for the purpose. A director so elected to fill a vacancy shall be elected only for the unexpired term of his predecessor in office.

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

- **Section 4.** Meetings Regular meetings of the Board of Directors shall be held once a month on such dates and at places as may be called by the Chairman of the Board, or upon the request of a majority of the Directors.
- Section 5. Notice Notice of the regular or special meeting of the Board, specifying the date, time and place of the meeting, shall be communicated by the Secretary to each director personally, or by telephone, telegram, or by written message. A director may waive this requirement, either expressly or impliedly.
- **Section 6.** Quorum A majority of the number of directors as fixed in the Articles of Incorporation shall constitute a quorum for the transaction of corporate business and every decision of at least a majority of the directors present at a meeting at which there is a quorum shall be valid as a corporate act, except for the election of officers which shall require the vote of a majority of all the members of the Board.
- **Section 7.** Conduct of the Meetings Meetings of the Board of Directors shall be presided over by the Chairman of the Board, or in his absence, by any other director chosen by the Board. The Secretary, shall act as secretary of every meeting, if not present, the Chairman of the meeting, shall appoint a secretary of the meeting.

Section 8. Compensation - By- resolution of the Board, each director shall receive a reasonable per diem allowance for his attendance at each meeting of the Board. As compensation, the Board shall receive and allocate an amount of not more than ten percent (10%) of the net income before income tax of the corporation during the preceding year. Such compensation shall be determined and apportioned among the directors in such manner as the Board may deem proper, subject to the approval of stockholders representing at least a majority of the outstanding capital stock at a regular or special meeting of the stockholders.

ARTICLE IV

OFFICER

Section 1. Election / Appointment - Immediately after their election, the Board of Directors shall formally organize by electing the President, the Vice-President, the Treasurer, and the Secretary at said meeting.

The Board may, from time to time, appoint such other officers as it may determine to be necessary or proper. Any two (2) or more positions may be held concurrently by the same person, except that no one shall act as President and Treasurer or Secretary at the same time.

Section 2. President - The President shall be the Chief Executive Officer of the corporation and shall exercise the following functions:

- a.) To preside at the meetings of the stockholders;
- b.) To initiate and develop corporate objectives and policies and formulate long range projects, plans and programs for the approval of the Board of Directors, including those for executive training, development and compensation;
- c.) To supervise and manage the business affairs of the corporation upon the direction of the Board of Directors;
- d.) To implement the administrative and operational policies of the corporation under his supervision and control;
- e.) To appoint, remove, suspend or discipline employees of the corporation, prescribe their duties, and determine their salaries;
- f.) To oversee the preparation of the budgets and the statements of accounts of the corporation;
- g.) To represent the corporation at all functions and proceedings;

- h.) To execute on behalf of the corporation all contracts, agreements and other instruments affecting the interests of the corporation which require the approval of the Board of Directors.
- i.) To make reports to the Board of Directors and stockholders;
- j.) To sign certificates of stock;
- k.) To perform such other duties as are incident to his office or are entrusted to him by the Board of Directors.
- **Section 4.** The Vice-President He shall, if qualified, act as President in the absence of the latter. He shall have such other powers and duties as may from time to time be assigned to him by the Board of Directors or by the President.
- **Section 5.** The Secretary The Secretary must be a resident and a citizen of the Philippines. He shall have the following specific powers and duties:
 - a.) To record the minutes and transactions of all meetings of the directors and the stockholders and to maintain minute books of such meetings in the form and manner required by law;
 - b.) To keep record books showing the details required by law with respect to the stock certificates of the corporation, including ledgers and transfer books showing all shares of the corporation subscribed, issued and transferred;
 - c.) To keep the corporate seal and affix it to all papers and documents requiring a seal, and to attest by his signature all corporate documents requiring the same;
 - d.) To attend to the giving and serving of all notices of the corporation required by law or these by-laws to be given;
 - e.) To certify to such corporate acts, countersign corporate documents or certificates, and make reports or statements as may be required of him by law or by government rules and regulations.
 - f.) To act as inspector at the election of directors and, as such, to determine the number of shares of stock outstanding and entitled to vote, the shares of stock represented at the meeting, the existence of a quorum, the validity and effect of proxies, and to receive votes, ballots or consents, hear and determine questions in connection with the right to vote, count and tabulate all votes, determine the result, and do such acts as are proper to conduct the election.
 - g.) To perform such other duties as are incident to his office or as may be assigned to him by the Board of Directors or the President.

Section 6. The Treasurer - The Treasurer of the corporation shall have the following duties:

- a.) To keep full and accurate accounts of receipts and disbursements in the books of the corporation;
- b.) To have custody of, and be responsible for, all the funds, securities and bonds of the corporation;
- c.) To deposit in the name and to the credit of the corporation, in such bank as may be designated from time to time by the Board of Directors, all the moneys, funds, securities, bonds, and similar valuable effects belonging to the corporation which may come under his control;
- d.) To render an annual statements showing the financial condition of the corporation and such other financial reports as the Board of Directors, or the President may, from time to time require;
- e.) To prepare such financial reports, statements, certifications and other documents which may, from time to time, be required by government rules and regulations and to submit the same to the proper government agencies;
- f.) To exercise such powers and perform such duties and functions as may be assigned to him by the President.
- Section 7. Term of Office The term of office of all officers shall be one (1) year and until their successors are duly elected and qualified.
- **Section 8.** Vacancies If any position of the officers becomes vacant by reason of death, resignation, disqualification or for any other cause, the Board of Directors, by majority vote may elect a successor who shall hold office for the unexpired term.
- Section 9. Compensation The officers shall receive such renumeration as the Board of Directors may determine. A director shall not be precluded from serving the corporation in any other capacity as an officer, agent or otherwise, and receiving compensation therefor.

ARTICLE V

OFFICES

Section 1. The principal office of the corporation shall be located at the place stated in Article III of the Articles of Incorporation. The corporation may have such other branch offices, either within or outside the Philippines as the Board of Directors may designate.

ARTICLE VI

AUDIT OF BOOKS, FISCAL YEAR AND DIVIDENDS

- Section 1. External Auditor At the regular stockholders' meeting, the external auditor of the corporation for the ensuing year shall be appointed. The external auditor shall examine, verify and report on the earnings and expenses of the corporation.
- Section 2. Fiscal Year The fiscal year of the corporation shall begin on the first day of January and end on the last day of December of each year.
- Section 3. Dividends Dividends shall be declared and paid out of the unrestricted retained earnings which shall be payable in cash, property, or stock to all stockholders on the basis of outstanding stock held by them, as often and at such times as the Board of Directors may determine and in accordance with law.

ARTICLE VII

SEAL

Section 1. Form and Inscriptions - The corporate seal shall be determined by the Board of Directors.

ARTICLE VIII

AMENDMENTS

Section 1. These by-laws may be amended or repealed by the affirmative vote of at least a majority of the Board of Directors and the stockholders representing a majority of the outstanding capital stock at any stockholders' meeting called for that purpose. However, the power to amend, modify, repeal or adopt new by-laws may be delegated to the Board of Directors by the affirmative vote of stockholders representing not less than two-thirds of the outstanding capital stock; provided, however, that any such delegation of powers to the Board of Directors to amend, repeal or adopt new by-laws may be revoked only by the vote of stockholders representing a majority of the outstanding capital stock at a regular or special meeting.

	ess WHERE and here	eunto affixed	e undersigned sto our signatures	this	adopted the day of
incorporators; 2. If filed	after incorpora	ation, should be	ration, these by-la e signed by majorit ate for the adoptio	ty of the subsci	ribers and
MARAELITO H. VI	PVICENCIO		RUFINO F.	MALIA, JR.	elaj
ELISA S. SAMAR	COO		vanz ÇQ	elema.	
LOURDES N. TO	Tobal	- 1.46			4
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REPUBLIC OF THE PHILIPPINES SECURITIES AND EXCHANGE COMMISSION Ground Floor, Secretariat Building, PICC City of Pasay, Metro Manila

COMPANY REG. NO. A200119172

CERTIFICATE OF APPROVAL OF INCREASE OF CAPITAL STOCK

KNOW ALL PERSONS BY THESE PRESENTS:

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

FILOIL ENERGY COMPANY, INC.

from P1,000,000.00 divided into 10,000 shares of the par value of P100.00 each, to P1,000,000,000.00 divided into 10,000,000 shares of the par value of P100.00 each, approved by majority of the Board of Directors and by the vote of the stockholders owning or representing at least two-thirds of the outstanding capital stock at a meeting held on November 17, 2021 certified to by the Chairman and the Secretary of the stockholders meeting and a majority of the Board of Directors of the corporation, was approved by the Commission on the date indicated hereunder in accordance with the provision of Section 37 of the Revised Corporation Code of the Philippines, Republic Act No. 11232, which took effect on February 23, 2019. A copy of the Certificate of Increase of Capital Stock filed with the Commission is attached hereto.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the seal of this Commission to be affixed to this Certificate at Pasay City, Metro Manila, Philippines, this ______ day of December, Twenty Twenty One.

GERARDO F. DEL ROSARIO
Director
Company Registration and Monitoring Department

MLTC/ioo



REPUBLIC OF THE PHILIPPINES SECURITIES AND EXCHANGE COMMISSION Ground Floor, Secretariat Building, PICC City of Pasay, Metro Manila

COMPANY REG. NO. A200119172

CERTIFICATE OF FILING OF AMENDED ARTICLES OF INCORPORATION

KNOW ALL PERSONS BY THESE PRESENTS:

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

FILOIL ENERGY COMPANY, INC.

(Amending Articles II Secondary Purpose, III, and VII thereof)

copy annexed, adopted on November 17, 2021 by a majority vote of the Board of Directors and by the vote of the stockholders owning or representing at least two-thirds of the outstanding capital stock, and certified under oath by the Secretary and a majority of the Board of Directors of the corporation was approved by the Commission on this date pursuant to the provision of Section 15 of the Revised Corporation Code of the Philippines, Republic Act No. 11232, which took effect on February 23, 2019 and copies thereof are filed with the Commission.

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

IN WITNESS WHEREOF, I have hereunto set my hand and caused the seal of this Commission to be affixed to this Certificate at Pasay City, Metro Manila, Philippines, this 3, 4 day of December, Twenty Twenty One.

GERARDO F. DEL ROSARIO
Director

Company Registration and Monitoring Department

MLTC/ioo

AMENDED

(as amended on July 31, 2006, on January 30, 2012, on November 21, 2014, and on November 17, 2021)

ARTICLES OF INCORPORATION

of

FILOIL ENERGY COMPANY, INC.

(formerly Filoil Finance Management Corporation)

Know all men by these presents:

The undersigned incorporators, all of legal age and residents of the Republic of the Philippines, have this day voluntarily agreed to form a stock corporation under the laws of the Republic of the Philippines.

THAT WE HEREBY CERTIFY:

FIRST:

That the name of this corporation shall be:

FILOIL ENERGY COMPANY, INC.

(as amended on January 30, 2012)

SECOND:

A. That the primary purpose of this corporation is

(as amended on January 30, 2012)

To purchase or otherwise acquire, store, hold, transport, use, experiment with, refine, process, manufacture, blend, market, distribute, exchange, sell and otherwise dispose of, import, export, handle, trade and generally deal in, by wholesale or retail through gasoline outlets, and all kinds of petroleum products, fuel raw materials, their by-products, as well as alternative, renewable fuels and/or biofuels, its additives and related products, including related equipment and apparatus, as well as oil, gas and other volatile substances, lubricant, grease, ozokerite, sulphur, clays, bituminous substances, carbon, carbon black, hydrocarbon substances, phosphates, nitrates, coal, mineral and mineral substance of all grades, kinds, forms, descriptions and combinations, to the general product including the activities of importing, exporting, buying, selling, leasing, assembling and manufacturing of electric and/or hybrid vehicles and providing, selling and supplying of electric energy, power, or gas through charging stations as well as service/repair centers in support of the green transportation alternatives like electric vehicles;

That the SECONDARY PURPOSES of the corporation are: (as previously amended on July 31, 2006, on January 30, 2012, and on November 17, 2021)

1. To engage in the business of a holding company; to buy and hold shares of other companies, whether common, preferred, treasury, founders or other kinds of shares, either by subscribing to the unissued shares of the capital stock in public or private offerings or by purchasing the shares of other stockholders by way of assignment in private sale; to invest in the stock or equity of other companies; to acquire rights in the stock of other companies by way of pledge, chattel mortgage or assignment; to sell, dispose, assign, pledge or convey any or all of its shareholdings in other companies in favor of qualified persons by way of private sale, assignment or other forms of private conveyance; to vote its shareholdings in other companies and exercise all the rights of a shareholder, all in accordance with the Revised Corporation Code, the Securities Act and other applicable laws and regulations;

- 2. To acquire by purchase, lease, contract, concession or otherwise any and all real estate, lands, land patents, options, grants, franchises, water and other rights, privileges, easements estates, interests and properties of every kind and description whatsoever which the Corporation may deem necessary or appropriate in connection with the conduct of any activities which the Corporation may lawfully engage, and to own, hold and, operate, improve, develop, reorganize, manage, grant, lease, sell, exchange, or otherwise dispose of the whole or any part of said real estate;
- <u>3.</u> To engage in general construction including assembly, installation, repair, maintenance, development and any work upon buildings, roads and others, gasoline establishments, and upon any apparatus, equipment and structure:
- 4. To purchase or otherwise acquire assemble, install, construct, equip, repair, remodel, maintain, operate, hold, own, lease or sublease, rent, mortgage, charge, sell, convey or otherwise dispose of, any and all kinds of terminals, office buildings, commercial retail establishments, gas refilling stations, buildings and structures and all kinds of machinery, apparatus, equipment, fixtures and appliances necessary and related to the activities of the Corporation;
- 5. To enter into, make and perform contracts and arrangements of every kind and description for any lawful purpose with any person, firm, association, corporation, municipality, body politic, territory, province, state, government or colony or dependency thereof, without limit to amount, and to obtain from any government or authority any rights, privileges, contracts and concessions which the Corporation may deem desirable to obtain and to carry out, exercise or comply with any such contracts, arrangements, rights, privileges and concessions;
- 6. To apply for, obtain, register, purchase, lease or otherwise acquire, and to hold, own use, exercise, develop, operate and introduce, and to sell, assign, grant licenses or territorial rights in respects of, or otherwise to turn to account of dispose, any copyrights, trademarks, trade names, brands, labels, patents and improvements or processes used in connection with or secured under letters patent of any country, government or authority or otherwise, in relation to any of the purposes herein stated; and to acquire, use, exercise or otherwise, turn to gain licenses or rights in respect of any such copyrights, trademarks, trade names, brands, labels, patents, inventions, improvements, processes and the like;
- 7. To mortgage, encumber, or otherwise hypothecate any of its properties for the account and benefit of the Corporation and/or to authorize any person, firm, association or corporation in which it may have some interests to mortgage, encumber or otherwise hypothecate any of its properties for the account and benefit of such person, firm, association, or corporation subject to such terms and conditions as may be agreed upon by the parties;
- 8. To borrow or raise money for any of the purposes of the Corporation, and from time to time without limit as to amount, to draw, make, accept, endorse, discount, transfer, assign, execute and issue promissory notes, drafts, bills of exchange, warrants, bonds, debentures and other negotiable and transferable instruments and evidences of indebtedness, and for the purpose of securing any of its obligations or contracts to convey, transfer, assign, deliver, mortgage and/or pledge all or any part of the property or assets at any time held or owned by the Corporation on such terms and conditions as the Board of Directors of the Corporation shall authorize and as may be permitted by law; and to sell or otherwise dispose of any binds, debentures or other obligations of the Corporation for its corporate purposes;
- 9. To purchase, take on lease, or otherwise acquire, own, hold, develop, operate, lease, mortgage or pledge, sell, assign, convey, transfer, exchange or otherwise dispose of, real or personal property or any interest therein;
- 10. To provide general business management services, particularly in the field of financial management and consultancy, management information system and other related services except the management of funds portfolio and similar accounts of the managed corporation; provided further that it shall not engage in the business of being a broker/dealer in securities, government securities eligible dealer (GSED), investment adviser of an investment company and investment house;
- 11. To exercise all or any of its corporate powers, rights and privileges and to conduct its business in all or any of its branches in any part of the world, and for this purpose to have and maintain, and to discontinue such number of offices and agencies therein as may be convenient; and
- 12. To do all and everything necessary, suitable or proper for the accomplishment of any of the purposes or the furtherance of any of the powers herein set forth, either alone or in association with other corporations, firms or individuals, and to do every other act or acts, thing or things, incidental or pertinent to or growing out of or connection with the foregoing purposes or powers or any part of parts thereof.

B. That the Corporation shall have all the express powers of a corporation as provided for under Section 36 of the Corporation Code of the Philippines.

THIRD:

That the place where the principal office of the corporation is to be

established is at:

No./Street:

Bldg. F, Phoenix Sun Business Park____,

(if applicable)

E. Rodriguez Jr. Ave.

City/ Town:

Brgy. Bagumbayan, Quezon City

Province: Metro Manila

(as amended on November 21, 2014 and on November 17, 2021)

FOURTH: That the term for which said corporation is to exist is fifty (50) years from and after the date of issuance of the certificate of incorporation.

FIFTH:

That the names, nationalities, and residences of the incorporators are as

follows:

Name	Nationality	Residence (Complete Address)
Rafaelito N. Villavicencio	Fil.	
Rufino F. Malla Jr.	Fil.	
Elisa S. Samaniego	Fil.	
Lourdes M. Tobias	Fil.	
Veronna G. de Leon	Fil.	

SIXTH: That the number of directors of the corporation shall be Five (5) and that the names, nationalities, and residence of the first directors who are to serve until their successors are elected and qualified as provided by the by-laws are as follows:

Name	Nationality	Residence (Complete Address)
Rafaelito N. Villavicencio	Fil.	
Rufino F. Malla Jr.	Fil.	
Elisa S. Samaniego	Fil.	
Lourdes M. Tobias	Fil.	
Veronna G. de Leon	Fil.	

SEVENTH: That the authorized capital stock of the corporation is <u>One Billion Pesos</u>

(P1,000,000,000.000) in lawful money of the Philippines, divided into <u>Ten Million (10,000,000)</u>

shares with the par value of One Hundred Pesos (P100.00) pesos per share. (as amended on November 17, 2021)

EIGHTH: That at least 25% of the authorized capital stock has been subscribed and at least 25% of the total subscription has been paid as follows:

Name	Nationality	No. of Shares Subscribed	Amount Subscribed	Amount Paid
Rafaelito N.Villavicencio	Fil.	2,000	200,000.00	52,000.00
Rufino F. Malla Jr.	Fil.	200	20,000.00	5,000.00
Elisa S. Samaniego	Fil.	200	20,000.00	5,000.00
Lourdes M. Tobias	Fil.	50	5,000.00	1,500.00
Veronna G. de Leon	Fil.	50	5,000.00	1,500.00
Total		2,500	250,000.00	65,000.00

NINTH: That no transfer of stock or interest which would reduce the stock ownership of Filipino citizens to less than the required percentage of the capital stock as provided by existing laws shall be allowed or permitted to be recorded in the proper books of the corporation and this restriction shall be indicated in the stock certificates issued by the corporation.

TENTH: That Lourdes M. Tobias has been elected by the subscribers as treasurer of the corporation to act as such until her successor is duly elected and qualified in accordance with the by-laws; and that as such Treasurer, she has been authorized to receive for the corporation, and to issue in its name, receipts for all subscription paid by the subscribers.

ELEVENTH: That the corporation manifests its willingness to change its corporate name in the event of any other person, firm or entity has acquired a prior right to use the said firm name or one deceptively or confusingly similar to it.

IN WITNESS WHEREOF, we have set our hands this 20th day of December, 2001 at Quezon City.

(Sgd.) RAFAELITO N. VILLAVICENCIO (Sgd.) RUFINO F. MALLA, JR.

(Sgd.) ELISA S. SAMANIEGO (Sgd.) VERONNA G. DE LEON

(Sgd.) LOURDES M. TOBIAS

WITNESSES:

(Sgd.)Fernando Guevara

(Sgd.)Rudor M. Malla

ACKNOWLEDGEMENT

Republic of the Philippines)
QUEZON CITY) S.S.

BEFORE ME, a Notary Public in and for QUEZON CITY Philippines, this ____day of DEC. 27, 2001 personally appeared :

Name	Community Tax Certificate No.	Date & Place issued
Rafaelito N. Villavicencio	10695069	Taytay, Rizal/ 3-9-01
Rufino F. Malla Jr.	05980827	Quezon City/ 1-11-01
Elisa S. Samaniego	10695068	Taytay, Rizal/ 3-9-01
Lourdes M. Tobias	08001427	Taytay, Rizal/ 4-6-00
Veronna G. de Leon	08001424	Taytay, Rizal/ 4-6-00

all known to me and to me known to be the same persons who executed the foregoing Articles of Incorporation and they acknowledged to me that the same is their free and voluntary act and deed.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my notarial seal on the date and at the place first above written.

(Sgd.) CIELITA A. CATUBAY

Notary Public

Until December 31, 2002

PTR 1960506; 1-6-2001; QUEZON CITY

TIN 140-951-194

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