

0000022401

SEC Registration Number

PRIME MEDIA HOLDINGS, INC. (ASub
sidiary of RYM Business Management
Corp.)

(Company's Full Name)

16th Floor BDO Towers Valero, 8741
Passeeo de Roxas, Makati City,
Metro Manila

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

Diane Madelyn C. Ching

(Contact Person)

(02) 8831-4479

(Company Telephone Number)

12

Month Day
(Fiscal Year)

31

20-IS

(Form Type)

08

Month

30

Day

(Annual Meeting)

2024 DEFINITIVE
INFORMATION
STATEMENT

Secondary License Type, If Applicable)

Corporation Finance
Department

Dept. Requiring this Doc.

N/A

Amended Articles Number/Section

1,590

Total No. of Stockholders

Total Amount of Borrowings

Domestic

N/A

Foreign

To be accomplished by SEC Personnel concerned

File Number

LCU

Document ID

Cashier

STAMPS

Remarks: Please use BLACK ink for scanning purposes.

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

SECRETARY'S CERTIFICATE

I, **DIANE MADELYN C. CHING**, of legal age, Filipino, with office address at 16th Floor BDO Towers Valero (formerly Citibank Tower), 8741 Paseo de Roxas, Makati City, after having been duly sworn to in accordance with law, do hereby depose and state that:

1. I am the duly appointed and qualified Corporate Secretary of **PRIME MEDIA HOLDINGS, INC.** (the "Corporation"), a corporation duly organized and existing under the laws of the Philippines, with principal office address at 16th Floor BDO Towers Valero (formerly Citibank Tower), 8741 Paseo de Roxas, Makati City.
2. I hereby certify that during the special meeting of the Board of Directors of the Corporation held on **May 31, 2024**, at 4th Floor BDO Towers Paseo (formerly Citibank Center), 8741 Paseo de Roxas, Makati City, wherein a quorum was present and acting throughout, the following Resolutions were unanimously approved:

Resolution No. BD-3-2024-007

"RESOLVED, that the Board of Directors of **PRIME MEDIA HOLDINGS, INC.** ("the Corporation") authorizes, as it is hereby authorizes, the holding of the 2024 Annual Stockholders' Meeting on **August 30, 2024** with record date of **July 30, 2024**."

"RESOLVED FURTHER, that the Chairman/President of the Corporation, **Atty. Manolito A. Manalo**, be, as he is hereby, authorized and empowered to (1) postpone and reset the meeting date and record date, and (2) amend, revise and/or finalize the Agenda, in the appropriate case."

"RESOLVED FURTHER, that the stockholders of the Corporation be, as they are hereby, authorized to cast their votes by proxy, remote communication or in absentia, in accordance with the mechanisms and procedures to be issued by the Corporate Secretary."

"RESOLVED FURTHER, that Management and the proper officers of the Corporation be, as they are hereby, authorized and empowered, to perform all acts, and to sign, execute, file and deliver, for and on behalf of the

Corporation, any and all documents which may be required by the Securities and Exchange Commission and Philippine Stock Exchange in relation to the Annual Stockholders' Meeting."

"RESOLVED, FINALLY, that the foregoing resolutions shall continue to have full force and effect until the same are repealed, amended and/or superseded by subsequent resolution to the contrary."

MAKATI CITY

JUL 22 2024

IN WITNESS WHEREOF, I have hereunto set my hand this _____ day of _____ 2024 at Makati City.


DIANE MADELYN C. CHING
Corporate Secretary

MAKATI CITY

JUL 22 2024

SUBSCRIBED AND SWORN to before me this _____ day of _____, 2024 at Makati City, affiant exhibited to me her [REDACTED]

Doc. No.: 388;
Page No.: 79;
Book No.: 14;
Series of 2024.


ATTY. JOEL FERRER FLORES
Notary Public for Makati City
Until December 31, 2024
Appointment No. M-115 (2023-2024)
Roll Of Attorney No. 77376
MCLE Compliance VIII No. 0001393-
Jan. 3, 2023 until Apr. 12, 2028
PTR NO. 10073945/ Jan. 2, 2024/ Makati City
IBP No. 330740/ Jan. 2, 2024/ Pasig City
1107 Bataan St., Guadalupe Nuevo, Makati City

PRIME MEDIA HOLDINGS, INC.
(formerly: First E-bank Corp.)

16th Floor BDO Towers Valero (formerly: Citibank Tower),
8741 Paseo de Roxas, Makati City

31 December 2023
(Fiscal Year Ending)

30 August 2024
(Annual Meeting)

Definitive Information Statement
SEC Form 20 - IS

Form Type

Not Applicable

Amendment Designation (if applicable)

Not Applicable

(Secondary License Type and File Number)

LCU

DTU

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 20-IS

INFORMATION STATEMENT PURSUANT TO SECTION 20
OF THE SECURITIES REGULATION CODE

1. Check the appropriate box:

☐ Preliminary Information Statement
☒ **Definitive Information Statement**

2. Name of Registrant as specified in its charter: **PRIME MEDIA HOLDINGS, INC.**

3. Province, country or other jurisdiction of incorporation or organization
Metro Manila, Philippines

4. SEC Identification Number: **Reg. No. 22401**

5. BIR Tax Identification Code: **TIN 000-491-007**

6. Address of principal office:
16F BDO Towers Valero (formerly Citibank Tower), 8741 Paseo de Roxas, Makati City
Postal Code **1227**

7. Registrant's telephone number, including area code, Tel. Nos.: **(632) 8831-4479**

8. Date, time, and place of the meeting of security holders

30 August 2024, 2pm via Virtual Meeting/Video Conferencing/Remote Communication hosted at 16F BDO Towers Valero (formerly Citibank Tower), 8741 Paseo de Roxas, Makati City

9. Approximate date on which the Information Statement is first to be sent or given to security holders: **08 August 2024**

10. In case of Proxy Solicitations

Name of Person Filing the
Statement/Solicitor:

PRIME MEDIA HOLDINGS INC.

Address and Telephone No.:

16th Floor BDO Towers Valero
(formerly Citibank Tower)
8741 Paseo de Roxas, Makati City
Metro Manila, Philippines
Tel. (632) 8831-4479
Attn: Atty. Diane Madelyn C. Ching

11. Securities registered pursuant to Sections 8 and 12 of the Code or Sections 4 and 8 of the RSA (information on number of shares and amount of debt is applicable only to corporate registrants):

Title of Each Class	Number of Shares of Common Stock Outstanding or Amount of Debt Outstanding
Common Shares	850,298,616
Preferred Shares	14,366,260

^{*1} Reported by the stock transfer agent as of **30 June 2024**.

12. Are any or all of registrant's securities listed in a Stock Exchange?
Yes [**X**] No []

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



PRIME MEDIA HOLDINGS, INC.

NOTICE OF ANNUAL STOCKHOLDERS' MEETING

To All Stockholders:

Please be advised that the annual meeting of stockholders of **PRIME MEDIA HOLDINGS, INC.** (the “**Corporation**” or the “**Company**” or “**PRIM**”) will be held virtually on **30 August 2024 (Tuesday) at 2:00 p.m.** There will be no physical venue for the meeting. The meeting will be held virtually via remote communication at <https://conveneagm.com/ph/prime2024>, with the Chairman of the meeting presiding from Makati City.

The agenda of the meeting is as follows:

1. Call to Order.
2. Proof of Notice and Certification of Quorum.
3. Approval of the Minutes of Previous Stockholders' Meeting.
4. Approval of the Annual Report and the Audited Financial Statements for the year ending 31 December 2023
5. For Amendment of all previous resolutions and Approval of the following Amendments to the Articles of Incorporation:

5.1 Series A Preferred Shares:

- 5.1.1 Amendment to reiterate the Non-Voting and Convertible features of the Series A Preferred Shares with mandatory conversion right of the Company.
- 5.1.2 Reduction of par value of Series A Non-Voting Convertible Preferred Shares from PhP 1.00 to PhP 0.04 without change in the number of shares resulting in the Decrease of the Authorized Capital Stock from Five Billion (PhP 5,000,000,000.00) to Four Billion Forty Million Pesos (PhP 4,040,000,000) thereby amending the Seventh Article of the Articles of Incorporation.

5.2 Reclassification of Shares

- 5.2.1 Reclassification of One Billion (1,000,000,000) Series A Non-Voting Convertible Preferred Shares with a par value of PhP 0.04 per share and unissued One Billion (1,000,000,000) Series B Preferred Shares with a par value of PhP 1.00 per share, into One Billion Forty Million (1,040,000,000) Common Shares with a par value of PhP 1.00 per share, thereby amending the Seventh Article of the Articles of Incorporation.
- 5.2.2 Creation of Series “C” Non-Voting Redeemable Preferred Shares with a par value of PhP 1.00 per share, thereby amending the Seventh Article of the Articles of Incorporation.
- 5.2.3 Reclassification of Three Hundred Forty Thousand Six Hundred Sixty Four (340,664) Foreign-Owned Common Shares with a par value of

Php 1.00 per share, into Three Hundred Forty Thousand Six Hundred Sixty Four (340,664), Series C Non-Voting Redeemable Preferred Shares, thereby amending the Seventh Article of the Articles of Incorporation.

- 5.3 Increase in the authorized capital stock from Four Billion Forty Million Pesos (Php 4,040,000,000.00) to Six Billion Pesos (Php 6,000,000,000.00), thereby amending the Seventh Article of the Articles of Incorporation.
- 5.4 Approval of the mandatory redemption and retirement of all Series C Non-Voting Redeemable Preferred Shares with a par value of PhP 1.00 at a redemption price equivalent to at least its par value of PhP 1.00 per share or at the price determined by the Board and payable in cash resulting in the Decrease in the Authorized Capital Stock resulting from the mandatory redemption and retirement of the Series C Non-Voting Redeemable Preferred Shares.
- 5.5 Amendment of the Articles of Incorporation to delete all other provisions/ paragraphs in the Seventh Article relating to the Preferred Shares in view of the aforementioned amendments.
6. Exercise of the Company's mandatory conversion right to convert all of the outstanding Series A Non-Voting Convertible Preferred shares into Common Shares at the conversion rate of 25 Series A Non-Voting Convertible Preferred Shares with a par value of PhP 0.04 per share, to One (1) Common Share with a par value of PhP 1.00 per share, resulting to the conversion of 14,366,260 Series A Non-Voting Convertible Preferred Shares into 574,650 common shares; No fractional shares shall be issued and the value of fractional shares will be paid in cash.
7. Creation of Additional Paid-In Capital (APIC) in the amount of PhP 13,791,610.00 equivalent to the excess capital arising from the conversion of the outstanding Series A Non-Voting Convertible Preferred Shares into Common Shares as described in item (6) above.
8. Approval for the Additional Listing of 574,650 common shares issued to shareholders after conversion of their Series A Non-Voting Convertible Preferred Shares with a par value of PhP 0.04 per shares into Common Shares with a par value of PhP 1.00 as described in item (6) above, if necessary.
9. Amendment of the Memorandum of Agreement with Atty. Hermogene H. Real and Ms. Michelle F. Ayangco (as "Golden Peregrine Shareholders") and Reconfirmation of the issuance of 980,000,000 Common Shares for and in consideration of 100% of the issued and outstanding capital stock of Golden Peregrine Holdings Inc. pursuant to the updated valuation report.
10. Approval for the Additional Listing of 980,000,000 common shares issued to Golden Peregrine Shareholders as described in item (9) above.
11. Waiver by the minority stockholders of the rights or public offer requirement under the PSE Additional Listing Rule.
12. Ratification of All Acts of the Board of Directors and Management.
13. Election of Board of Directors.
14. Appointment of External Auditor.

15. Other Matters.

16. Adjournment.

For the purposes of the meeting, stockholders of record as of **30 July 2024** are entitled to receive notice and to vote at the said meeting. Stockholders intending to participate by remote communication should pre-register at <https://conveneagm.com/ph/prime2024> on or before **20 August 2024**. Please refer to the **Procedure for Participation and Voting at the 2024 Annual Stockholders' Meeting** (attached to the Definitive Information Statement) for detailed information on participation by remote communication and voting *in absentia* (electronic voting) or by proxy.

Pursuant to SEC's Notice dated March 13, 2023, a copy of the Notice of the meeting, Definitive Information Statement, minutes of the previous meeting of the stockholders, and other documents related to the meeting may be accessed through the Corporation's website <https://www.primemediaholdingsinc.com/> and PSE Edge.

For any question about the conduct of the virtual meeting, you may refer to the Frequently Asked Questions at <https://conveneagm.com/ph/prime2024> or email mdc.prim@gmail.com

Makati City, 08 August 2024.



DIANE MADELYN C. CHING
Corporate Secretary

*All proxies which have been previously submitted shall remain valid unless revoked.

SAMPLE PROXY FORM

The undersigned stockholder of **PRIME MEDIA HOLDINGS INC.** (the “Corporation” or the “Company” or “PRIM”) hereby appoints _____ or in his/her/its absence, the Chairman of the meeting, as attorney-in-fact and proxy, to represent and vote all the shares registered in his/her/its name at the annual meeting of the stockholders of the Corporation scheduled on **30 August 2024, 2:00 PM**, *via* a virtual meeting hosted at the 16th Floor BDO Towers Valero (formerly Citibank Tower), 8741 Paseo de Roxas, Makati City, and any of its adjournment(s), as fully as the undersigned can do if present and voting in person, ratifying all action taken on matters that may properly come before such meeting or its adjournment(s). The undersigned directs the proxy to vote on the agenda items which have been expressly indicated with “X” below:

PROPOSAL	ACTION			
	FOR	AGAINST	ABSTAIN	
1. Approval of Minutes of Previous Stockholders’ Meeting				
2. Approval of the Annual Report and the Audited Financial Statements for the year ending December 31, 2023.				
3. Approval of the Amendment to reiterate the Non-Voting and Convertible features of the Series A Preferred Shares with mandatory conversion right of the Company.				
4. Approval of the Reduction of par value of Series A Non-Voting Convertible Preferred Shares from PhP 1.00 to PhP 0.04 without change in the number of shares resulting in the Decrease of the Authorized Capital Stock from Five Billion (PhP 5,000,000,000.00) to Four Billion Forty Million Pesos (PhP 4,040,000,000) thereby amending the Seventh Article of the Articles of Incorporation.				
5. Approval of the Reclassification of One Billion (1,000,000,000) Series A Non-Voting Convertible Preferred Shares with a par value of PhP 0.04 per share and unissued One Billion (1,000,000,000) Series B Preferred Shares with a par value of PhP 1.00 per share, into One Billion				

Forty Million (1,040,000,000) Common Shares with a par value of PhP 1.00 per share, thereby amending the Seventh Article of the Articles of Incorporation.				
6. Approval of the Creation of Series “C” Non-Voting Redeemable Preferred Shares with a par value of PhP 1.00 per share, thereby amending the Seventh Article of the Articles of Incorporation.				
7. Approval of the Reclassification of Three Hundred Forty Thousand Six Hundred Sixty Four (340,664) Foreign-Owned Common Shares with a par value of PhP 1.00 per share, into Three Hundred Forty Thousand Six Hundred Sixty Four (340,664), Series C Non-Voting Redeemable Preferred Shares, thereby amending the Seventh Article of the Articles of Incorporation.				
8. Approval of the Increase in the authorized capital stock from Four Billion Forty Million Pesos (PhP 4,040,000,000.00) to Six Billion Pesos (PhP 6,000,000,000.00) thereby amending the Seventh Article of the Articles of Incorporation.				
9. Approval of the mandatory redemption and retirement of all Series C Non-Voting Redeemable Preferred Shares with a par value of PhP 1.00 at a redemption price equivalent to at least its par value of PhP 1.00 per share or at the price determined by the Board and payable in cash resulting in the Decrease in the Authorized Capital Stock resulting from the mandatory redemption and retirement of the Series C Non-Voting Redeemable Preferred Shares.				

10. Approval of the Amendment of the Articles of Incorporation to delete all other provisions/ paragraphs in the Seventh Article relating to the Preferred Shares in view of the aforementioned amendments.				
11. Approval of the Exercise of the Company's mandatory conversion right to convert all of the outstanding Series A Non-Voting Convertible Preferred shares into Common Shares at the conversion rate of 25 Series A Non-Voting Convertible Preferred Shares with a par value of PhP 0.04 per share, to One (1) Common Share with a par value of PhP 1.00 per share, resulting to the conversion of 14,366,260 Series A Non-Voting Convertible Preferred Shares into 574,650 common shares; No fractional shares shall be issued and the value of fractional shares will be paid in cash.				
12. Approval of the Creation of Additional Paid-In Capital (APIC) in the amount of PhP 13,791,610.00 equivalent to the excess capital arising from the conversion of the outstanding Series A Non-Voting Convertible Preferred Shares into Common Shares as described in item (6) above.				
13. Approval for the Approval for the Additional Listing of 574,650 common shares issued to shareholders after conversion of their Series A Non-Voting Convertible Preferred Shares with a par value of PhP 0.04 per shares into Common Shares with a par value of PhP 1.00 as described in item (6) above, if necessary.				

14. Amendment of the Memorandum of Agreement with Atty. Hermogene H. Real and Ms. Michelle F. Ayangco (as “Golden Peregrine Shareholders”) and Reconfirmation of the issuance of 980,000,000 Common Shares for and in consideration of 100% of the issued and outstanding capital stock of Golden Peregrine Holdings Inc. pursuant to the updated valuation report.				
15. Approval for the Additional Listing of 980,000,000 common shares issued to Golden Peregrine Shareholders as described in item (9) above.				
16. Approval of Waiver by the minority stockholders of the rights or public offer requirement under the PSE Additional Listing Rule.				
17. Ratification of All Acts of the Board of Directors and Management				
18. Election of Board of Directors:	FOR ALL	AGAINST ALL	ABSTAIN FOR	FULL DISCRETION OF PROXY
<p>The nominees are:</p> <p>Manolito A. Manalo Bernadeth A. Lim Rolando S. Santos Hermogene H. Real Michelle F. Ayangco</p> <p>Nominees for independent directors:</p> <p>Johnny Y. Aruego, Jr. Francisco L. Layug III</p> <p><i>Instruction: To withhold authority to vote for any nominee, please mark “Abstain” box and list the name(s) under.</i></p>				
19. Appointment of Reyes Tacandong & Co. as external auditor				
20. Other Matters				

Identification

This proxy is solicited by the Board of Directors and Management of Prime Media Holdings Inc. The solicited proxy shall be exercised by the Chairman or the stockholder's authorized representative.

Instruction

- a. For all agenda items other than "Call to Order", "Proof of Notice and Certification of Quorum", the proxy form shall be accomplished by marking in the appropriate box either "FOR", "AGAINST" or "ABSTAIN" according to the stockholder's/proxy's preference.

If no instructions are indicated on a returned and duly signed proxy, the shares represented by the proxy will be voted in favor of the:

FOR Approval of Minutes of Previous Stockholders' Meeting.

FOR Approval of the Annual Report and the Audited Financial Statements for the year ending 31 December 2023.

FOR Approval of the Amendment to reiterate the Non-Voting and Convertible features of the Series A Preferred Shares with mandatory conversion right of the Company.

FOR Approval of the Reduction of par value of Series A Non-Voting Convertible Preferred Shares from PhP 1.00 to PhP 0.04 without change in the number of shares resulting in the Decrease of the Authorized Capital Stock from Five Billion (PhP 5,000,000,000.00) to Four Billion Forty Million Pesos (PhP 4,040,000,000) thereby amending the Seventh Article of the Articles of Incorporation.

FOR Approval of the Reclassification of One Billion (1,000,000,000) Series A Non-Voting Convertible Preferred Shares with a par value of PhP 0.04 per share and unissued One Billion (1,000,000,000) Series B Preferred Shares with a par value of PhP 1.00 per share, into One Billion Forty Million (1,040,000,000) Common Shares with a par value of PhP 1.00 per share, thereby amending the Seventh Article of the Articles of Incorporation.

FOR Approval of the Creation of Series "C" Non-Voting Redeemable Preferred Shares with a par value of PhP 1.00 per share, thereby amending the Seventh Article of the Articles of Incorporation.

FOR Approval of the Reclassification of Three Hundred Forty Thousand Six Hundred Sixty Four (340,664) Foreign-Owned Common Shares with a par value of PhP 1.00 per share, into Three Hundred Forty Thousand Six Hundred Sixty Four (340,664), Series C Non-Voting Redeemable Preferred Shares, thereby amending the Seventh Article of the Articles of Incorporation.

FOR Approval to Increase the authorized capital stock from Four Billion Forty Million Pesos (PhP 4,040,000,000.00) to Six Billion Pesos (PhP 6,000,000,000.00) thereby amending the Seventh Article of the Articles of Incorporation.

FOR Approval of the mandatory redemption and retirement of all Series C Non-Voting Redeemable Preferred Shares with a par value of PhP 1.00 at a redemption price equivalent to at least its par value of PhP 1.00 per share or at the price determined by the Board and payable in cash resulting in the Decrease in the Authorized Capital Stock resulting from the mandatory redemption and retirement of the Series C Non-Voting Redeemable Preferred Shares.

FOR Approval of the Amendment of the Articles of Incorporation to delete all other provisions/ paragraphs in the Seventh Article relating to the Preferred Shares in view of the aforementioned amendments.

FOR Approval of Exercise of the Company's mandatory conversion right to convert all of the outstanding Series A Non-Voting Convertible Preferred shares into Common Shares at the conversion rate of 25 Series A Non-Voting Convertible Preferred Shares with a par value of PhP 0.04 per share, to One (1) Common Share with a par value of PhP 1.00 per share, resulting to the conversion of 14,366,260 Series A Non-Voting Convertible Preferred Shares into 574,650 common shares; No fractional shares shall be issued and the value of fractional shares will be paid in cash.

FOR Approval of the Creation of Additional Paid-In Capital (APIC) in the amount of PhP 13,791,610.00 equivalent to the excess capital arising from the conversion of the outstanding Series A Non-Voting Convertible Preferred Shares into Common Shares as described in item above.

FOR Approval of the Additional Listing of 574,650 common shares issued to shareholders after conversion of their Series A Non-Voting Convertible Preferred Shares with a par value of PhP 0.04 per shares into Common Shares with a par value of PhP 1.00 as described in item (6) above, if necessary.

FOR Approval of the Amendment of the Memorandum of Agreement with Atty. Hermogene H. Real and Ms. Michelle F. Ayangco (as "Golden Peregrine Shareholders") and Reconfirmation of the issuance of 980,000,000 Common Shares for and in consideration of 100% of the issued and outstanding capital stock of Golden Peregrine Holdings Inc. pursuant to the updated valuation report.

FOR Approval of the Additional Listing of 980,000,000 common shares issued to Golden Peregrine Shareholders as described in item above.

FOR Approval of Waiver by the minority stockholders of the rights or public offer requirement under the PSE Additional Listing Rule.

FOR Ratification of All Acts of the Board of Directors and Management

FOR Election of the following directors:

Regular Directors:

Manolito A. Manalo
Bernadeth A. Lim
Rolando S. Santos
Hermogene H. Real
Michelle F. Ayangco

Independent directors:

Johnny Y. Aruego, Jr.
Francisco L. Layug III

FOR the approval of the appointment of Reyes Tacandong & Co. as the Company's external auditor; and to authorize the Proxy to vote according to discretion of the Company's Chairman of the Meeting on any matter that may be discussed under "Other Matters".

- b. A Proxy Form that is returned without a signature shall not be valid.

- c. The matters to be taken up in the meeting are enumerated opposite the boxes on the accompanying Proxy Form. The names of the nominee directors are likewise enumerated opposite an appropriate space.
- d. If a stockholder will not be able to attend the meeting but would like to be represented thereat, he may submit his Proxy Form, duly signed and accomplished, to the Office of the Corporate Secretary at 16th Floor BDO Towers Valero, 8741 Paseo de Roxas, Makati City, on or before **20 August 2024**. Beneficial owners whose shares are lodged with Philippine Depository & Trust Corporation (PDTC) or registered under the name of a broker, bank or other fiduciary allowed by law must, in addition to the required I.D., present a notarized certification from the owner of record (*i.e.* the broker, bank or other fiduciary) that he is the beneficial owner, indicating thereon the number of shares. Corporate shareholders shall likewise be required to present a notarized secretary's certificate attesting to the authority of its representative to attend and vote at the stockholders' meeting.

Validation of proxies will take place on **23 August 2024** at the office of the principal office of the Company.

Revocability of Proxy

A shareholder may revoke his proxy on or before the date of the Annual Meeting. The proxy may be revoked by the shareholder's written notice to the Corporate Secretary advising the latter of the revocation of the proxy, or by a shareholder's personal attendance during the meeting and appropriate advice to the Corporate Secretary of such revocation.

Persons Making the Solicitation

This solicitation is made by the Corporation. No director has informed the Company in writing or otherwise of his intention to oppose any action intended to be taken at the meeting.

Solicitation of proxies will be done mainly by mail. Certain personnel of the Corporation will also solicit proxies in person or by telephone.

The estimated amount to be spent by the Corporation to solicit proxies is PhP20,000.00. The cost of solicitation will be borne by the Company.

Interest of Certain Persons in Matters to be Acted Upon

Ms. Michelle Ayangco and Atty. Hermogene Real, who are nominees for re-election as directors of the Corporation, are the 100% owner of Golden Peregrine Holdings, Inc. ("GPHI") which now owns 100% of the outstanding capital stock of PCMC. Pursuant to proposed amendments to the MOA, they will subscribe to Nine Hundred Eighty Million (980,000,000) common shares of the Corporation (based on updated third party appraisal), subject to final determination of the Board, third party appraisal, fairness opinion, and other closing conditions. As consideration for their subscription, Ms. Michelle Ayangco and Atty. Real shall assign and transfer their 100% ownership in GPHI to the Corporation. Atty. Hermogene Real is the President and majority shareholder of Mairete Asset Holdings Inc., who owns 9.08% of the Corporation.

On July 30, 2021, the Company entered into a MOA with the majority stockholders of a mass media entity, Philippine Collective Media Corporation ("PCMC Shareholders"), wherein the PCMC Shareholders shall jointly subscribe to 1,679,966,400 common shares of the Company to be paid in the form of PCMC shares in order to obtain the business, assets and ownership of PCMC. Upon the execution of the transaction, the PCMC Shareholders will jointly gain control and majority ownership of approximately 70% of the Company's outstanding capital stock. With PCMC's national franchise, the Company may use this as a leverage to provide other content providers an avenue to broadcast their contents, regionally and nationwide, for profit.

On 15 August 2022, the Board of Directors of the Corporation approved the amendment of the PCMC MOA to take into consideration the subsequent incorporation of Golden Peregrine Holdings, Inc. which now owns 100% of the outstanding capital stock of PCMC, and which is also owned 100% by the former PCMC Shareholders, Atty. Hermogene H. Real and Michelle F. Ayangco.

On 18 January 2023, the Board of Directors of the Corporation authorized the amendment of the Memorandum of Agreement) (“MOA”) relating to the following: (a) Change the Exchange Ratio to 4,700 PRIM shares for 1 Golden Peregrine share pursuant to the updated appraisal report as of December 2022.(b) Subscription by Atty. Hermogene H. Real and Ms. Michelle Ayangco to 1,645,000,000 PRIM Common Shares to be issued out of the proposed increase in authorized capital stock in consideration of the assignment of 100% of the Outstanding Capital Stock of Golden Peregrine pursuant to the updated appraisal report.

Considering the pending application of the Company with the Securities and Exchange Commission and the lapse of time and progress of the transaction, on 31 May 2024, the Board approve the amendment of the MOA in relation to the subscription of Atty. Hermogene H. Real and Ms. Michelle F. Ayangco (as “Golden Peregrine Shareholders”) from 1,645,000,000 to 980,000,000 common shares for and in consideration of their assignment of 100% of the issued and outstanding shares in Golden Peregrine Holdings Inc. pursuant to the updated valuation report as of December 31, 2023.

The proposed amendments are necessary to be presented for re-approval of the shareholders as the current agenda includes clarification, modification and supplemental proposed actions to ensure implementation in order to meet the objectives of the Company.

Rolando S. Santos is a director and officer of Mairete Asset Holdings Inc. and the Corporation.

Atty. Diane Madelyn Ching is the Corporate Secretary of Corporation, Mairete Asset Holdings Inc. and Armstrong Capital Holdings Corp.

Other than the above statements, no director or officer of the Corporation or any other nominee for election as director of the Corporation or any associate of the foregoing, has any substantial interest, direct or indirect, by security holdings or otherwise, in any matter to be acted upon, other than election to office as director of the Corporation. None of the officers or directors or any of their associates has any substantial interest, direct or indirect, in any of the matters to be acted upon in the stockholders’ meeting.

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

- a) Any director or executive officer of the registrant
- b) Any nominee for election as a director
- c) Any security holder
- d) Any member of the immediate family
- e) Any arrangement or understanding with the participant, or any associate of the participant
 - i. With respect to any future employment by the registrant or its affiliates; or
 - ii. With respect to any future transaction to which the registrant or any of its affiliates will or may be a party.

Signed this ____ day of _____ 2024 at _____

PRINTED NAME OF THE STOCKHOLDER

SIGNATURE OF THE
STOCKHOLDER/AUTHORIZED
REPRESENTATIVE

This proxy need not be notarized but must be submitted to the Corporate Secretary on or before **20 August 2024**, at 5:00 p.m. The stockholder giving a proxy has the power to revoke it either in an instrument in writing duly presented for recording with the Corporate Secretary at least five (5) days prior to the meeting or by personal attendance at the stockholders' meeting. For corporations, the proxy must be accompanied by a Secretary's Certificate authorizing an authorized representative to represent the corporation in the meeting.

SAMPLE SECRETARY'S CERTIFICATE

I, _____, of legal age, with address at _____, being the Corporate Secretary of _____ with principal office address at _____, do hereby certify that:

1. In the regular/special meeting of the Board of Directors of the Corporation held on _____ 2024 at the _____, in which a quorum was present and acting throughout, the following resolutions were unanimously approved:

“RESOLVED, that the Board of Directors of _____ (the “Corporation”) hereby authorize, _____ and/or _____ to represent the Corporation and to vote all of the Corporation’s shares registered in the books of the **PRIME MEDIA HOLDINGS INC. (PRIM)** at any annual stockholders’ meeting of PRIM, particularly, the annual stockholders’ meeting to be held on **30 August 2024**, and any adjournments or postponements thereof.

“RESOLVED, FURTHER, that the Board of Directors of the Corporation authorize _____ and/or _____ to sign, execute and deliver nominations and proxies in relation to said annual stockholders’ meeting of PRIM.”

2. The foregoing resolutions have not been suspended, revoked nor amended.

IN WITNESS WHEREOF, I have hereunto set my hand this _____ (date of execution), _____ (place of execution).

Corporate Secretary

SUBSCRIBED AND SWORN to before me on _____ at Makati, Metro Manila, affiant exhibiting to me his/her valid proof of identification _____ issued at _____ on _____.

Doc. No. _____
Page No. _____
Book No. _____
Series of 2024.

INFORMATION STATEMENT AND MANAGEMENT REPORT

INFORMATION STATEMENT

WE ARE ASKING FOR YOUR PROXY AND YOU ARE REQUESTED TO SEND US A DULY FILLED PROXY

However, if you cannot attend and you wish to send a representative/proxy, please send your proxy letter to the Office of the Corporate Secretary on or before **20 August 2024**, at 5:00 p.m., a sample of which is attached to this report. On the day of the annual stockholders' meeting on **30 August 2024**, your representative should bring the proxy letter and present valid proof of identification (e.g. passport, driver's license, company ID or TIN card).

This proxy is solicited by the Board of Directors and Management of Prime Media Holdings Inc. The solicited proxy shall be exercised by the Chairman or the stockholder's authorized representative.

A. GENERAL INFORMATION

Item 1. Date, Time and Place of Annual Meeting of Security Holders

The Annual Meeting of the stockholders of **PRIME MEDIA HOLDINGS, INC.** will be held on **30 August 2024**, at 2:00 PM, by video conferencing or remote communication as hosted at 16th Floor BDO Towers Valero, 8741 Paseo de Roxas, Makati City. There will be no physical venue for the meeting. The meeting will be conducted **virtually**. All security holders and attendees are to be present via video conferencing/remote communication.

The mailing address of the Corporation is at **16th Floor BDO Towers Valero (formerly Citibank Tower), 8741 Paseo de Roxas, Makati City**. Please address the letters to the corporate secretary of the Corporation, Atty. Diane Madelyn C. Ching.

This Information Statement will be first sent or given to security holders on or around **08 August 2024**.

Item 2. Dissenters' Right of Appraisal

The Revised Corporation Code limits the exercise of the appraisal right by any dissenting stockholder to the following instances:

- a. In case any amendment to the articles of incorporation has the effect of changing or restricting the rights of any stockholder or class of shares, or of authorizing preferences in respect superior to those of outstanding shares of any class, or of extending or shortening the term of corporate existence (Section 80);
- b. In case of the sale, lease, exchange, transfer, mortgage, pledge or other disposition of all or substantially all of the corporate property and assets (Section 80);
- c. In case of merger or consolidation (Section 80);
- d. In case of investment of corporate funds for any purpose other than the primary purpose of the corporation (Section 80).

The appraisal right may be exercised by making a written demand on the corporation within thirty (30) days after the date on which the vote was taken for payment of the fair value of his shares; provided, that failure to make the demand within such period shall be deemed a waiver of the appraisal right. If the proposed corporate action is implemented or effected, the corporation shall pay to such stockholder, upon surrender of the certificate(s) of stock representing his shares, the fair value thereof as of the day prior to the date on which the vote was taken, excluding any appreciation or depreciation in anticipation of such corporate action.

If within a period of sixty (60) days from the date the corporate action was approved by the stockholders, the withdrawing stockholder and the corporation cannot agree on the fair value of the shares, it shall be determined and appraised by three (3) disinterested persons, one of whom shall be named by the stockholder, another by the corporation, and the third by the two thus chosen. The findings of the majority of the appraisers shall be final, and their award shall be paid by the corporation within thirty (30) days after such award is made; Provided, That no payment shall be made to any dissenting stockholder unless the corporation has unrestricted retained earnings in its books to cover such payment; and Provided, further, That upon payment by the corporation of the agreed or awarded price, the stockholders shall forthwith transfer his shares to the corporation.

The appraisal right shall be exercised in accordance with Title X of the Revised Corporation Code.

Based on the latest audited financial statements and interim financial statements, the Corporation has no unrestricted retained earnings. Accordingly, no payment shall be made to any dissenting stockholder exercising his appraisal right.

The following matters in the Agenda shall entitle the shareholders to exercise their appraisal right as the same involves Amendment to the Articles of Incorporation and material transaction resulting to change in control of the Corporation:

1. Series A Preferred Shares:
 - 1.1 Amendment to reiterate the Non-Voting and Convertible features of the Series A Preferred Shares with mandatory conversion right of the Company.
 - 1.2 Reduction of par value of Series A Non-Voting Convertible Preferred Shares from PhP 1.00 to PhP 0.04 without change in the number of shares resulting in the Decrease of the Authorized Capital Stock from Five Billion (PhP 5,000,000,000.00) to Four Billion Forty Million Pesos (PhP 4,040,000,000) thereby amending the Seventh Article of the Articles of Incorporation.
2. Reclassification of Shares
 - 2.1 Reclassification of One Billion (1,000,000,000.00) Series A Non-Voting Convertible Preferred Shares with a par value of PhP 0.04 per share and unissued One Billion (1,000,000,000.00) Series B Preferred Shares with a par value of PhP 1.00 per share, into One Billion Forty Million (1,040,000,000) Common Shares with a par value of PhP 1.00 per share, thereby amending the Seventh Article of the Articles of Incorporation.
 - 2.2 Creation of Series “C” Non-Voting Redeemable Preferred Shares with a par value of PhP 1.00 per share, thereby amending the Seventh Article of the Articles of Incorporation.
 - 2.3 Reclassification of Three Hundred Forty Thousand Six Hundred Sixty Four (340,664) Foreign-Owned Common Shares with a par value of PhP 1.00 per share, into Three Hundred Forty Thousand Six Hundred Sixty Four (340,664), Series C Non-Voting Redeemable Preferred Shares, thereby amending the Seventh Article of the Articles of Incorporation.
3. Increase in the authorized capital stock from Four Billion Forty Million Pesos (PhP 4,040,000,000.00) to Six Billion Pesos (PhP 6,000,000,000.00), thereby amending the Seventh Article of the Articles of Incorporation.
4. Approval of the mandatory redemption and retirement of all Series C Non-Voting Redeemable Preferred Shares with a par value of PhP 1.00 at a redemption price equivalent to at least its par value of PhP 1.00 per share or at the price determined by the Board and payable in cash resulting in the Decrease in the Authorized Capital Stock resulting from the mandatory redemption and retirement of the Series C Non-Voting Redeemable Preferred Shares.

5. Amendment of the Articles of Incorporation to delete all other provisions/ paragraphs in the Seventh Article relating to the Preferred Shares in view of the aforementioned amendments.
6. Amendment of the Memorandum of Agreement with Atty. Hermogene H. Real and Ms. Michelle F. Ayangco (as “Golden Peregrine Shareholders”) and Reconfirmation of the issuance of 980,000,000 Common Shares for and in consideration of 100% of the issued and outstanding capital stock of Golden Peregrine Holdings Inc. pursuant to the updated valuation report.

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

Ms. Michelle F. Ayangco and Atty. Hermogene H. Real, who are nominees for re-election as directors of the Corporation, are the One Hundred Percent (100%) owners of Golden Peregrine Holdings, Inc. (“GPHI” or “Golden Peregrine”) which now owns One Hundred Percent (100%) of the outstanding capital stock of Philippine Collective Media Corporation (“PCMC”).

On 30 July 30 2021, the Company entered into a Memorandum Of Agreement (“MOA”) with the majority stockholders of a mass media entity, Philippine Collective Media Corporation (“PCMC Shareholders”), wherein the PCMC Shareholders shall jointly subscribe to One Billion Six Hundred Seventy Nine Million Nine Hundred Sixty Six Four Hundred (1,679,966,400) Common Shares of the Company to be paid in the form of PCMC shares in order to obtain the business, assets and ownership of PCMC. Upon the execution of the transaction, the PCMC Shareholders will jointly gain control and majority ownership of approximately Seventy Percent (70%) of the Company’s outstanding capital stock. With PCMC’s national franchise, the Company may use this as a leverage to provide other content providers an avenue to broadcast their contents, regionally and nationwide, for profit.

On 15 August 2022, the Board of Directors of the Corporation approved the amendment of the PCMC MOA (thus, the “GPHI MOA”) to take into consideration the subsequent incorporation of Golden Peregrine Holdings, Inc. which now owns one hundred percent (100%) of the outstanding capital stock of PCMC, and which is also owned one hundred percent (100%) by the former PCMC Shareholders, Atty. Hermogene H. Real and Michelle F. Ayangco.

On 18 January 2023, the Board of Directors of the Corporation authorized the amendment of the GHPI MOA relating to the following: (a) Change of the Exchange Ratio to Four Thousand Seven Hundred (4,700) PRIM shares for One (1) Golden Peregrine share pursuant to the updated appraisal report as of December 2022; (b) Subscription by Atty. Hermogene H. Real and Ms. Michelle F. Ayangco (as the Golden Peregrine Shareholders) to One Billion Six Hundred Forty Five Million (1,645,000,000) PRIM Common Shares to be issued out of the proposed increase in authorized capital stock in consideration of the assignment of One Hundred Percent (100%) of the outstanding capital Stock of Golden Peregrine pursuant to the said updated appraisal report.

Considering the pendency of the application of the Company with the Securities and Exchange Commission and the lapse of time and progress of the transaction, on 31 May 2024, the Board approved the further amendment of the GPHI MOA in relation to the subscription of the Golden Peregrine Shareholders in PRIM reducing the same from One Billion Six Hundred Forty Five Million (1,645,000,000) to Nine Hundred Eighty Million (980,000,000) Common Shares for and in consideration of their assignment of one hundred percent (100%) of the issued and outstanding shares GPHI pursuant to the updated valuation report as of 31 December 2023. Atty. Hermogene H. Real is the President and majority shareholder of Mairete Asset Holdings Inc., which, in turn, owns 9.08% of the Corporation.

Rolando S. Santos is a director and officer of Mairete Asset Holdings Inc. and the Corporation.

Atty. Diane Madelyn Ching is the Corporate Secretary of Mairete Asset Holdings Inc., Armstrong Capital Holdings Corp. and the Corporation.

Other than the above statements, no director or officer of the Corporation or any other nominee for election as director of the Corporation or any associate of the foregoing, has any substantial interest, direct or indirect, by security holdings or otherwise, in any matter to be acted upon, other than election to office as director of the Corporation. None of the officers or directors or any of their associates has any substantial interest, direct or indirect, in any of the matters to be acted upon in the stockholders' meeting.

None of the directors of the Corporation has informed the Corporation that he intends to oppose any action to be taken by the Corporation at the stockholders' meeting.

B. CONTROL AND COMPENSATION INFORMATION

Item 4. Voting Securities and Principal Holders Thereof

As of **30 June 2024**, the following shares of common and preferred stock of the Corporation were outstanding:

<u>Class</u>	<u>Number of Outstanding Shares</u>
Common	850,298,616
Preferred	
Series "A"	14,366,260
Series "B"	Nil

As of **30 June 2024**, the foreign equity ownership on a per class basis is as follows:

<u>Class</u>	<u>Number of Outstanding Shares</u>
Common	336,278
Preferred	109,650

All registered owners of the Corporation's outstanding capital stock at the close of business on **30 July 2024 (record date)** will be entitled to notice and vote at its Annual Stockholders' Meeting on **30 August 2024**.

Each common share is entitled to one (1) vote on all matters to be taken up during the Annual Meeting except in the case of electing directors where one (1) share is entitled to Seven (7) votes, *i.e.* each share is entitled to as many votes as there are Board seats to be filled up.

Each stockholder is entitled to cumulate his votes and cast the same in favor of one or several nominees of his choice in such proportion as he shall deem fit, provided that, the total votes cast do not exceed the number of his shares multiplied by the number of directors to be elected. There is no condition precedent to the exercise by the stockholders of their cumulative voting right.

For the approval of the proposed amendments to the Articles of Incorporation, the affirmative vote of the shareholders representing at least two-thirds (2/3) of the total outstanding capital stock including the Common and Preferred shares will be needed for approval. For other matters, the affirmative vote of shareholders representing majority of the outstanding capital stock shall suffice.

There is no change in control that has occurred since the last financial year.

Security Ownership of Persons Owning More Than 5% of the Corporation's Outstanding Common Stock

As of **30 June 2024**, the Corporation knows of no one who is directly or indirectly the record or beneficial owner of more than five percent (5%) of the Corporation's capital stock except as set forth below:

Type of Class	Name and address of record owner and relationship with Issuer	Name and address of beneficial owner and relationship with Issuer	Citizenship	Name of Beneficial Owner & Relationship with Record Owner	No. of Shares Held	Percent of class
Common	PCD Nominee Corporation - Tower 1- Ayala Triangle Makati Avenue cor. Paseo de Roxas, Makati City (Registered Owner in the Books of the Transfer Agent)	RYM Business Management Corp. (“RYM”)/ 106 Paseo de Roxas Ave. Makati City Stockholder	Filipino	RYM is the beneficial owner of the shares.	363,555,085	42.76%
		Mairete Asset Holdings, Inc. (“Mairete”) 16 th Floor Citibank Tower, Paseo de Roxas, Makati Stockholder	Filipino	Mairete Asset Holdings, Inc. is the beneficial owner of the shares.	77,178,901	9.08%
		Armstrong Capital Holdings Corp. (“ACHC”) - 16 th Floor, BDO Towers Valero, 8741 Paseo de Roxas Makati City	Filipino	Armstrong Capital Holdings Corp. is the beneficial owner of the shares.	100,097,000	11.77%
Common		Valiant Consolidated Resources Inc. (formerly Angel Maple Properties Inc.) (“Valiant”)	Filipino		125,000,000	14.7%

RYM, Mairete, ACHC and Valiant have authorized and/or appointed by way of proxy, the Chairman of the Board of Prime Media Holdings Inc. to represent and vote their shares in the Annual Stockholders’ Meeting.

ACHC is a subsidiary of RYM, which owns 42.76% of the Registrant. Atty. Diane Madelyn C. Ching is the Corporate Secretary of the Registrant, Mairete Asset Holdings Inc. and ACHC.

Security Ownership of Management as of 30 June 2024

Type of Class	Name and Address of Owner	Amount and nature of Beneficial ownership	Citizenship	Percent of class
Common	Manolito A. Manalo	1 Direct	Filipino	0.0%
Common	Rolando S. Santos	1000 Direct	Filipino	0.0%
Common	Bernadeth A. Lim	1 Direct	Filipino	0.0%
Common	Hermogene H. Real	2000 Direct	Filipino	0.0%
Common	Michelle F. Ayangco	2000 Direct	Filipino	0.0%
Common	Johnny Y. Aruego, Jr.	1 Direct	Filipino	0.0%
Common	Francisco L. Layug III	1 Direct	Filipino	0.0%
	Aggregate for above named officers and directors	5,004		

Voting Trust Holders of 5% or More

The Corporation is not aware of the existence of persons holding five percent (5%) or more of the Corporation's shares of common stock under a voting trust or similar agreement.

Changes in Control

The Corporation plans to take One Hundred Percent (100%) ownership of Golden Peregrine Holdings, Inc. ("GPHI or "Golden Peregrine") by issuing new shares to Ms. Michelle F. Ayangco and Atty. Hermogene H. Real, ("Golden Peregrine Shareholders"), who shall take controlling interest in the Corporation.

On 18 January 2023, the Board of Directors of the Corporation authorized the amendment of the Memorandum of Agreement) ("MOA") relating to the following: (a) Change of the Exchange Ratio to Four Thousand Seven Hundred (4,700) PRIM shares for One (1) Golden Peregrine share pursuant to the updated appraisal report as of December 2022 (b) Subscription by Atty. Hermogene H. Real and Ms. Michelle F. Ayangco to One Billion Six Hundred Forty Five Million (1,645,000,000) PRIM Common Shares to be issued out of the proposed increase in authorized capital stock in consideration of the assignment of one hundred percent (100%) of the Outstanding Capital Stock of Golden Peregrine pursuant to the said updated appraisal report.

The Golden Peregrine Shareholders are owners of one hundred percent (100%) of the outstanding capital stock of Golden Peregrine, which corporation, in turn, owns one hundred percent (100%) of the outstanding capital stock of PCMC.

Previously under the MOA, Ms. Michelle F. Ayangco and Atty. Hermogene H. Real, owners of one hundred percent (100%) of PCMC, undertook to transfer all of their shares in PCMC to the Corporation in exchange for shares in the Corporation. However, after the execution of the MOA, the Golden Peregrine Shareholders assigned all of their shares in PCMC in exchange for one hundred percent (100%) of the outstanding capital stock of GPHI. As such, PCMC became a wholly owned subsidiary of GPHI, while the Golden Peregrine Shareholders owns one hundred percent (100%) of the outstanding capital stock of GPHI. In view thereof, the MOA had to be amended to reflect the changes to the corporate structure of PCMC.

Under the proposed amendment to the MOA, the Golden Peregrine Shareholders shall jointly subscribe to Nine Hundred Eighty Million (980,000,000) Common Shares of the Corporation to be issued from an increase in authorized capital stock which shall be paid in the form of Golden Peregrine shares, subject to final determination of the Board, third party appraisal, fairness opinions, and other closing

conditions, in order to obtain the business, assets and ownership of PCMC. After the transaction, the Golden Peregrine Shareholders will gain control and majority ownership of up to approximately fifty three and 54/100 percent (53.54%) of outstanding capital stock of the Corporation. On the other hand, PCMC will become an indirect subsidiary of the Corporation with GPHI as intermediary and direct subsidiary of the Corporation. The subscriptions of Golden Peregrine Shareholders to Nine Hundred Eighty Million (980,000,000) PRIM Common Shares shall come from the increase in capital stock which will be presented for approval of the shareholders during the Annual Shareholders' Meeting.

The contemplated transaction, as amended, aims to transform the Corporation into a viable and operational business entity and address its capital deficiency, negative equity, and non-operation. The transaction will result in the folding-in of GPHI, which owns one hundred percent (100%) of PCMC, into the Corporation thereby making PCMC an indirect subsidiary of the Corporation. With the national franchise of PCMC, the Corporation can engage in an active business of mass media and further leverage PCMC's franchise and network for use by existing content providers in need of broadcasting rights.

Please refer to Item 12 for a brief write-up on the GPHI Transaction.

Item 5. Directors and Executive Officers

Directors

The following are the names, ages, citizenship, periods of service of the incumbent directors of the Corporation as of **30 June 2024**:

Name	Age	Citizenship	Period during which individual has served as such
Manolito A. Manalo	55	Filipino	May 2013 to the present
Bernadeth A. Lim	44	Filipino	May 2013 to the present
Hermogene H. Real	68	Filipino	October 2021 to the present
Michelle F. Ayangco	52	Filipino	October 2021 to the present
Rolando S. Santos	74	Filipino	August 2017 to the present
Johnny Y. Aruego, Jr. (Independent Director)	55	Filipino	May 2013 to the present
Francisco L. Layug III (independent director)	69	Filipino	December 2017 to the present

The business experience of each of the incumbent directors of the Corporation for the last five (5) years is as follows:

Manolito A. Manalo was elected as President and Director in May 2013. He is a product of the University of the Philippines in Diliman, having earned a bachelor of arts degree in Political Science and a bachelor of laws degree from the same university in the years 1992 and 1995, respectively. He is the co-founder and managing partner of Ocampo and Manalo Law Firm. He also sits as the Chairman of Media Serbisyo Production Corporation; Director in Kajima Philippines, Inc. and Independent Director of Teleport Commerce Philippines, Inc. He is also the resident agent of several foreign corporations, including Air Asia Berhad, Air Seoul Inc., Chailease International Financial Services Co., Ltd, Turkish Airlines, Inc., Hong Kong Airlines Limited and Shenzhen Airlines. He also acts as corporate secretary to Lenovo PCCW, Otis Elevators, Ayala Land subsidiaries such as ALICap & Direct Power Services & Asia Digital Engineering of Capital A (Malaysia), among others.

Bernadeth A. Lim was elected as Vice President and Director in May 2013. She graduated from the University of the Philippines with a degree in Bachelor of Laws. She is a partner of Ocampo and Manalo Law Firm. She is the Chairman and President of Morrison Express Philippines, Inc. from February 2017 to present. She was elected as a Director of AVK Philippines, Inc. in 2016 until 2022 and was re-elected

as a Director in 2023 to present. Meanwhile, she is the current resident agent of several airlines, Tigerair Taiwan Co. Ltd. (since 2019), YTO Cargo Airlines Co., Ltd. (since 2020) and Starlux Airlines Co., Ltd. (since 2020).

Hermogene H. Real was elected as Director in October 2021. She graduated from the University of the Philippines with a degree in Bachelor of Laws. She was admitted to the Philippine Bar in 1998. She is the President of Mairete Asset Holdings Inc. and Southern Estates Integrated Park Inc. She serves as Director to Bright Kindle Resources and Investments Inc., Brightgreen Resources Corp., Southern Alluvial Minerals and Alumina Resources Inc., Benguetcorp. Laboratories Inc. She holds the position of Corporate Secretary in Benguet Corporation, and Benguetcorp. Nickel Mines Inc. She is likewise the Assistant Corporate Secretary of Doña Remedios Trinidad Romualdez Medical Foundation Inc. She is a practicing lawyer and an associate of D.S. Tantuico and Associates.

Michelle F. Ayangco was elected as Director in October 2021. She graduated from Rizal Technological University with a degree in BS Accountancy. She is the current President and Chairman of Sequioa Business Management Corporation and Nieva Realty and Development Corporation. She is also a Director and Corporate Secretary of Trans Middle East Philippine Equities Inc. She operates her own business as a proprietor of BZPEP Launderette Shop.

Rolando S. Santos was elected as Director in August 2017. He was elected as Treasurer in October 2013. He serves as Vice President and Treasurer of Bright Kindle Resources & Investments Inc. And as Treasurer of Marcventures Holdings Inc. and Marcventures Mining and Development Corp. He was previously the Branch Head/ Cluster Head for Makati Branches of Equitable PCI Bank from 2001 to 2013 which was eventually acquired by BDO.

Johnny Y. Aruego, Jr. was elected as an Independent Director in May 2013. He is a partner in Aruego Bite and Associates. He is a director of Excel Unified Land Resources Corporation. He is the Corporate Secretary and Legal Counsel for Agility, Inc. and A. V. Ocampo-ATR Kimeng Insurance Broker, Inc. He is a Legal Consultant of Lorzana Food Corporation, National Steel Corporation and Margarita Land and Management Co., Inc. He is the assistant rehabilitation receiver for Pacific Activated Carbon, Inc., Pet Plans, Inc., Bacnotan Steel Industries, Inc. and All Asia Capital and Trust Corporation. He is an assistant liquidator of East Asia Capital Corporation, Reynolds Philippines corporation.

Francisco L. Layug III was elected as an Independent Director in December 2017. He is the President of Rotary Club of Pasay. He was the President of Electronic Security System Corp. (ESSCOR) from 1992-2015. He is currently a Consultant of ESSCOR.

Officers

As of **30 June 2024**, the following are the names, ages, positions, citizenship, and periods of service of the incumbent officers of the Corporation:

Name	Age	Position	Citizenship	Period during which individual has served as such
Manolito A. Manalo	55	President & CEO	Filipino	May 2013 up to present
Bernadeth A. Lim	43	Vice President	Filipino	May 2013 to present
Diane Madelyn C. Ching	42	Corporate Secretary, Co-Compliance Officer, Co-Corporate Information Officer and Co-Data Privacy Officer	Filipino	January 2023 to present
Rolando S. Santos	74	Treasurer	Filipino	October 2013 up to present
Dale A. Tongco	59	Risk Management Officer	Filipino	October 2021 to present

Diane Madelyn C. Ching is a member of the Integrated Bar of the Philippines. She obtained her Bachelor of Laws degree from San Beda College-Mendiola in 2009. She acts as Corporate Secretary to various companies, including, Media Serbisyo Production Corporation, Armstrong Securities Inc., Asian Appraisal Company Inc., among others. She previously served as Director and Corporate Secretary of Prime Media Holdings Inc. from 2014 to June 2019. She was the previous General Counsel and Assistant Corporate Secretary of Marcventures Holdings Inc. (MARC) as well as the VP Legal and Corporate Secretary of MARC's subsidiary, Marcventures Mining and Development Corp. from 2013 to June 2019. She was likewise the Corporate Secretary of Bright Kindle Resources and Investment Corp. until June 2019. Atty. Ching was previously an associate of Ocampo & Manalo Law Firm from March 2010 to June 2013.

Dale A. Tongco was appointed as Risk Management Officer on 13 October 2021. He is likewise the Vice-President Risk Management/ Chief Risk Officer of Bright Kindle Resources & Investments, Inc and also Vice-President and Controller of Marcventures Holdings Inc. He is a Certified Public Accountant with extensive experience in Public Accounting Firms as External Auditor and with corporations as an Internal Auditor and Risk Management Officer specifically in the areas of Fraud Management; ISO 9001 and 14001 Audit and Management; Process and Control Review; Policies and Procedures Documentation; Corporate Governance; and Finance and Treasury. His professional experience includes stints in SGV, Chinabank, RCBC, KPMG, Deloitte, Philamlife-AIA, CP de Guzman & Co.-CPAs, Habitat for Humanity Phils. and Benguet Corporation.

Nomination Committee and Nominees for Election as Members of the Board of Directors

The Nominations Committee has screened the following nominees for election or re-election on **30 August 2024**. The Nominations Committee determined that the candidates possess all the qualifications and none the disqualifications as director or independent director.

Nominees for Regular Directors

Manolito A. Manalo
Bernadeth A. Lim
Rolando S. Santos
Hermogene H. Real
Michelle F. Ayangco

Nominees for Independent Director

Johnny Y. Aruego, Jr.
Francisco L. Layug III

All nominations for regular and independent directors have been reviewed and approved by the Corporation's Nomination and Compensation Committee. No director has resigned or declined to stand for re-election to the board of directors since the date of the last annual meeting and there has been no disagreement on the Corporation's operations, policies, or practices.

The independent directors were both nominated by Atty. Manolito A. Manalo. The nominator is not related to the persons he has nominated for independent directors.

The procedure and selection of the independent directors were made in accordance with Section 38 of Republic Act 8799 or the Securities Regulation Code (as amended) and the Corporation's By-laws. In compliance with the provisions of Rule 38 of the Amended Implementing Rules and Regulations of the Securities Regulation Code, the Corporation's By-laws was amended on 30 September 2004.

The qualifications of all nominated directors, including the nominated independent directors have been pre-screened in accordance with the rules of the Corporation. Only the nominees whose names appear on the Final List of Candidates are eligible for election as directors (independent or otherwise). No other nominations were entertained after the preparation of the Final List of Candidates and no further nominations shall be entertained or allowed during the annual stockholders' meeting.

The Corporation undertakes to submit the updated Certifications of Qualification for the Independent Directors within thirty (30) days from their election in compliance with Securities and Exchange Commission (“SEC”) Memorandum Circular No. 5 Series of 2017.

The nomination and election of independent directors shall be in accordance with Section 38 the Securities Regulation Code (as amended) and Article II, Section 3 of the Corporation’s By-Laws as amended by the Board of Directors on 29 September 2004 and the Stockholders on 30 September 2004.

The Nomination Committee is composed of Engr. Francisco L. Layug III as Chairman, and Atty. Hermogene H. Real and Atty. Johnny Y. Aruego, Jr. as members.

In accordance with SEC Memorandum Circular No. 4 Series of 2017, Francisco L. Layug III as an Independent Director (ID) has not exceeded the maximum cumulative term of nine (9) years while Atty. Johnny Y. Aruego, Jr. is in his eleventh (11th) year as an ID. Furthermore, the Corporation understands that after a term of (9) years, the independent director shall be perpetually barred from re-election as such in the same company but may continue to qualify as a non-independent director. At the instance that a company wants to retain an independent director who has served for nine (9) years, the Board should provide meritorious justification/s and seek shareholders’ approval during the annual shareholders’ meeting; and reckoning of the cumulative nine-year is from 2012.

Atty. Johnny Y. Aruego, Jr. was elected to his first term as ID in March 2013 and has been elected to, and served, for nine (9) consecutive years ending in 2022. The Board of Directors received the nomination of Atty. Johnny Y. Aruego, Jr. as ID from the Chairman, Atty. Manolito A. Manalo, with a favorable assessment of his performance during his term. After a discussion on the background and qualifications of Atty. Johnny Y. Aruego, Jr. and his valuable contributions to the Company taking into account his objectivity, impartiality and strategic guidance, the Board of Directors found meritorious justification to unanimously approve the nomination of Atty. Johnny Y. Aruego, Jr. as ID beyond the nine (9)-year term. The Board is favorably endorsing the nomination of Atty. Johnny Y. Aruego, Jr. for re-election as ID at the Annual Stockholders’ Meeting.

Period in Which Directors and Executive Officers Should Serve

The directors and executive officers should serve for a period of one (1) year.

Term of Office of a Director

The seven (7) directors shall be elected annually by the stockholder’s owning majority of the outstanding capital stock for a term of one (1) year and shall serve until the election and qualification of their successors. At each election for directors every stockholder shall have the right to vote, in person or by proxy, the number of shares owned by him for as many persons as there are directors to be elected, or to cumulate his votes by giving one candidate as many votes as the number of such directors multiplied by the number of his share shall equal, or by distributing such votes in the same principle among any number of candidates.

Any vacancy in the board of directors other than removal or expiration of term may be filled by a majority vote of the remaining members thereof at a meeting called for that purpose if they still constitute a quorum, and the director or directors so chosen shall serve for the unexpired term.

Significant Employees

The business of the Corporation is not highly dependent on the services of certain key personnel. There is no employee who, while not being an executive officer, is expected by the Corporation to make a significant contribution to the business.

Family Relationships

There are no family relationships either by consanguinity or affinity up to the fourth (4th) civil degree among directors, executive officers, and nominees for election as directors.

Involvement in Certain Legal Proceedings

The Corporation is not aware that any one of the incumbent directors and officers and persons nominated to become director/s and officer/s has been the subject of a bankruptcy petition or a conviction by final judgment in criminal proceeding, domestic or foreign, excluding traffic violations and other minor offenses, or has been by judgment or decree found to have violated securities or commodities law and enjoined from engaging in any business, securities, commodities or banking activities for the past five (5) years until the date of this Information Sheet.

The Company is a party to certain lawsuits or claims arising from its previous bank operations in the ordinary course of business. However, the Company's management believe that eventual liabilities under these lawsuits or claims, if any, will not have a material effect on the Company's financial status and general corporate standing in light of the available legal defenses to the Company. The Corporation is not aware of any material pending legal proceedings to which the Corporation is a party.

Further, to the best of its knowledge and/or information, the Company is not aware of: (a) any bankruptcy petition filed by or against any business of which a director or executive officer or person nominated to become a director or executive officer was a general partner or executive officer either at the time of the bankruptcy or within two (2) years prior to that time; (b) any conviction by final judgment in a criminal proceeding for an offense involving moral turpitude, domestic or foreign, including a nolo contendere case, or being subject to a pending proceeding for an offense involving mortal turpitude, domestic or foreign, excluding traffic violations and other minor offenses; (c) being subject to any order, judgment, or decree, not subsequently reversed, suspended or vacated, of any court of competent jurisdiction, domestic or foreign, permanently or temporarily enjoining, barring, suspending or otherwise limiting his involvement in any type of business, securities, commodities or banking activities; and (d) being found by a domestic or foreign court of competent jurisdiction (in a civil action), the Securities and Exchange Commission or comparable foreign body, or a domestic or foreign Exchange or other organized trading market or self-regulatory organization, to have violated a securities or commodities law or regulation and the judgment has not been reversed, suspended, or vacated.

Certain Relationships and Related Transactions

Ms. Michelle F. Ayangco and Atty. Hermogene H. Real (the "Golden Peregrine Shareholders"), who are nominees for re-election as directors of the Corporation, are the one hundred percent (100%) owner of Golden Peregrine Holdings, Inc. ("GPHI") which now owns one hundred percent (100%) of the outstanding capital stock of Philippine Collective Media Corporation ("PCMC"). Pursuant to proposed amendments to the Memorandum of Agreement between the Golden Peregrine Shareholders and the Corporation, the former will subscribe to Nine Hundred Eighty Million (980,000,000) Common Shares of the Corporation, subject to final determination of the Board, third party appraisal, fairness opinions, and other closing conditions. As consideration for their subscription, Golden Peregrine Shareholders shall assign and transfer their one hundred percent (100%) ownership in GPHI to the Corporation. Atty. Hermogene H. Real is the President and majority shareholder of Mairete Asset Holdings Inc., who owns 9.08% of the Corporation.

Mr. Rolando S. Santos is a director and officer of Mairete Asset Holdings Inc. and the Corporation. Atty. Diane Madelyn C. Ching sits as Corporate Secretary for the Corporation, Mairete Asset Holdings Inc. and Armstrong Capital Holdings Corp.

Other than the above statement and as discussed in note 13 to the Audited Financial Statements for the period ending 31 December 2021, there are no significant transactions entered into by the Corporation in the normal course of business with related parties.

The proposed transaction with the Golden Peregrine Shareholders, who are the majority shareholders of GPHI, which in turn owns one hundred percent (100%) of the outstanding shares of PCMC, is intended to transform the Company into a viable and operational business entity and address its capital deficiency, negative equity, and non-operation. [Please refer to Item 12 for a brief write-up on PCMC.] The transaction will involve folding GPHI into the Corporation, which will make PCMC an indirect subsidiary of the Corporation. With the national franchise of PCMC, the Corporation can engage in an active business of mass media and further leverage said franchise and network for use by existing content providers in need of broadcasting rights.

Golden Peregrine Shareholders' subscriptions to Nine Hundred Eighty Million (980,000,000) Common Shares of the Corporation (the "**PRIM Shares**"), which will be issued from an increase in authorized capital stock, shall be paid through the assignment of all outstanding shares of GPHI at a price based on a third-party appraisal and subject to confirmation by a third-party fairness opinion and other closing conditions. The subscriptions of Golden Peregrine Shareholders to Nine Hundred Eighty Million (980,000,000) PRIM common shares which shall come from the increase in capital stock, will be presented for approval of the shareholders during the Annual Shareholders' Meeting.

Asian Appraisal Co. Inc. ("AACI"), the third party appraiser, used the adjusted net asset valuation method. In arriving at the net asset value of GPHI, AACI used the adjusted net asset value of PCMC, GPHI's unaudited financial statement for the year 2023 and its adjusted non-current assets to cover the whole investment into PCMC. After which, AACI derived the adjusted net asset value using the following formula: Adjusted Net Asset Value= Restated Assets- Liabilities. To determine the value of the Media Franchise of PCMC, AACI used the income approach, specifically, the discounted cash flow method.

There are no ongoing contractual or other commitments as a result of the arrangement with Golden Peregrine Shareholders other than causing the fulfillment of the stipulated closing conditions.

Please refer to Item 12 for a brief write-up on GPHI transaction.

Resignation/Disagreement

The Corporation is not aware of any incumbent directors and/or key officers who intend to resign or refuse to their re-election as member of the Board of the Directors or as officer of the Corporation.

Item 6. Compensation of Directors and Executive Officers

The aggregate compensation paid in 2022, 2023 and estimated to be paid in 2024, (1) to the Chief Executive Officer and four (4) most highly compensated officers of the Corporation, as a group; and (2) to all key officers, other officers, and directors as a group, is set out below:

<i>Names</i>	<i>Position</i>	<i>Year</i>	<i>Salary</i>	<i>Bonus</i>	<i>Others</i>
<i>Manolito A. Manalo</i>	<i>Chairman & President</i>		<i>0</i>	<i>0</i>	
<i>Bernadeth A. Lim</i>	<i>Vice President</i>		<i>0</i>	<i>0</i>	
<i>Rolando S. Santos</i>	<i>Treasurer</i>		<i>0</i>	<i>0</i>	
<i>Diane Madelyn C. Ching</i>	<i>Corporate Secretary</i>		<i>0</i>	<i>0</i>	
<i>Dale A. Tongco</i>	<i>Risk Management Officer</i>		<i>0</i>	<i>0</i>	
<i>Aggregate for above named officers</i>		<i>2022</i>	<i>0</i>	<i>0</i>	<i>130,000</i>
		<i>2023</i>	<i>0</i>	<i>0</i>	<i>170,000</i>
		<i>2024(est)</i>	<i>0</i>	<i>0</i>	<i>190,000</i>

<i>All Directors and Officers as a group unnamed</i>	2022	0	0	150,000
	2023	0	0	160,000
	2024(est)	0	0	180,000

There are no special employment contracts between the Corporation and its directors and officers. The directors are entitled to nominal per diem amounting to Ten Thousand Pesos (₱10,000.00) for attending board meetings and Five Thousand Pesos (₱5,000.00) for attending committee meetings. There are no outstanding warrants or options granted to directors and officers.

Item 7. Independent Public Accountants

- a) Independent Public Accountants, Reyes Tacandong & Co. (RTC) will stand for re-election as the Corporation's external auditors for the year 2024 which shall be subject to shareholders' approval during the Annual Meeting in compliance with Securities Regulation Code ("SRC") Rule 68, Paragraph 3(b)(iv) which provides that the external auditor should be rotated every five (5) years or earlier or the handling partner shall be changed.
- b) RTC was first elected as the Corporation's Independent Public Accountant in December 2014. Representatives of RTC will be present during the Annual Stockholders' Meeting and will be given the opportunity to make a statement if they desire to do so. They are also expected to respond to appropriate questions if needed. There was no event where RTC and the Corporation had any disagreement with regard to any matter relating to accounting principles or practices, financial statement disclosure or auditing scope or procedure. Except as stated in the report of independent auditors, the Corporation has no disagreements with its auditors.
- c) For the audit of the Corporation's Annual financial statements and services provided in connection with statutory and regulatory filings or engagements, the aggregate amounts to be billed or already billed excluding VAT and out of pocket expenses (OPE) by RTC amounts/amounted to Four Hundred Eighty Thousand Pesos (₱480,000.00) and Four Hundred Fifty Thousand Pesos (₱450,000.00) for the years 2023 and 2022, respectively.

The 2023 audit of the Corporation is in compliance with SRC Rule 68, paragraph (3)(b)(ix), which provides that the external auditor should be rotated, or the handling partner changed, every five (5) years or earlier and that a two-year cooling off period should be observed in the re-engagement of the same signing partner or individual auditor.

At present, RTC account partner handling the Corporation is Ms. Pamela Ann Escudro. She replaced Ms. Belinda B. Fernando who was the handling partner starting in 2014. A two-year cooling-off period shall be observed in the re-engagement of the same signing partner or individual.

The Corporation created an Audit Committee composed of Atty. Johnny Y. Aruego, Jr as Chairman, and Atty. Bernadeth A. Lim and Engr. Francisco L. Layug III as members. As provided for in its charter, the objective of the Audit Committee is to assist the Board of Directors in fulfilling its oversight responsibilities by reviewing the financial reporting process, the system of internal control, risk management, governance processes, the audit process and the Corporation's process for monitoring compliance with laws and regulations and its own code of business conduct.

Item 8. COMPENSATION PLANS

No action is proposed to be taken during the stockholders' meeting with regard to any bonus, profit sharing, pension/retirement plan, granting of any extension of options, warrants or rights to purchase any securities. The Corporation has no compensatory plans, warrants or options held by directors or officers

C. ISSUANCE AND EXCHANGE OF SECURITIES

Item 9. AUTHORIZATION OR ISSUANCE OF SECURITIES OTHER THAN FOR EXCHANGE

- (a) On 23 May 2023, the Board of Directors approved the Subscriptions of (i) Angel Maple Properties, Inc. (now known as Valiant Consolidated Resources Inc.) to One Hundred Twenty Five Million (125,000,000) unissued common shares and (ii) Cymac Holdings Corporation to Twenty Five Million (25,000,000) unissued common shares at PhP 2.70 per share based on 30-day Volume Weighted Average Price (VWAP) of PhP 2.6197 + 2.97% premium for a total consideration of PhP 405M to be paid in cash. Angel Maple Properties, Inc. (now known as Valiant Consolidated Resources Inc.) and Cymac Holdings Corporation are separate and distinct entities not acting in concert in the subscription of the unissued shares of the Corporation. The new common shares issued to Angel Maple Properties Inc. (now known as Valiant Consolidated Resources Inc.) and Cymac Holdings Corporation shall have the same rights as shareholders of outstanding common shares and shall similarly be entitled to dividends, with voting rights, and no preemptive rights. The proceeds from the private placements will be used for the following: (a) Working Capital, (b) Future Investments such as, but not limited to, capital contribution to the Joint Venture with Corporation (“ABS-CBN”), (c) Financial support by way of loan to Philippine Collective Media Corporation (“PCMC”). The Corporation subscribed and paid PhP 20.4M to obtain 60% of Media Serbisyo Production Corp., a joint venture company established with ABS-CBN. On 15 August 2023, the Board of Directors of the Corporation approved the Loan Agreement (“Agreement”) with Philippine Collective Media Corporation (“PCMC”) amounting to Three Hundred Seventy-Three Million Pesos (Php373,000,000.00) and accordingly, the Corporation executed said Agreement. The loan is to be paid within five (5) years from execution of the Agreement. PCMC intends to use the loan proceeds for payment of liabilities, acquisition of equipment, operations, and expansion of its business.
- (b) Share Swap with Shareholders of Golden Peregrine Holdings, Inc. (“GHDI” or “Golden Peregrine”) [Please refer to Item 12 for a brief write-up on the transaction.]

The subscriptions of the Golden Peregrine Shareholders (particularly, Atty. Hermogene H. Real and Ms. Michelle F. Ayangco) to Nine Hundred Eighty Million (980,000,000) PRIM Common Shares, which will be issued from an increase in authorized capital stock, shall be paid through the assignment of Golden Peregrine shares at a price based on a third-party appraisal and subject to confirmation by a third-party fairness opinion, the Board of Directors and other closing conditions. The new common shares to be issued to the Golden Peregrine Shareholders shall be on equal footing as all outstanding common shares and shall similarly be entitled to dividends, have voting rights, have no preemptive rights. The subscriptions of the Golden Peregrine Shareholders to Nine Hundred Eighty Million (980,000,000) PRIM Common Shares shall come from the increase in capital stock which will be presented for approval of the shareholders during the Annual Shareholders’ Meeting.

The shares to be issued to and to be subscribed to by the Golden Peregrine Shareholders are all common voting shares, without preference as to dividend entitlement. In accordance with the Seventh Article of its Articles of Incorporation, the issuance of additional common shares shall not be subject to the right of pre-emption. Except for regulatory approvals, there are no provisions in the Corporation’s charter or By-laws which would delay, defer or prevent a change in control of the registrant.

For and in consideration of their subscriptions to the PRIM Shares, the Golden Peregrine Shareholders shall assign, transfer and deliver to the Company one hundred percent (100%) of the outstanding capital stock of GPHI held by the Golden Peregrine Shareholders at an initial agreed value of up to One Billion Six Hundred Forty Five Million (1,645,000,000) PRIM Common Shares, subject to final determination of the Board, third party appraisal, fairness opinions, and other closing conditions.

Considering the pendency of the application of the Company with the Securities and Exchange Commission and the lapse of time and progress of the transaction, on 31 May 2024, the Board approve

the amendment of the Memorandum of Agreement (“MOA”) in relation to the subscription of the Golden Peregrine Shareholders in PRIM reducing the same from One Billion Six Hundred Forty Five Million (1,645,000,000) to Nine Hundred Eighty Million (980,000,000) Common Shares for and in consideration of their assignment of one hundred percent (100%) of the issued and outstanding shares in Golden Peregrine Holdings Inc. pursuant to the updated valuation report as of 31 December 2023.

The purpose of this share swap transaction is to enable the acquisition of the Corporation’s interest in PCMC through GPHI. After the execution of the original MOA on 30 July 2021, the Golden Peregrine Shareholders assigned all of their shares in PCMC in exchange for one hundred percent (100%) of the outstanding capital stock of GPHI. As such, PCMC became a wholly owned subsidiary of GPHI, while the Golden Peregrine Shareholders owns one hundred percent (100%) of the outstanding capital stock of GPHI.

As a result, the Golden Peregrine Shareholders will gain control and majority ownership of up to approximately fifty three and 54/100 percent (53.54%) of outstanding capital stock of the Company. On the other hand, PCMC will become an indirect subsidiary of the Corporation while Golden Peregrine Holdings, Inc. will become a direct subsidiary of the Company.

As PCMC has a franchise to operate certain broadcasting frequencies, the transaction for the acquisition of PCMC will require restrictions on the Corporation’s foreign ownership to comply with the nationality requirement for ownership and management of mass media.

The share swap with Golden Peregrine Shareholders shall dilute existing shareholders.

Item 10. MODIFICATION/EXCHANGE OF SECURITIES

On 24 November 2021, the Securities and Exchange Commission approved the amendment of the Company’s Articles of Incorporation restricting share ownership to one hundred percent (100%) Filipino. In view thereof, the following proposed action will be taken up during the Annual Shareholders’ Meeting to eliminate foreign shareholders and to acquire Golden Peregrine Holdings Inc.:

1. For Amendment of all previous resolutions and Approval of the following Amendments to the Articles of Incorporation:

1.1 Series A Preferred Shares:

1.1.1 Amendment to reiterate the Non-Voting and Convertible features of the Series A Preferred Shares with mandatory conversion right of the Company.

1.1.2 Reduction of par value of Series A Non-Voting Convertible Preferred Shares from PhP 1.00 to PhP 0.04 without change in the number of shares resulting in the Decrease of the Authorized Capital Stock from Five Billion (PhP 5,000,000,000.00) to Four Billion Forty Million Pesos (Php 4,040,000,000) thereby amending the Seventh Article of the Articles of Incorporation.

1.2 Reclassification of Shares

1.2.1 Reclassification of One Billion (1,000,000,000.00) Series A Non-Voting Convertible Preferred Shares with a par value of PhP 0.04 per share and One Billion (1,000,000,000.00) Series B Preferred Shares with a par value of PhP 1.00 per share, into One Billion Forty Million (1,040,000,000) Common Shares with a par value of PhP 1.00 per share, thereby amending the Seventh Article of the Articles of Incorporation.

- 1.2.2 Creation of Series “C” Non-Voting Redeemable Preferred Shares with a par value of PhP 1.00 per share, thereby amending the Seventh Article of the Articles of Incorporation.
 - 1.2.3 Reclassification of Three Hundred Forty Thousand Six Hundred Sixty Four (340,664) Foreign-Owned Common Shares with a par value of PhP 1.00 per share, into Three Hundred Forty Thousand Six Hundred Sixty Four (340,664), Series C Non-Voting Redeemable Preferred Shares, thereby amending the Seventh Article of the Articles of Incorporation.
- 1.3 Increase in the authorized capital stock from Four Billion Forty Million Pesos (PhP 4,040,000,000.00) to Six Billion Pesos (PhP 6,000,000,000.00) thereby amending the Seventh Article of the Articles of Incorporation.
- 1.4 Approval of the mandatory redemption and retirement of all Series C Non-Voting Redeemable Preferred Shares with a par value of PhP 1.00 at a redemption price equivalent to at least its par value of PhP 1.00 per share or at the price determined by the Board and payable in cash resulting in the Decrease in the Authorized Capital Stock resulting from the mandatory redemption and retirement of the Series C Non-Voting Redeemable Preferred Shares.
- 1.5 Amendment of the Articles of Incorporation to delete all other provisions/ paragraphs in the Seventh Article relating to the Preferred Shares in view of the aforementioned amendments.
2. Exercise of the Company’s mandatory conversion right to convert all of the outstanding Series A Non-Voting Convertible Preferred shares into Common Shares at the conversion rate of 25 Series A Non-Voting Convertible Preferred Shares with a par value of PhP 0.04 per share, to One (1) Common Share with a par value of PhP 1.00 per share, resulting to the conversion of 14,366,260 Series A Non-Voting Convertible Preferred Shares into 574,650 common shares; No fractional shares shall be issued and the value of fractional shares will be paid in cash.
3. Creation of Additional Paid-In Capital (APIC) in the amount of PhP 13,791,610.00 equivalent to the excess capital arising from the conversion of the outstanding Series A Non-Voting Convertible Preferred Shares into Common Shares as described in item above.
4. Approval for the Additional Listing of 574,650 common shares issued to shareholders after conversion of their Series A Non-Voting Convertible Preferred Shares with a par value of PhP 0.04 per shares into Common Shares with a par value of PhP 1.00 as described in item (2) above, if necessary.
5. Amendment of the Memorandum of Agreement with Atty. Hermogene H. Real and Ms. Michelle F. Ayangco (as “Golden Peregrine Shareholders”) and Reconfirmation of the issuance of 980,000,000 Common Shares for and in consideration of 100% of the issued and outstanding capital stock of Golden Peregrine Holdings Inc. pursuant to the updated valuation report.
6. Approval for the Additional Listing of 980,000,000 common shares issued to Golden Peregrine Shareholders as described in item above.
7. Waiver by the minority stockholders of the rights or public offer requirement under the PSE Additional Listing Rule.

The foregoing process is being taken to address difficulties in reaching out to the remaining foreign shareholders who may have already changed their address or have already passed away.

As of 23 July 2024, which is the latest applicable date, the Company has Eight Hundred Fifty Million Two Hundred Ninety Eight Thousand Six Hundred Sixteen (850,298,616) common shares and Fourteen Million Three Hundred Sixty Six Thousand Two Hundred Sixty (14,366,260) Series A Preferred Shares. The outstanding Series A Preferred Shares have the following salient features:

- cumulative, nonparticipating, nonvoting, redeemable and convertible at the option of the Company;
- Cash dividend rate initially at four and 5/100 percent (4.5%) per annum based on par value, which shall be automatically adjusted to eleven percent (11.00%) per annum upon full payment of the subscription price
- The Company may, at any time at its option, wholly or partially redeem the outstanding preferred stock plus accrued dividends thereon. When such a call for redemption is made, the holders of the preferred stock may opt to convert the preferred stock to common stock.

Out of the current issued and outstanding shares, Three Hundred Thirty Six Thousand Two Hundred Seventy Eight (336,278) Common Shares and One Hundred Nine Thousand Six Hundred Fifty (109,650) Series A Preferred Shares are held by foreign shareholders. To eliminate the foreign shareholders, the Company has to amend and reiterate the non-voting and convertible features of its Series A Preferred Shares with mandatory conversion right of the Company. The Company shall then reduce the par value of its Series A Non-Voting and Convertible from One Peso (PhP 1.00) to Four Centavos (PhP 0.04) without any change as to the number of issued shares resulting to decrease in capital stock from Five Billion Pesos (PhP5,000,000,000.00) to Four Billion Forty Million Pesos PhP4,040,000,000.00, divided into Three Billion (3,000,000,000) Common Shares with par value of One Peso (PhP 1.00 per share), One Billion (1,000,000,000) Series "A" Non-Voting Convertible Preferred Shares with par value of Four Centavos (PhP 0.04) per share and One Billion (1,000,000,000) Series "B" Preferred Shares with a par value of One Peso (PhP 1.00) per share. The Company shall then convert all Series "A" Non-Voting Convertible Preferred Shares into Common Shares at a conversion rate of 25:1. Thus, the Fourteen Million Three Hundred Sixty Six Thousand Two Hundred Sixty (14,366,260) Series A Non-Voting Convertible Preferred Shares shall be converted into Five Hundred Seventy Four Thousand Six Hundred Fifty (574,650) common shares. No fractional shares shall be issued and the value of fractional shares will be paid in cash. Notably, the excess capital arising from the conversion amounting to Thirteen Million Seven Hundred Ninety One Thousand Six Hundred Ten Pesos (PhP 13,791,610.00) shall result to the creation of Additional Paid-in Capital (APIC). In this regard, the approval of the shareholders is hereby being sought for the creation APIC as well as the listing of the underlying Five Hundred Seventy Four Thousand Six Hundred Fifty (574,650) common shares arising from the conversion of Series A Preferred Shares. It is noteworthy that in 17 November 1997, the PSE has already approved the listing of the underlying common shares arising from the conversion of Series A Preferred shares at the rate of Twenty Five (25) Series A Preferred Share is to One (1) common share.

After the conversion of Series A Non-Voting Convertible Preferred Shares into Common Shares, there is a proposal to reclassify Series A and Series B Preferred Shares into Common Shares as well as create Series C Non-Voting Redeemable Preferred Shares. The Company shall reclass all foreign-held common shares equivalent to Three Hundred Forty Thousand Six Hundred Sixty Four (340,664) into Three Hundred Forty Thousand Six Hundred Sixty Four (340,664) Series "C" Non-Voting Redeemable Preferred Shares with a par value of One Peso (PhP 1.00) per share.. The Series C Redeemable Shares shall not enjoy more preferential rights as to dividends than Common Shares and are non-voting and redeemable for cash at the discretion of the Board, thereby amending the Seventh Article of the Articles of Incorporation as follows:

"SEVENTH- That the capital stock of said Corporation is Four Billion Forty Million Pesos (PhP 4,040,000,000.00) divided into Four Billion Thirty Nine Million Six Hundred Fifty Nine Thousand Three Hundred Thirty Six (PhP 4,039,659,336) Common Shares with par value of One Peso (PhP 1.00 per share) and Three Hundred Forty Thousand Six Hundred Sixty Four (340,664) Series "C" Non-Voting Redeemable Preferred Shares with par value of One Peso (PhP 1.00) per share."

The Company intends to redeem the Three Hundred Forty Thousand Six Hundred Sixty Four (340,664) Series C Non-Voting Redeemable Preferred Shares at a par value of PhP 1.00 per share or at such price approved by the Board and payable in cash. With the redeemable feature of the Series C Preferred shares, the Company does not need unrestricted retained earnings to redeem the same. The Company may be required to open a special bank account or an escrow account for the pay-out. After redemption, the Series C Non-Voting Redeemable Preferred shares shall be retired. Thus, there is a proposal for the amendment of the Articles of Incorporation to decrease the authorized capital stock to retire the Series C Redeemable Non-Voting Preferred Shares after full redemption.. Since no issued Preferred Shares of any class will be outstanding, there is also a proposal to amend the Articles of Incorporation to delete all other provisions/ paragraphs in the SEVENTH Article which describes the features of any Preferred Shares.

The amendments are pursuant to the cleaning-up efforts of management arising out of its previous banking operations and to venture into media-related business. With the removal of the preferred shares, all present and future shareholders of the Corporation will have equal rights and footing.

The Series A Preferred Shares are not listed on any stock exchange. The underlying common shares for the conversion of the Series A Preferred Shares has prior listing approval from the Philippine Stock Exchange (PSE) last 17 November 1997, subject to the submission of post-approval compliance requirements. Nevertheless, the Company shall apply for additional listing of the 574,650 common shares to shareholders after the conversion of their Series A Non-Voting Convertible Preferred Shares with a par value of PhP 0.04 per share into Common Shares with a par value of PhP 1.00 per share, if necessary. The Company will also apply for the listing of up to Nine Hundred Eighty Million (980,000,000) new PRIM Shares to be issued to the Golden Peregrine Shareholders.

Attached herewith as Annex A is a table on the sequence and changes to the capital structure of the Corporation given the series of proposed amendments above

There is no modification or exchange of outstanding securities involved in the matter relating to the proposed waiver by the minority shareholders of the PSE minority rights/public offer requirement. Under Section 1, of the PSE Rule on Additional Listing, the PSE shall not permit the listing of new voting shares issued to a related party representing at least ten percent (10%) of the resulting total outstanding capital stock unless a minority rights/public offer is first undertaken, or has been waived by a majority vote representing the outstanding shares held by the minority stockholders present or represented at the meeting where the matter is taken up.

Item 11. FINANCIAL AND OTHER INFORMATION

Copies of the Management Report, the Audited Financial Statements for the year ended 31 December 2023, 17Q or the Interim Quarterly Financial Statement as of 30 June 2024 are attached herewith.

The Management's Discussion and Analysis of Financial Condition and Result of the Operations are stated in pages 57-72 of the attached Management Report. The notes to the Financial Statements are incorporated hereto by reference.

The Corporation has not made any changes in and has not had any disagreements with its external auditor on accounting and financial disclosures.

Representatives of the Corporation's external auditor, Reyes Tacandong & Co., are expected to be present at the shareholders' meeting. They will have the opportunity to make a statement if they desire to do so and are expected to be available to respond to appropriate questions.

Item 12. MERGERS, CONSOLIDATIONS, ACQUISITIONS AND SIMILAR MATTERS

The Board will submit for approval of the Corporation's stockholders the subscriptions of Atty. Hermogene H. Real and Ms. Michelle F. Ayangco (as the "Golden Peregrine Shareholders") to Nine Hundred Eighty Million (980,000,000) PRIM Shares out of an increase in authorized capital stock (See related discussion under Item 14 on Increase in Authorized Capital Stock) of the Company, at the subscription price equivalent to the par value of One Peso (Php 1.00) per share or total subscription price of up to Php 980,000,000.00, pursuant to the updated valuation report as of December 31, 2023. For and in consideration of the said subscription to PRIM Shares, the Golden Peregrine Shareholders shall assign, transfer and deliver to the Company one hundred percent (100%) of the outstanding capital stock of Golden Peregrine Holdings, Inc. ("GPHI" or "Golden Peregrine"). After the transaction, Ms. Michelle F. Ayangco and Atty. Hermogene H. Real, the Golden Peregrine Shareholders, will gain control and majority ownership of approximately up to fifty three and 54/100 percent (53.54%) of outstanding capital stock of the Company. On the other hand, Golden Peregrine will become a direct subsidiary of the Corporation while its subsidiary, Philippine Collective Media Corporation ("PCMC"), shall become an indirect subsidiary of the Corporation (the "**GPHI Transaction**"). The subscriptions of Hermogene H. Real and Ms. Michelle F. Ayangco to Nine Hundred Eighty Million (980,000,000) PRIM common shares shall come from the increase in capital stock which will be presented for approval of the shareholders during the Annual Shareholders' Meeting.

- (1) The name and address of the principal executive officers of PCMC and GPHI are as follows.

PCMC

Name	Position	Office Address	Contact No.
Ma. Fe Siscar	Vice President	6 th Floor Universal Re Bldg., 106 Paseo de Roxas, Makati City	8817-6046
Ric F. Macabidang	Treasurer	6 th Floor Universal Re Bldg., 106 Paseo de Roxas, Makati City	8817-6046
Jane Sioson	Corporate Secretary	6 th Floor Universal Re Bldg., 106 Paseo de Roxas, Makati City	8817-6046

GPHI

Name	Position	Office Address	Contact No.
Michelle Ayangco	President	106 3 rd Floor Universal Re Bldg., 106 Paseo de Roxas, Makati City	8817-6046
Hermogene Real	Treasurer	106 3 rd Floor Universal Re Bldg., 106 Paseo de Roxas, Makati City	8817-6046
Jane Sioson	Corporate Secretary	106 3 rd Floor Universal Re Bldg., 106 Paseo de Roxas, Makati City	8817-6046

- (2) PCMC is a corporation duly organized and existing under the laws of the Philippines. It was incorporated on 21 May 2008, with the primary purpose of establishing and engaging in the business of radio and television broadcasting. It was granted a legislative franchise by virtue of Republic Act No. 9773 to cover Region VIII (Eastern Visayas). In 2020, its legislative franchise was amended by Republic Act No. 11508 to expand to digital tv and national coverage.

PCMC currently operates PRTV in Tacloban and 18 radio stations under FMR (Favorite Music Radio).

GPHI, which wholly owns PCMC, is a corporation duly organized and existing under the laws of the Philippines. It was incorporated on 26 January 2022 with the principal business address at 3rd Floor Universal Re Bldg., 106 Paseo de Roxas, Makati City.

- (3) Below is a summary of the material features of the GPHI transaction:

- (A) The Golden Peregrine Shareholders shall subscribe to Nine Hundred Eighty Million (980,000,000) PRIM Common Shares out of an increase in authorized capital stock of the Company at the subscription price and par value of One Peso (Php 1.00) per share or total subscription price of Nine Hundred Eighty Million Pesos (PhP 980,000,000.00). For and in consideration of the said subscription to PRIM Common Shares, the Golden Peregrine Shareholders shall assign, transfer and deliver to the Company a total of Three Hundred Fifty Thousand (350,000) Golden Peregrine Shares or 100% of the outstanding capital stock of GPHI at an agreed value of 980,000,000 as supported by a third-party appraisal report, confirmation by a third-party fairness opinion, Board approval and other closing conditions. After the transaction, the Golden Peregrine Shareholders will gain control and majority ownership of approximately up to fifty three and 54/100 percent (53.54%) of outstanding capital stock of the Company. On the other hand, Golden Peregrine will become a direct subsidiary of the Corporation while its subsidiary, PCMC shall become an indirect subsidiary of the Corporation.
- (B) The proposed transaction with the Golden Peregrine Shareholders is intended to transform the Company into a viable and operational business entity and address its capital deficiency, negative equity, and non-operation. The transaction will involve folding GPHI into the Company. GPHI owns one hundred percent (100%) owner of PCMC thereby making PCMC an indirect subsidiary of the Company. With the national franchise of PCMC, the Company can engage in an active business of mass media and further leverage its franchise and network for use by existing content providers in need of broadcasting rights.
- (C) The transaction shall result in the dilution of the existing shareholders of PRIM by fifty three and 54/100 percent (53.54%), more or less. The Golden Peregrine Shareholders shall jointly obtain fifty three and 54/100 percent (53.54%) of PRIM. There will be no differences between the rights of the present security holders and the incoming shareholders (i.e. GPHI Shareholders) of the Company.
- (D) The transaction will be recorded as an investment in subsidiaries since the Company will gain of one hundred percent (100%) of GPHI directly, and, one hundred percent (100%) of PCMC, indirectly.

- (4) Dividends Payable in the amount of Ten Million Nine Hundred Eighty Five Thousand Four Hundred Forty Three Pesos (PhP10,985,443) as at 31 December 2021 pertains to

the Company's dividend for cumulative, nonparticipating, nonvoting, redeemable and convertible preferred stock that were declared prior to the Company's incurrence of deficit. The transaction has no effect on the dividends in arrears of the existing shareholders. For the past years, the Corporation has had no retained earnings due to non-operation. It did not generate any income for payment of its dividends in arrears

- (5) Below is the comparative columnar form of the following information for the registrant and PCMC for the last two fiscal years:

- (A) net sales or operating revenues;

Registrant	2021	2022	2023
PRIM	P-	P-	P-
PCMC	P11,565,044	P15,308,835	P27,436,443
GPHI	P-	P-	P-

- (B) income (loss) from continuing operations; and

Registrant	2021	2022	2023
PRIM	(P1,708,466)	(P6,205,377)	(P30,308,471)
PCMC	(P16,546,506)	(P11,566,231)	(P10,366,252)
GPHI	P-	(P894,786)	(P356,501)

- (C) long-term obligations and redeemable preferred stock

Registrant	2021	2022	2023
PRIM	P14,366,260	P14,366,260	P14,366,260
PCMC	P1,426,323	P1,571,191	P426,057,487
GPHI	P-	P-	P80,000,000

- (6) In comparative columnar form, historical and pro forma per share data of the registrant and historical and equivalent pro forma per share data of the other person for the following items for the last two fiscal years:

- (A) book value per share

Registrant	2021	2022	2023
PRIM	(P0.23)	P0.27	P0.24
PCMC	(P73.92)	(P106.96)	(P136.58)
GPHI	P-	(P97.44)	(P96.42)

- (B) cash dividends declared per share

Registrant	2021	2022	2023
PRIM	P-	P-	P-
PCMC	P-	P-	P-
GPHI	P-	P-	P-

- (C) income (loss) from continuing operations

Registrant	2021	2022	2023
PRIM	(P1,708,466)	(P6,205,377)	(P30,308,471)
PCMC	(P16,546,506)	(P11,566,231)	(P10,366,252)
GPHI	P-	(P894,786)	(P356,501)

- (7) The transaction is subject to (a) approval of PRIM shareholders, (b) final determination of the Board, third party appraisal, fairness opinions, and other closing conditions (c) approval of the increase in capital stock by the Securities and

Exchange Commission, (d) issuance of the Certificate Authorizing Registration by the Bureau of Internal Revenue for transfer of Golden Peregrine shares to the Corporation; (e) approval by the PSE of the listing of the subscribed shares. Aside from the abovementioned, there are no other applicable regulatory requirements with regards to the transaction. Considering its transaction value, the transaction with the Golden Peregrine Shareholders is not subject to the approval of or the notification requirements of the Philippine Competition Commission.

- (8) The value of PCMC and its franchise assets is supported by a Third-Party Valuation Report.

- (A) Identify the outside party;

Asian Appraisal Company, Inc. (AACI) conducted the valuation of GPHI and PCMC's media franchise and its net asset.

- (B) Briefly describe the qualifications of such outside party;

AACI is an independent appraisal company accredited with the Securities and Exchange Commission (SEC), Philippine Stock Exchange (PSE) and Bangko Sentral ng Pilipinas (BSP), private and government banks, government agencies and private companies among others. It has been in the valuation business for sixty (60) years now starting way back in 1961 and is the pioneer in the appraisal industry both in the Philippines and throughout the Asia Pacific Region. Backed-up by qualified and competent management and staff, AACI provides valuation services for corporate and individual requirements for the purposes of initial public offering, sales, mergers and acquisitions, joint ventures, financing, accounting, insurance, rate increase application at the Energy Regulatory Board, just compensation for expropriation proceedings, audit of completed/ work in-progress of projects, business valuation, REIT purposes, providing fairness opinion and other valuation related works.

AACI is not related to GPHI or to any of the shareholders of GPHI.

- (C) Describe the method of selection of such outside party;

The selection criteria are mainly based on relative experience on real estate and business valuation, qualification and competence of management and staff, accreditations on various regulatory boards, timely delivery of appraisal report and competitive fee for the services rendered.

- (D) Describe any material relationship between the outside party or its affiliates and the issuer or its affiliates which existed during the past two (2) years or is mutually understood to be contemplated and any compensation received or to be received as a result of such relationship;

AACI (the outside party) and any of its affiliates have had no material relationship with PRIM, GP, or PCMC during the past two (2) years. The compensation or contractor's fee received by the outside party was based on the total time consumed for completing the specifications of the service and on the required disposition of resources to complete the engagement. They have no present nor contemplated future interest in the property, nor is the appraisal fee contingent upon the final estimate of value.

- (E) If such report, opinion or appraisal relates to the fairness of the consideration, state whether the issuer or affiliate determined the amount of consideration to

be paid or whether the outside party recommended the amount of consideration to be paid; and

AACI (the outside party) recommended the value of GPHI based on the adjusted net asset value of PCMC and its media franchise, which was determined using the income approach, specifically, discounted cash flow method

- (F) Furnish a summary concerning such negotiation report, opinion or appraisal which shall include, but not limited to, the procedures followed; the findings and recommendations; the bases for and methods of arriving at such findings and recommendations; instruction received from the issuer or affiliate; and any limitation imposed by the issuer or affiliate on the scope of the investigation.

INSTRUCTIONS FROM THE ISSUER	Determine the Market Value of GPHI taking into account Philippine Collective Media Corporation (PCMC) Franchise and the Net Asset Value of PCMC, the wholly owned subsidiary of GPHI
COMPANY SUBJECT OF VALUATION	Golden Peregrine Holdings Inc.
ASSETS UNDER APPRAISAL	Media Franchise and Assets of the Company
EFFECTIVE VALUATION DATE	31 December 2023
BASIS OF VALUE	<p>Market Value - defined as “the estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm’s length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion.</p> <p>Basis of Value is defined as “a statement of the fundamental measurement assumptions of a valuation.”</p>
VALUATION METHODOLOGY	<p>Prior to arriving at the market value of GPHI, a study, investigation and analysis of the media franchise of Philippine Collective Media Corporation (PCMC).</p> <p>In arriving at the net asset value of GPHI, the following were used:</p> <ol style="list-style-type: none"> 1. Adjusted net asset value of PCMC 2. GPHI’s audited financial statement for the year 2023 and adjusted non-current assets which covers the whole investment into PCMC 3. Use of the adjusted net asset value using the formula

	Adjusted Net Asset Value= Restated Assets - Liabilities To determine the value of PCMC's Media Franchise, AACI used the income approach using the discounted cash flow method.
LIMITATION IMPOSED BY PCMC AND/OR THE COMPANY	The valuation report has no limitations or restrictions
VALUE CONCLUSION / RECOMMENDATION	N/A
Adjusted Net Asset Value	PhP 987,880,777.76
Value per share	PhP 2,822.52

- (9) The GPHI Transaction is not subject to a Mandatory Tender Offer requirement as the shares to be issued to the Golden Peregrine Shareholders are from an increase in authorized capital stock. There is no past, present or proposed material contract, arrangement, understanding, relationship, negotiation or transaction during the past two (2) fiscal years between PCMC or GPHI or their affiliates, on one hand, and the Company or its affiliates, on the other hand;
- (10) On 18 January 2023, the Board of Directors of the Corporation authorized the amendment of the Memorandum of Agreement) ("MOA") relating to the following: (a) Change the Exchange Ratio to Four Thousand Seven Hundred (4,700) PRIM shares for One (1) Golden Peregrine share pursuant to the updated appraisal report as of December 2022 (b) Subscription by Atty. Hermogene H. Real and Ms. Michelle F. Ayangco to One Billion Six Hundred Forty Five Million (1,645,000,000) PRIM Common Shares to be issued out of the proposed increase in authorized capital stock in consideration of the assignment of one hundred percent (100%) of the outstanding capital stock of Golden Peregrine pursuant to the updated appraisal report.

The high and low prices of PRIM Common Shares on the date preceding such disclosure are 2.13 and 1.98, respectively. The Company has pending applications with the Securities and Exchange Commission in relation to amendments to the capital structure of the Corporation which will be superseded once the company refiles new applications upon approval by the shareholders of the proposed amendments to the Articles of Incorporation. Considering the lapse of time and progress of the transaction, on 31 May 2024, the Board approve the amendment of the MOA in relation to the subscription of the Golden Peregrine Shareholders in PRIM from One Billion Six Hundred Forty Five Million (1,645,000,000) to Nine Hundred Eighty Million (980,000,000) Common Shares for and in consideration of their assignment of one hundred percent (100%) of the issued and outstanding shares in Golden Peregrine Holdings Inc. pursuant to the updated valuation report as of 31 December 2023.

The Company shall conduct the activities to comply with the public float and secure the SEC exemption from the minimum public float requirement and the BIR Ruling exempting them from the requirements of Revenue Regulation 16-2012: "Tax Treatment of Sales, Barter, Exchanges or Other Dispositions of Shares of Stock of Publicly-Listed Companies whose Public Ownership Levels Fall Below the Mandatory Minimum Public Ownership (MPO) Level, Monitoring of These Companies and Their Stock Transactions, and Amending Revenue Regulations No. 06-08 for the Purpose" before the Golden Peregrine, if necessary to comply with public float.

(11) The effect of the GPHI Transaction on the amount and percentage holdings of the Company's common equity owners are as follows:

	with Private Placement		After GPHI Transaction	
RYM Business Management Corp.	363,555,085.00	42.76%	363,555,085.00	19.86%
Mairete Asset Holdings Inc.	77,178,901.00	9.08%	77,178,901.00	4.22%
Armstrong Capital Holdings Corp.	100,097,000.00	11.77%	100,097,000.00	5.47%
Non-Public (held by Directors and Officers)	5,004.00	0.00%	5,004.00	0.00%
Angel Maple Properties Inc. (now Valiant Consolidated Resources Inc.)	125,000,000.00	14.70%	125,000,000.00	6.83%
Cymac Holdings Corporation	25,000,000.00	2.94%	25,000,000.00	1.37%
Michelle Ayangco			490,000,000.00	26.77%
Hermogene Real			490,000,000.00	26.77%
Public	159,462,626.00	18.75%	159,462,626.00	8.71%
TOTAL	850,298,616.00	100%	1,830,298,616.00	100.00%

Directors and officers of the Company only have nominal shareholdings as seen below:

A. Directors

Name	Number of Shares	Current Percentage	Percentages after GPHI Transaction
Manolito A. Manalo	1	0	0%
Bernadeth A. Lim	1	0	0%
Rolando S. Santos	1,000	0	0%
Hermogene H. Real	2,000	0	35%
Michelle F. Ayangco	2,000	0	35%
Francisco L. Layug	1	0	0%
Johnny Y. Aruego, Jr.	1	0	0%
	5,004		0%

B. Officers

Name	Number of Shares	Current Percentage	Percentages after GPHI Transaction
Diane Madelyn C. Ching	0	0	0%
Dale A. Tongco	0	0	0%

Ms. Michelle Ayangco and Atty. Hermogene Real, are the incumbent members of the Board of Directors of PMHI. They are also the 100% owner of Golden Peregrine Holdings, Inc. ("GPHI") which now owns 100% of the outstanding capital stock of PCMC. Pursuant to proposed amendments to the

MOA, they will subscribe to up to 980,000,000 shares of PMHI, pursuant to the updated valuation report as of December 31, 2023. As consideration for their subscription, Ms. Michelle Ayangco and Atty. Real shall assign and transfer their 100% ownership in GPHI to PMHI.

After the GPHI transaction, Michelle Ayangco's and Atty. Hermogene Real's ownership of common share will increase by 490,000,000 each

Neither the Corporation, GPHI nor PCMC is involved in any bankruptcy, receivership or similar proceedings.

Aside from the GPHI Transaction, and the amendments subject of this disclosure, the Corporation, GPHI or PCMC is not involved in any material reclassification, merger, consolidation, or purchase or sale of a significant amount of assets (not in the ordinary course of business).

The Corporation has no Patents, Trademarks, Licenses, Franchises, Concessions, Royalty Agreement, or labor contracts. Upon completion of the GPHI Transaction, the Corporation will indirectly own PCMC, a company with a national broadcasting legislative franchise.

As the Corporation is currently non-operational, existing or probable governmental regulations, including tax laws and laws in relation to the COVID-19 pandemic, has no foreseen effect or impact on the Corporation.

The Corporation has no estimated amount to be spent on Research and Development Activities. Likewise, the Corporation has no major risks in terms of any business as the Corporation is currently non-operational.

Item 13. ACQUISITION OR DISPOSITION OF PROPERTY

The Corporation is not involved in any bankruptcy, receivership, or similar proceedings. Nor is the Corporation engaged in any material reclassification, merger or consolidation. The Corporation intends to acquire 100% of the issued and outstanding capital stock of Golden Peregrine Holdings Inc. (GPHI) by way of issuing 980,000,000 Common Shares in favor of GPHI Shareholders.

The Corporation is a holding company and is not engaged in any business and has no principal products or services. The Corporation currently has no employees (regular or non-regular), but with the impending acquisition of GPHI and PCMC, the Company will be determining the number of employees to be hired in the next 12 months. With its limited activities, the Corporation incurred no costs in compliance with environmental laws. The Company is not affected by the COVID-19 pandemic due to its minimal operations.

As a result of the GPHI Transaction, the Corporation will acquire GPHI as a direct subsidiary and PCMC as an indirect subsidiary.

Please refer to the "Management's Discussion and Analysis" portion of the accompanying Management Report for a discussion of the Company's financial condition, results of operations or plan of operations prior to the acquisition of GPHI.

GPHI fully owns PCMC, an operating company which satisfies its own operating cash requirements. The business plan for its expansion and capital expenditure requirements are currently under study to determine the fundraising activity that will be needed by way of capital or debt.

A collectible from a related party, due and demandable, will be a source to cover future expenditures. Please refer to the discussion on "*Business Transactions with Related Parties*" of the Management Report as attached in page 57 of this DIS.

The subscriptions of the Golden Peregrine Shareholders to 980,000,000 PRIM Common Shares, which will be issued from an increase in authorized capital stock, shall be paid through the assignment of

Golden Peregrine shares at a price based on a third-party appraisal and subject to confirmation by a third-party fairness opinion, the Board of Directors and other closing conditions.

The new common shares to be issued to the Golden Peregrine Shareholders shall be on equal footing as all outstanding common shares and shall similarly be entitled to dividends, have voting rights, have no preemptive rights.

The subscriptions of Atty. Real and Ms. Ayangco to 980,000,000 PRIM common shares shall come from the increase in capital stock which will be presented for approval of the shareholders during the Annual Shareholders' Meeting.

Item 14. DECREASE/ INCREASE IN AUTHORIZED CAPITAL STOCK

The following activities affecting the capital stock will be for approval of the Shareholders:

1. For Amendment of all previous resolutions and Approval of the following Amendments to the Articles of Incorporation:

1.1 Series A Preferred Shares:

1.1.1 Amendment to reiterate the Non-Voting and Convertible features of the Series A Preferred Shares with mandatory conversion right of the Company.

1.1.2 Reduction of par value of Series A Non-Voting Convertible Preferred Shares from PhP 1.00 to PhP 0.04 without change in the number of shares resulting in the Decrease of the Authorized Capital Stock from Five Billion (PhP 5,000,000,000.00) to Four Billion Forty Million Pesos (PhP 4,040,000,000) thereby amending the Seventh Article of the Articles of Incorporation.

1.2 Reclassification of Shares

1.2.1 Reclassification of One Billion (1,000,000,000.00) Series A Non-Voting Convertible Preferred Shares with a par value of PhP 0.04 per share and unissued One Billion (1,000,000,000.00) Series B Preferred Shares with a par value of PhP 1.00 per share, into One Billion Forty Million (1,040,000,000) Common Shares with a par value of PhP 1.00 per share, thereby amending the Seventh Article of the Articles of Incorporation.

1.2.2 Creation of Series "C" Non-Voting Redeemable Preferred Shares with a par value of PhP 1.00 per share, thereby amending the Seventh Article of the Articles of Incorporation.

1.2.3 Reclassification of Three Hundred Forty Thousand Six Hundred Sixty Four (340,664) Foreign-Owned Common Shares with a par value of PhP 1.00 per share, into Three Hundred Forty Thousand Six Hundred Sixty Four (340,664), Series C Non-Voting Redeemable Preferred Shares, thereby amending the Seventh Article of the Articles of Incorporation.

1.3 Increase in the authorized capital stock from Four Billion Forty Million Pesos (PhP 4,040,000,000.00) to Six Billion Pesos (PhP 6,000,000,000.00), thereby amending the Seventh Article of the Articles of Incorporation.

- 1.4 Approval of the mandatory redemption and retirement of all Series C Non-Voting Redeemable Preferred Shares with a par value of PhP 1.00 at a redemption price equivalent to at least its par value of PhP 1.00 per share or at the price determined by the Board and payable in cash resulting in the Decrease in the Authorized Capital Stock resulting from the mandatory redemption and retirement of the Series C Non-Voting Redeemable Preferred Shares.
- 1.5 Amendment of the Articles of Incorporation to delete all other provisions/ paragraphs in the Seventh Article relating to the Preferred Shares in view of the aforementioned amendments.
2. Exercise of the Company's mandatory conversion right to convert all of the outstanding Series A Non-Voting Convertible Preferred shares into Common Shares at the conversion rate of 25 Series A Non-Voting Convertible Preferred Shares with a par value of PhP 0.04 per share, to One (1) Common Share with a par value of PhP 1.00 per share, resulting to the conversion of 14,366,260 Series A Non-Voting Convertible Preferred Shares into 574,650 common shares; No fractional shares shall be issued and the value of fractional shares will be paid in cash.
3. Creation of Additional Paid-In Capital (APIC) in the amount of PhP 13,791,610.00 equivalent to the excess capital arising from the conversion of the outstanding Series A Non-Voting Convertible Preferred Shares into Common Shares as described in item (2) above.
4. Approval for the Additional Listing of 574,650 common shares issued to shareholders after conversion of their Series A Non-Voting Convertible Preferred Shares with a par value of PhP 0.04 per shares into Common Shares with a par value of PhP 1.00 as described in item (2) above, if necessary.
5. Amendment of the Memorandum of Agreement with Atty. Hermogene H. Real and Ms. Michelle F. Ayangco (as "Golden Peregrine Shareholders") and Reconfirmation of the issuance of 980,000,000 Common Shares for and in consideration of 100% of the issued and outstanding capital stock of Golden Peregrine Holdings Inc. pursuant to the updated valuation report.
6. Approval for the Additional Listing of 980,000,000 common shares issued to Golden Peregrine Shareholders as described in item above.
7. Waiver by the minority stockholders of the rights or public offer requirement under the PSE Additional Listing Rule.

Please also refer to the related discussion under Item 12 on Mergers, Consolidations, Acquisitions and Similar Matters for a more detailed discussion on the foregoing matter.

D. OTHER MATTERS

Item 15. ACTION WITH RESPECT TO REPORTS & OTHER PROPOSED ACTION/S

The following matters shall be submitted to the vote of stockholders of the Corporation during the stockholders' meeting.

1. Approval of Minutes of Previous Stockholders' Meeting.
2. Approval of the Annual Report and the Audited Financial Statements for the year ending December 31, 2023
3. For Amendment of all previous resolutions and Approval of the following Amendments to the Articles of Incorporation:

3.1 Series A Preferred Shares:

3.1.1 Amendment to reiterate the Non-Voting and Convertible features of the Series A Preferred Shares with mandatory conversion right of the Company.

3.1.2 Reduction of par value of Series A Non-Voting Convertible Preferred Shares from PhP 1.00 to PhP 0.04 without change in the number of shares resulting in the Decrease of the Authorized Capital Stock from Five Billion (PhP 5,000,000,000.00) to Four Billion Forty Million Pesos (PhP 4,040,000,000) thereby amending the Seventh Article of the Articles of Incorporation.

3.2 Reclassification of Shares

3.2.1 Reclassification of One Billion (1,000,000,000.00) Series A Non-Voting Convertible Preferred Shares with a par value of PhP 0.04 per share and unissued One Billion (1,000,000,000.00) Series B Preferred Shares with a par value of PhP 1.00 per share, into One Billion Forty Million (1,040,000,000) Common Shares with a par value of PhP 1.00 per share, thereby amending the Seventh Article of the Articles of Incorporation.

3.2.2 Creation of Series "C" Non-Voting Redeemable Preferred Shares with a par value of PhP 1.00 per share, thereby amending the Seventh Article of the Articles of Incorporation.

3.2.3 Reclassification of Three Hundred Forty Thousand Six Hundred Sixty Four (340,664) Foreign-Owned Common Shares with a par value of PhP 1.00 per share, into Three Hundred Forty Thousand Six Hundred Sixty Four (340,664), Series C Non-Voting Redeemable Preferred Shares, thereby amending the Seventh Article of the Articles of Incorporation.

3.3 Increase in the authorized capital stock from Four Billion Forty Million Pesos (PhP 4,040,000,000.00) to Six Billion Pesos (PhP 6,000,000,000.00), thereby amending the Seventh Article of the Articles of Incorporation.

3.4 Approval of the mandatory redemption and retirement of all Series C Non-Voting Redeemable Preferred Shares with a par value of PhP 1.00 at a redemption price equivalent to at least its par value of PhP 1.00 per share or at the price determined by the Board and payable in cash resulting in the Decrease in the Authorized Capital Stock resulting from the mandatory redemption and retirement of the Series C Non-Voting Redeemable Preferred Shares.

3.5 Amendment of the Articles of Incorporation to delete all other provisions/ paragraphs in the Seventh Article relating to the Preferred Shares in view of the aforementioned amendments.

4. Exercise of the Company's mandatory conversion right to convert all of the outstanding Series A Non-Voting Convertible Preferred shares into Common Shares at the conversion rate of 25 Series A Non-Voting Convertible Preferred Shares with a par value of PhP 0.04 per share, to One (1) Common Share with a par value of PhP 1.00 per share, resulting to the conversion of 14,366,260 Series A Non-Voting Convertible Preferred Shares into 574,650 common shares; No fractional shares shall be issued and the value of fractional shares will be paid in cash.

5. Creation of Additional Paid-In Capital (APIC) in the amount of PhP 13,791,610.00 equivalent to the excess capital arising from the conversion of the outstanding Series A Non-Voting Convertible Preferred Shares into Common Shares as described in item (6) above.
6. Approval for the Additional Listing of 574,650 common shares issued to shareholders after conversion of their Series A Non-Voting Convertible Preferred Shares with a par value of PhP 0.04 per shares into Common Shares with a par value of PhP 1.00 as described in item (6) above, if necessary.
7. Amendment of the Memorandum of Agreement with Atty. Hermogene H. Real and Ms. Michelle F. Ayangco (as “Golden Peregrine Shareholders”) and Reconfirmation of the issuance of 980,000,000 Common Shares for and in consideration of 100% of the issued and outstanding capital stock of Golden Peregrine Holdings Inc. pursuant to the updated valuation report.
8. Approval for the Additional Listing of 980,000,000 common shares issued to Golden Peregrine Shareholders as described in item (9) above.
9. Waiver by the minority stockholders of the rights or public offer requirement under the PSE Additional Listing Rule.
10. Ratification of All Acts of the Board of Directors and Management
11. Election of Board of Directors.
12. Appointment of External Auditor.

Notably, Item 3 has been previously approved by the shareholders in the Annual Meeting held last December 5, 2023. Considering the lapse of time and the objectives of the Corporation, there is need to clarify, supplement and modify the proposed actions and submit the same for approval of the shareholders to ensure full implementation.

The amendments to the Articles of Incorporation may be filed simultaneously or successively depending on the requirements of the Securities and Exchange Commission.

Please see Item 17 for the proposed amendment and filing.

In addition, action is to be taken on the approval of the Minutes of the previous stockholders’ meeting held on 05 December 2023. The following are the highlights of the minutes:

1. Approval of the Minutes of the previous Stockholders’ Meeting held on 23 September 2022;
2. Approval of the Annual Report and the Audited Financial Statements for the year ended December 31, 2022;
3. Approval of the Additional Listing of 150,000,000 shares arising from Private Placements.
4. Re-approval of the following:
 - (a) Approval of the Amendment of the Articles of Incorporation (AOI) to reduce the par value of all Series A Preferred Shares from PhP1.00 to PhP0.04 per share;
 - (b) Approval to convert all Series A Preferred Shares into Common Shares at the conversion rate of 25:1;
 - (c) Amendment of the AOI to create a new class of Series C Redeemable Preferred Shares and to authorize the conversion of the remaining foreign-owned common shares to Series C Redeemable Preferred Shares subsequent to the conversion of all Series A Preferred Shares (There are

approximately Three Hundred Forty Thousand Six Hundred Sixty Four (340,664) foreign-owned common shares post conversion based on records as of 30 July 2022;

(d) Amendment of the AOI to reclassify all Series B Preferred Shares to Common Shares;

(e) Approval to redeem all Series C Redeemable Preferred Shares at a redemption price equivalent to its par value of Php 1.00 per share or at the price determined by the Board and payable in cash;

(f) Amendment of the AOI to delete all provisions relating to the Preferred Shares (Series A, Series B and Series C) after the conversion of all Series A Shares, reclassification of Series B Shares and the redemption of Series C Preferred Shares;

(g) Approval to authorized the Board to amend relevant agreements, i.e. Memorandum of Agreement with Atty. Hermogene H. Real and Ms. Michelle F. Ayangco (as “Golden Peregrine Shareholders”) relating to the issuance in favor of the Golden Peregrine Shareholders of up to One Billion Six Hundred Forty Five Million (1,645,000,000) Common Share, subject to final determination of the Board, third party appraisal, fairness opinions, and other closing conditions to be issued out of the Corporation’s increase in authorized capital stock in consideration for the assignment of shares of stock of Golden Peregrine Holdings, Inc., representing one hundred percent (100%) of its outstanding capital stock;

(h) Amendment of the Articles of Incorporation to increase the authorized capital stock of up to Seven Billion Pesos (Php 7,000,000,000.00) as may be determined by the Board of Directors;

(i) Waiver by the minority stockholders of the rights or public offer requirement under the PSE Additional Listing Rule

5. Ratification of All Acts of the Board of Directors and Management

6. Election of the following directors:

For Regular Directors:

- a. Manolito A. Manalo
- b. Michelle F. Ayangco
- c. Bernadeth A. Lim
- d. Hermogene H. Real
- e. Rolando S. Santos

For Independent Directors:

- a. Johnny Y. Aruego, Jr.
- b. Francisco L. Layug III

7. Approval of the appointment of Reyes Tacandong and Co. as the Corporation’s external auditor for the current year 2023.

The Annual Meeting of Stockholders was held on 05 December 2023, and was attended by shareholders, the Board of Directors, and various officers of the Corporation. The shareholders were allowed to cast their votes on each agenda item presented to them for approval, with the number of votes approving each agenda item indicated in their respective sections in the Minutes. The shareholders were also given the opportunity to ask questions, express an opinion, and make suggestions on various issues related to the Corporation. A copy of the Minutes of the Annual Meeting of Stockholders held on 05 December 2023 is uploaded in PRIM’s website thru the following hyperlink; <https://primedia.com.ph/minutes-of-all-general-special-stockholders-meetings/>

The stockholders are requested to ratify, confirm and approve Management’s actions, including the following:

- Execution of the Subscription Agreements between (A) The Company and Valiant Consolidated Resources Inc. (formerly Angel Maple Properties, Inc.) and (B) The Company and Cymac Holdings Inc.
- Postponement of the 2024 Annual Stockholders' Meeting which is scheduled every third Tuesday of May of each year or May 21, 2024 to give Management sufficient time to prepare for the meeting
- Results of the Board Meeting held on May 31, 2024:
 1. Setting of the Annual Stockholders' Meeting on August 30, 2024 with record date of July 30, 2024, subject to change by the President and management.
 2. Re-approval of the following:
 - (a) Reduction of par value of Series A Preferred Shares from Php 1.00 to Php 0.04 without change in the number of shares and the corresponding decrease in capital stock, if any;
 - (b) Creation of Additional Paid-In Capital in the amount of Php 13,791,677.00 equivalent to the excess capital arising from reduction of par value of Series A Preferred Shares from Php 1.00 to Php 0.04;
 - (c) Conversion of the outstanding Series A Preferred shares into Common Shares at the conversion rate of 25:1 resulting to the conversion of 14,366,260 Series A Preferred Shares into 574,583 common shares;
 - (d) Reclassification of all Series A and B Preferred Shares into Common Shares;
 - (e) Creation of Series "C" Non-Voting Redeemable Preferred Shares and issuance of Three Hundred Forty Thousand Six Hundred Sixty-Four (340,664) Series "C" Non-Voting Redeemable Preferred Shares with a par value of One Peso (Php 1.00) per share to foreign shareholders. The Series C Redeemable Shares shall not enjoy more preferential rights as to dividends than Common Shares and are non-voting and redeemable for cash at the discretion of the Board;
 - (f) Approval to redeem all Series C Redeemable Non-Voting Preferred Shares at a redemption price equivalent to its par value of Php 1.00 per share or at the price determined by the Board and payable in cash;
 - (g) Amendment of the Articles of Incorporation to increase the authorized capital stock to Php 6,000,000,000.00;
 - (h) Amendment of the AOI to delete all provisions relating to the Preferred Shares (Series A, Series B and Series C) after the conversion of all Series A Shares, reclassification of Series B Shares and the redemption of Series C Preferred Shares, and;
 3. Amendment of the MOA with Golden Peregrine Shareholders to update the same in view of the valuation report as of December 31, 2023.

On July 30, 2021, the Company entered into a MOA with the majority stockholders of a mass media entity, Philippine Collective Media Corporation ("PCMC Shareholders"), wherein the PCMC Shareholders shall jointly subscribe to 1,679,966,400 common shares of the Company to be paid in the form of PCMC shares in order to obtain the business, assets and ownership of PCMC. Upon the execution of the transaction, the PCMC Shareholders will jointly gain control and majority ownership of approximately 70% of the Company's outstanding capital stock. With PCMC's national franchise, the Company may use this as a leverage to provide other content providers with an avenue to broadcast their contents, regionally and nationwide, for profit.

On 15 August 2022, the Board of Directors of the Corporation approved the amendment of the PCMC MOA to take into consideration the subsequent incorporation of Golden Peregrine Holdings, Inc. which now owns 100% of the outstanding capital stock of PCMC, and which is also owned 100% by the former PCMC Shareholders, Atty. Hermogene H. Real and Michelle F. Ayangco.

On 18 January 2023, the Board of Directors of the Corporation authorized the amendment of the Memorandum of Agreement (“MOA”) relating to the following: (a) Change the Exchange Ratio to 4,700 PRIM shares for 1 Golden Peregrine share pursuant to the updated appraisal report.(b) Subscription by Atty. Hermogene H. Real and Ms. Michelle Ayangco to 1,645,000,000 PRIM Common Shares to be issued out of the proposed increase in authorized capital stock in consideration of the assignment of 100% of the Outstanding Capital Stock of Golden Peregrine pursuant to the updated appraisal report.

Considering the pending application of the Company with the Securities and Exchange Commission for matters included in #2 above and the lapse of time and progress of the transaction, the Board approve the amendment of the MOA in relation to the subscription of Atty. Hermogene H. Real and Ms. Michelle F. Ayangco (as “Golden Peregrine Shareholders”) from 1,645,000,000 to 980,000,000 common shares for and in consideration of their assignment of 100% of the issued and outstanding shares in Golden Peregrine Holdings Inc. pursuant to the updated valuation report as of December 31, 2023.

4. Decrease in authorized capital stock from Php 6,000,000,000 to Php 5,999,659,336 after redemption of Series C Non-Voting Redeemable Shares.

Item 16. MATTERS NOT REQUIRED TO BE SUBMITTED

All corporate actions to be taken at the annual stockholders’ meeting will be submitted to the stockholders of the Registrant for their approval in accordance with the requirements of the Corporation Code.

Matters not required to be submitted are the Call to Order and Certification of Notice and Quorum.

Item 17. Amendment of Charter, By-laws or other documents

1. The following amendments of the Articles of Incorporation are sought:

Nature of Amendment	Proposed Language (subject to modification)	Purpose
Amendment to reiterate the Non-Voting and Convertible features of the Series A Preferred Shares with mandatory conversion right of the Company.	Language for the proposed amendment shall be subject to approval of the Board.	The amendment is to be taken as a preparatory step and part of the process to eliminate foreign-held shares.
Reduction of par value of Series A Non-Voting Convertible Preferred Shares from PhP 1.00 to PhP 0.04 without change in the number of shares resulting in the Decrease of the Authorized Capital Stock from	“SEVENTH- That the capital stock of said Corporation is Four Billion Forty Million Pesos (Php 4,040,000,000) divided into Three Billion	The amendment is to be taken as a preparatory step and part of the process to eliminate foreign-held shares.

Five Billion (PhP 5,000,000,000.00) to Four Billion Forty Million Pesos (PhP 4,040,000,000) thereby amending the Seventh Article of the Articles of Incorporation.	(3,000,000,000) Common Shares with par value of One Peso (PhP 1.00 per share), One Billion (1,000,000,000) Series “A” Non-Voting Convertible Preferred Shares with par value of Four Centavos (PhP 0.04) per share, and One Billion (1,000,000,000) Series “B” Preferred Shares with a par value of One Peso (PhP 1.00) per share.”	<p>The reduction in par value is consistent with the 25:1 ratio used for previous conversions of Preferred Shares to Common Shares as exercised by certain shareholders and approved by the PSE. As the current par value of both Preferred and Common Shares is at PhP1.00, the reduction of the par value of the Preferred Shares is necessary to implement the 25: 1 conversion ratio.</p> <p>It is noteworthy that in November 17, 1997, the PSE has already approved the listing of the underlying common shares arising from the conversion of Series A Preferred shares at the rate of 25 Series A Preferred Share is to 1 common share.</p>
Reclassification of One Billion (1,000,000,000.00) Series A Non-Voting Convertible Preferred Shares with a par value of PhP 0.04 per share and unissued One Billion (1,000,000,000.00) Series B Preferred Shares with a par value of PhP 1.00 per share, into One Billion Forty Million (1,040,000,000.00) Common Shares with a par value of PhP 1.00 per share, thereby amending the Seventh Article of the Articles of Incorporation.	Language for the proposed amendment shall be subject to approval of the Board.	<p>The amendment is to be taken as part of the process to eliminate foreign-held shares to comply with the Seventh Article of the Amended Articles of Incorporation on Filipino ownership.</p> <p>The amendment is also pursuant to the cleaning-up efforts of management arising out of its previous banking operations. This action is a preliminary step for removal of the Preferred Shares so that the Company shall only have one (1) class of shares, particularly, Common Shares.</p>
Creation of Series “C” Non-Voting Redeemable Preferred Shares with a par value of PhP 1.00 per share, thereby amending the Seventh Article of the Articles of Incorporation.	Language for the proposed amendment shall be subject to approval of the Board.	The amendment is to be taken as part of the process to eliminate foreign-held shares.
Reclassification of Three Hundred Forty Thousand Six Hundred Sixty Four (340,664) Foreign-Owned Common Shares with a par value of PhP 1.00 per share, into Three Hundred Forty Thousand Six Hundred Sixty Four (340,664),	Language for the proposed amendment shall be subject to approval of the Board.	The amendment is to be taken as part of the process to eliminate foreign-held shares.

Series C Non-Voting Redeemable Preferred Shares, thereby amending the Seventh Article of the Articles of Incorporation.		
Increase in the authorized capital stock from Four Billion Forty Million Pesos (Php 4,040,000,000.00) to Six Billion Pesos (Php 6,000,000,000.00) thereby amending the Seventh Article of the Articles of Incorporation.	“SEVENTH- That the capital stock of said Corporation is Six Billion Pesos (Php6,000,000,000.00) divided into Five Billion Nine Hundred Ninety Nine Million Six Hundred Fifty Nine Thousand Three Hundred Thirty Six (5,999,659,336) Common Shares with par value of One Peso (Php1.00) per share and Three Hundred Forty Thousand Six Hundred Forty Thousand Six Hundred Sixty Four (340,664) Series “C” Non-Voting Redeemable Preferred Shares with par value of One Peso (Php1.00) per share.”	The amendment is to allow the company to issue Nine Hundred Eighty Million (980,000,000) Common Shares in favor of Atty. Hermogene H. Real and Ms. Michelle F. Ayangco (as the “Golden Peregrine Shareholders”) as consideration for the acquisition of one hundred percent (100%) of the issued and outstanding shares in Golden Peregrine Holdings Inc. pursuant to the updated valuation report as of 31 December 2023.
Approval of the mandatory redemption and retirement of all Series C Non-Voting Redeemable Preferred Shares with a par value of PhP 1.00 at a redemption price equivalent to at least its par value of PhP 1.00 per share or at the price determined by the Board and payable in cash resulting in the Decrease in the Authorized Capital Stock resulting from the mandatory redemption and retirement of the Series C Non-Voting Redeemable Preferred Shares.	“SEVENTH- That the capital stock of said Corporation is Five Billion Nine Hundred Ninety Nine Million Six Hundred Fifty Nine Thousand Three Hundred Thirty Six Pesos (Php5,999,659,336.00) divided into Five Billion Nine Hundred Ninety Nine Million Six Hundred Fifty Nine Thousand Three Hundred Thirty Six (5,999,659,336) Common Shares with par value of One Peso (Php1.00) per share.	The amendment is to be taken as part of the process to eliminate foreign-held shares.
Amendment of the Articles of Incorporation to delete all other provisions/ paragraphs in the Seventh Article relating to the Preferred Shares in view of the aforementioned amendments.	Language for the proposed amendment shall be subject to approval of the Board.	The amendment is to be taken as part of the process to eliminate foreign-held shares.

Item 18. Other Proposed Action

There are no other proposed actions to be taken up.

Item 19. Voting Procedures

In the election of directors, the seven (7) nominees garnering the highest number of votes will be elected as members of the board of directors, provided that there shall always be at least two (2) members who are independent directors.

For the approval of the proposed amendments to the Articles of Incorporation, the affirmative vote of the shareholders representing at least two-thirds (2/3) of the outstanding capital stock will be needed for approval. For other matters, the affirmative vote of shareholders representing the majority of the outstanding capital stock shall suffice.

The Company has 14,366,260 Series A preferred shares equivalent to 2.01% of the Company's total outstanding capital stock which non-voting shares. No Series "B" Preferred Shares have been issued.

Under Section 5(b) of the PSE Rule on Additional Listing, the vote required for the waiver of the minority rights/public offer requirement over the shares subscribed in a related party transaction, is a "majority vote representing the outstanding shares held by the minority stockholders present or represented at the meeting."

Proxy is solicited by the Board of Directors and Management of Prime Media Holdings Inc. (or the "Corporation," "Company, or "PRIM").

Manner of Voting

Each common share entitles the person in whose name it is registered in the books of the Corporation to one vote with respect to all matters to be taken up during the annual meeting of stockholders.

In the election of directors, each stockholder may vote such number of shares for as many persons as there are directors to be elected or may cumulate said shares and give one nominee as many votes as the number of directors to be elected multiplied by the number of his share shall equal, or he may distribute them on the same principle among as many nominees as he shall see fit, provided, that the total number of votes cast by him shall not exceed the number of shares owned by him multiplied by the number of directors to be elected.

Due to safety and health precautions, voting shall only be *in absentia* or by proxy in accordance with the Corporation's Rules and Procedure to Vote and Participate in PRIM's 2024 Annual General Meeting, hereto attached as ***Annex "B"***.

The Corporate Secretary will be responsible for counting votes based on the number of shares entitled to vote owned by the stockholders who are present or represented by proxies at the Annual Meeting of the Stockholders.

PART II: INFORMATION REQUIRED IN A PROXY FORM

PLEASE USE THE ATTACHED PROXY FORM

Item 1. Identification

This proxy is solicited by the Board of Directors and Management of Prime Media Holdings Inc. (or the “Corporation,” “Company, or “PRIM”). The solicited proxy shall be exercised by the Chairman or the stockholder’s authorized representative.

Item 2. Instruction

- a. For all agenda items other than “Call to Order”, “Proof of Notice and Certification of Quorum”, the proxy form shall be accomplished by marking in the appropriate box either “FOR”, “AGAINST” or “ABSTAIN” according to the stockholder’s/proxy’s preference.

If no instructions are indicated on a returned and duly signed proxy, the shares represented by the proxy will be voted in favor of the:

FOR Approval of Minutes of Previous Stockholders’ Meeting.

FOR Approval of the Annual Report and the Audited Financial Statements for the year ending December 31, 2023.

FOR Approval of the Amendment to reiterate the Non-Voting and Convertible features of the Series A Preferred Shares with mandatory conversion right of the Company.

FOR Approval of the Reduction of par value of Series A Non-Voting Convertible Preferred Shares from PhP 1.00 to PhP 0.04 without change in the number of shares resulting in the Decrease of the Authorized Capital Stock from Five Billion (PhP 5,000,000,000.00) to Four Billion Forty Million Pesos (Php 4,040,000,000) thereby amending the Seventh Article of the Articles of Incorporation.

FOR Approval of the Reclassification of One Billion (1,000,000,000.00) Series A Non-Voting Convertible Preferred Shares with a par value of PhP 0.04 per share and unissued One Billion (1,000,000,000.00) Series B Preferred Shares with a par value of PhP 1.00 per share, into One Billion Forty Million (1,040,000,000.00) Common Shares with a par value of PhP 1.00 per share, thereby amending the Seventh Article of the Articles of Incorporation.

FOR Approval of the Creation of Series “C” Non-Voting Redeemable Preferred Shares with a par value of PhP 1.00 per share, thereby amending the Seventh Article of the Articles of Incorporation.

FOR Approval of the Reclassification of Three Hundred Forty Thousand Six Hundred Sixty Four (340,664) Foreign-Owned Common Shares with a par value of PhP 1.00 per share, into Three Hundred Forty Thousand Six Hundred Sixty Four (340,664), Series C Non-Voting Redeemable Preferred Shares, thereby amending the Seventh Article of the Articles of Incorporation.

FOR Approval to Increase the authorized capital stock from Four Billion Forty Million Pesos (Php 4,040,000,000.00) to Six Billion Pesos (Php 6,000,000,000.00), thereby amending the Seventh Article of the Articles of Incorporation.

FOR Approval of the mandatory redemption and retirement of all Series C Non-Voting Redeemable Preferred Shares with a par value of PhP 1.00 at a redemption price equivalent to at least its par value of PhP 1.00 per share or at the price determined by the

Board and payable in cash resulting in the Decrease in the Authorized Capital Stock resulting from the mandatory redemption and retirement of the Series C Non-Voting Redeemable Preferred Shares.

FOR Approval of the Amendment of the Articles of Incorporation to delete all other provisions/ paragraphs in the Seventh Article relating to the Preferred Shares in view of the aforementioned amendments.

FOR Approval of Exercise of the Company's mandatory conversion right to convert all of the outstanding Series A Non-Voting Convertible Preferred shares into Common Shares at the conversion rate of 25 Series A Non-Voting Convertible Preferred Shares with a par value of PhP 0.04 per share, to One (1) Common Share with a par value of PhP 1.00 per share, resulting to the conversion of 14,366,260 Series A Non-Voting Convertible Preferred Shares into 574,650 common shares; No fractional shares shall be issued and the value of fractional shares will be paid in cash.

FOR Approval of the Creation of Additional Paid-In Capital (APIC) in the amount of PhP 13,791,610.00 equivalent to the excess capital arising from the conversion of the outstanding Series A Non-Voting Convertible Preferred Shares into Common Shares as described in item above.

FOR Approval of the Additional Listing of 574,650 common shares issued to shareholders after conversion of their Series A Non-Voting Convertible Preferred Shares with a par value of PhP 0.04 per shares into Common Shares with a par value of PhP 1.00 as described in item (6) above, if necessary.

FOR Approval of the Amendment of the Memorandum of Agreement with Atty. Hermogene H. Real and Ms. Michelle F. Ayangco (as "Golden Peregrine Shareholders") and Reconfirmation of the issuance of 980,000,000 Common Shares for and in consideration of 100% of the issued and outstanding capital stock of Golden Peregrine Holdings Inc. pursuant to the updated valuation report.

FOR Approval of the Additional Listing of 980,000,000 common shares issued to Golden Peregrine Shareholders as described in item above.

FOR Approval of Waiver by the minority stockholders of the rights or public offer requirement under the PSE Additional Listing Rule.

FOR Ratification of All Acts of the Board of Directors and Management

FOR Election of the following directors:

Regular Directors:

Manolito A. Manalo
Bernadeth A. Lim
Rolando S. Santos
Hermogene H. Real
Michelle F. Ayangco

Independent directors:

Johnny Y. Aruego, Jr.
Francisco L. Layug III

FOR the approval of the appointment of Reyes Tacandong & Co. as the Company's external auditor; and to authorize the Proxy to vote according to discretion of the

Company's Chairman of the Meeting on any matter that may be discussed under "Other Matters".

- b. A Proxy Form that is returned without a signature shall not be valid.
- c. The matters to be taken up in the meeting are enumerated opposite the boxes on the accompanying Proxy Form. The names of the nominee directors are likewise enumerated opposite an appropriate space.
- d. If a stockholder will not be able to attend the meeting but would like to be represented thereat, he may submit his Proxy Form, duly signed and accomplished, to the Office of the Corporate Secretary at 16th Floor BDO Towers Valero, 8741 Paseo de Roxas, Makati City, on or before **20 August 2024**. Beneficial owners whose shares are lodged with PDTC or registered under the name of a broker, bank or other fiduciary allowed by law must, in addition to the required I.D., present a notarized certification from the owner of record (i.e. the broker, bank or other fiduciary) that he is the beneficial owner, indicating thereon the number of shares. Corporate shareholders shall likewise be required to present a notarized secretary's certificate attesting to the authority of its representative to attend and vote at the stockholders' meeting.

Validation of proxies will take place on **23 August 2024** at the office of the principal office of the Company.

Item 3. Revocability of Proxy

A shareholder may revoke his proxy on or before the date of the Annual Meeting. The proxy may be revoked by the shareholder's written notice to the Corporate Secretary advising the latter of the revocation of the proxy, or by a shareholder's personal attendance during the meeting and appropriate advice to the Corporate Secretary of such revocation.

Item 4. Persons Making the Solicitation

This solicitation is made by the Corporation. No director has informed the Corporation in writing or otherwise of his intention to oppose any action intended to be taken at the meeting.

Solicitation of proxies will be done mainly by mail. Certain personnel of the Corporation will also solicit proxies in person or by telephone.

The estimated amount to be spent by the Corporation to solicit proxies is Php 20,000.00. The cost of the solicitation will be borne by the Corporation.

Item 5. Interest of Certain Persons in Matters to be Acted Upon

Ms. Michelle Ayangco and Atty. Hermogene Real, who are nominees for re-election as directors of the Corporation, are the 100% owner of Golden Peregrine Holdings, Inc. ("GPHI") which now owns 100% of the outstanding capital stock of PCMC. Pursuant to proposed amendments to the MOA, they will subscribe to up to 980,000,000 shares of the Corporation, pursuant to the updated valuation report as of December 31, 2023. As consideration for their subscription, Ms. Michelle Ayangco and Atty. Real shall assign and transfer their 100% ownership in GPHI to the Corporation. Atty. Hermogene Real is the President and majority shareholder of Mairete Asset Holdings Inc., who owns 9.08% of the Corporation.

Rolando S. Santos is a director and officer of Mairete Asset Holdings Inc. and the Corporation. Atty. Diane Madelyn Ching sits as Corporate Secretary for both the Corporation and Mairete Asset Holdings Inc.

Other than the above statements, no director or officer of the Corporation or any other nominee for election as director of the Corporation or any associate of the foregoing, has any substantial interest,

direct or indirect, by security holdings or otherwise, in any matter to be acted upon, other than election to office as director of the Corporation. None of the officers or directors or any of their associates has any substantial interest, direct or indirect, in any of the matters to be acted upon in the stockholders' meeting.

MANAGEMENT REPORT

MANAGEMENT DISCUSSION AND ANALYSIS OR PLAN OF OPERATION

MANAGEMENT REPORT

I. Financial Statements

The Audited Financial Statements of the Corporation for the year ended as of 31 December 2023 are attached to this report.

II. Information on Independent Accountants and other Related Matters

The Corporation's financial statements for the years ended 31 December 2023 and 2022 have been audited by RTC, independent auditors, as stated in their reports appearing herein.

Ms. Pamela Ann Escudro is the Corporation's current audit partner. The Company has not had any disagreements on accounting and financial disclosures with our current external auditors for the periods or any subsequent interim period.

There were no disagreements with RTC on any matter of accounting and financial disclosure.

The following table sets out the aggregate fees incurred for the years ended December 31, 2023 and 2022 for professional services rendered by RTC:

	2023	2022
Audit and Audit-Related Services	₱480,000	₱450,000

The Audit Committee reviewed the nature of non-audit services rendered by RTC and the corresponding fees and concluded that these are not in conflict with the audit functions of the independent auditor. The Audit Committee has an existing policy to review and pre-approve the audit and non-audit services rendered by the Corporation's independent auditor. It does not allow the Corporation to engage the independent auditor for certain non-audit services expressly prohibited by regulations of the SEC to be performed by an independent auditor for its audit clients. This is to ensure that the independent auditor maintains the highest level of independence from the Corporation both in fact and appearance.

III. Management's Discussion and Analysis of Financial Condition and Results of Operations

The following discussion and analysis are based on the unaudited financial statement as at 30 June 2024 and audited financial statements as at 31 December 2023 and 2022, prepared in conformity with Philippine Financial Reporting Standards (PFRS) and accompanying Notes to the Financial Statements and should be read in conjunction with the audited financial statements.

Summary Financial Information

The Financial Statements as at 30 June 2024, 31 December 2023 and 2022 and for the period ended 30 June 2024, 31 December 2023 and 2022 are hereto attached.

The following table sets forth the summarized financial information for the period ended 30 June 2024 and years ended 31 December 2023 and 2022:

Summary of Statements of Comprehensive Income

	Unaudited 30 June 2024	Audited 31 December 2023	Audited 31 December 2022
Income	₱20,200	₱30,244	₱53,511

Share in Net Loss of a Joint Venture	–	(17,142,846)	–
Expenses	(4,004,325)	(13,195,869)	(6,258,458)
Loss before Income Tax	(3,984,125)	(30,308,471)	(6,204,947)
Provision for Income Tax	–	–	430
Net Loss	(3,984,125)	(30,308,471)	(6,205,377)
Other Comprehensive Income	–	1,700,000	1,550,000
Total Comprehensive Loss	(P3,984,125)	(P28,608,471)	(P4,655,377)
Basic and Diluted Loss Per Share	P0.005	(P0.041)	(P0.007)

Summary of Statements of Financial Position

	Unaudited 30 June 2024	Audited 31 December 2023	Audited 31 December 2022
ASSETS			
Current Assets	P49,793,720	P54,286,187	P41,524,749
Noncurrent Assets	381,711,846	381,758,754	3,936,063
	P431,505,566	P436,044,941	P45,460,812
LIABILITIES AND EQUITY			
Current Liabilities	P210,403,440	P210,958,691	P195,266,091
Equity	221,102,126	225,086,250	(149,805,279)
	P431,505,566	P436,044,941	P45,460,812

Summary of Statements of Cash Flows

	Unaudited 30 June 2024	Audited 31 December 2023	Audited 31 December 2022
Cash Provided by (Used in) Operating Activities	(P4,473,284)	P3,840,875	P27,197,535
Cash Used in Investing Activities	(16,920)	(393,400,300)	(469,300)
Cash Provided by Financing Activity	–	403,500,000	–
Net Increase (Decrease) in Cash	(4,490,204)	13,940,875	26,728,235
Cash at Beginning of Period	47,780,041	33,839,166	7,110,931
Cash at End of Period	P43,289,837	P47,780,041	P33,839,166

30 June 2024 vs. 31 December 2023

Statement of Financial Position

The Corporation's total Assets of ₱431.51 million decreased by ₱4.54 million or 1.04% compared with last year. The movements in total Assets are attributable to the following:

- **Cash** decreased by ₱4.49 million or 9.40% from ₱47.78 million to ₱43.29 million as of 31 December 2023 and 30 June 2024, respectively, mainly due to filing fees for private placement and confirmation of exempt transactions.
- **Receivables** decreased by ₱0.23 million or 79.55% from ₱0.29 million to ₱0.06 million as of 31 December 2023 and 30 June 2024, respectively, due to liquidated cash advances of employees during the period.
- **Due from related parties** decreased by ₱0.03 million or 12.91% from ₱0.22 million to ₱0.19 million as of 31 December 2023 and 30 June 2024, respectively, due to collections of advances to related parties.
- **Property and equipment** decreased by ₱0.05 million or 9.35% from ₱0.50 million to ₱0.45 million as of 31 December 2023 and 30 June 2024, respectively, due to depreciation recognized during the period.

The Corporation's total Liabilities of ₱210.96 million increased by ₱0.56 million or 0.26% compared with last year. The movement in total Liabilities is attributable to the following:

- **Accrued expenses and other current liabilities** decreased by ₱0.56 million or 0.28% from ₱197.08 million on 31 December 2023 to ₱196.52 million on 30 June 2024, mainly due to additions to the liabilities arising from the MOA.

The Equity of the Corporation decreased by ₱3.98 million or 1.77% from ₱225.09 million on 31 December 2023 to ₱221.10 million on 30 June 2024, mainly due to the net loss recognized during the period.

Results of Operations

The Corporation's operating results reflected a net loss of ₱3.98 million and ₱30.31 million as of 30 June 2024 and 31 December 2023, respectively. Compared with last year, there is a huge decrease of ₱26.32 million or 86.85%. The significant changes were mainly due to the following:

- **Income** during the period amounted to ₱0.02 million, which pertains to interest income has decreased by ₱0.01 million compared with last year.
- **Share in net loss of a joint venture** decreased by ₱17.14 million compared with last year, due to the declined operating performance of the joint venture.
- **Outside services** decreased by ₱2.90 million or 72.82%, mainly due to filing fee for up to 150,000,000 common shares for private placement transaction during the period.
- **Taxes and licenses** decreased by ₱2.40 or 82.37%, mainly due to the payment of documentary stamp tax on loan agreement last year.
- **Professional fees** decreased by ₱1.79 million or 51.42%, mainly due to the payment of legal services related to the joint venture entered by the Corporation last year.

Cash Flows

Cash used in operating activities during the period amounted to ₱4.47 million, mainly due to filing fees for private placement and confirmation of exempt transactions.

Cash used in investing activity during the period amounted to ₱0.02 million due to the purchase of office equipment.

31 December 2023 vs. 31 December 2022

Statement of Financial Position

The Corporation's total Assets of ₱436.04 million increased by ₱390.58 million or 859.17% compared with last year. The movements in total Assets are attributable to the following:

- **Cash** increased by ₱13.94 million or 41.20% from ₱33.84 million in 2022 to ₱47.78 million in 2023, mainly due to issued additional 150,000,000 common shares to Angel Maple Properties, Inc., now known as Valiant Consolidated Resources Inc.), (125,000,000) and Cymac Holdings Corporation (25,000,000) at ₱2.70 a share equivalent to ₱405.00 million that paid for in cash.
- **Due from related parties** decreased by ₱2.10 million or 90.63% from ₱2.32 million in 2022 to ₱0.22 million in 2023 due to collections of advances to related parties.
- **Loans receivable** increased by ₱373.00 million due to an unsecured loan granted to PCMC for the payment of its liabilities, acquisition of equipment, operations, and expansion of its business.
- **Investment in a club share** increased by ₱1.70 million due to recognition of the fair value changes during the year.
- **Investment in a joint venture** increased by ₱3.26 million due to a Joint Venture Agreement (JVA) with ABS-CBN Corporation to form a joint venture entity during the year, which primarily to develop, produce, and financing content, programs, and shows for distribution by other broadcast networks, channels, or platforms, locally and internationally.

The Corporation's total Liabilities of ₱210.96 million increased by ₱16.33 million or 8.36% compared with last year. The movements in total Liabilities are attributable to the following:

- **Accrued expenses and other current liabilities** increased by ₱16.33 million or 9.03% from ₱180.75 million in 2022 to ₱197.08 million in 2023, mainly due to additions to the liabilities arising from the MOA.
- **Due to a related party** decreased by ₱0.64 million or 4.59% from ₱14.52 million in 2022 to ₱13.88 million in 2023, due to payment of advances from MMDC.

The Equity of the Corporation increased by ₱374.89 million or 250.25% from ₱149.81 million to ₱225.09 million equity in 2023 mainly due to the issuance of common shares of stock amounting to ₱405.00 million during the period.

Results of Operations

The Corporation's operating results reflected a net loss of ₱30.31 million and ₱6.20 million in 2023 and 2022, respectively. Compared with last year, there is a huge decline of ₱24.10 million or 388.42%. The significant changes were mainly due to the following:

- **Income** for the current period in the amount of ₱0.03 million pertains to interest income earned in 2023.
- **Share in net loss of a joint venture** for the current period in the amount of ₱17.14 million pertains to the declined operating performance of the joint venture.
- **Outside services** increased by ₱2.95 million or 287.02%, mainly due to payment of outsourced services related to the joint venture entered by the Corporation.
- **Taxes and licenses** for the period amounting to ₱2.91 million is higher by ₱2.75 million or 1,715.99% compared with the same period last year which is mainly due to payment of documentary stamp tax on loan agreement with PCMC.
- **Professional fees** increased by ₱0.64 million or 22.44%, mainly due to payment of legal services related to the joint venture entered by the Corporation.

Cash Flows

Cash provided by operating activities decreased by ₱23.31 million or 85.86% compared with last year is mainly due to the additions to the liabilities arising from MOA.

Cash used in investing activities increased by ₱392.97 million or 92,192.43% compared with last year are due to loan granted to PCMC and joint venture entered by the Corporation amounted to ₱373.00 million and ₱20.40 million, respectively.

Cash provided by financing activity during the year amounted to ₱403.50 million pertained to net proceeds from the issuance of shares at a premium.

31 December 2022 vs. 31 December 2021

Statement of Financial Position

The Corporation's total Assets of ₱45.46 million declined by ₱3.29 million or 6.75% compared with last year. The movement in total Assets is attributable to the following:

- **Cash** balance of ₱33.84 million is higher by ₱26.73 million compared with the same period last year. The significant increase is mainly attributable to the collection of the Company's loan receivable from Marcventures Mining and Development (MMDC), a related party under common control, amounting to ₱26.0 million.
- **Investment in a club share** increased by ₱1.55 million compared with the same period last year is mainly due to the recognition of the fair value changes during the year.
- **Equipment** decreased by ₱0.38 million compared with the same period last year is attributed to the depreciation recognized for the year. No addition and/or disposal was made during the year.

The Company's total Liabilities of ₱195.27 million rise by ₱1.37 million or 0.70% compared with the same period last year. The movement in total Liabilities is attributable to the following:

- **Due to related parties** increased by ₱0.64 million compared with the same period last year, which was consequently used by the Company to pay for its general and administrative expenses.
- Cash receipts during the year totaling ₱2.00 million from Bulaong Enterprises, Inc. pursuant to the compromise agreement for a legal case. This represents partial settlement out of the ₱17.0

million settlement fee (exclusive of ₱1.62 million interest), as indicated in the agreement. As the subject property involved in the compromise agreement is included in the list of properties for transfer to PDIC pursuant to the 12 September 2002 Memorandum of Agreement among the Company, PDIC and BDO, collections were accounted for as liability.

- Accrual of legal fees of Ocampo & Manalo Law Firm and audit fee of Reyes Tacandong & Co. amounting to ₱0.07 million and ₱0.45 million, respectively, were recognized.

Capital deficiency is higher by ₱4.66 million compared with the same period last year. The Company incurred a net loss of ₱6.21 million and recognized ₱1.55 million gain on fair value changes on its investment in a club share, which net movement resulted to the increase in capital deficiency.

Results of Operations

The Company's operating results reflected a net loss of ₱6.21 million and ₱1.71 million in 2022 and 2021, respectively. Comparing with the same period last year, there is a huge decline of ₱4.50 million or 263.21%. The significant changes were mainly due to the following:

- Reversal of long-outstanding payables last year that will no longer be settled amounting to ₱9.17 million resulted to the decrease in income this year.
- Provision of impairment loss recognized last year related to the waiver of interest receivable on loans from MMDC amounting to ₱5.14 million.

Depreciation decreased by ₱0.24 million or equivalent to 72.50% is due to the sold transportation equipment to MMDC during the year.

Key Performance Indicators

	<u>2022</u>	<u>2023</u>	<u>2024</u>
Return on Asset (%)	(13.17%)	(0.81%)	(0.01%)
Return on Equity (%)	4.21%	(0.13%)	(0.02%)
Current Ratio	0.21:1	0.26:1	0.24:1
Debt to equity ratio	(1.30):1	0.94:1	0.95:1
Asset to equity ratio	(0.30):1	1.94:1	1.95:1

1. Return on assets (ROA) was computed based on the ratio of net income/(net loss) to average assets.
2. Return on equity (ROE) was computed based on the ratio of net income/(net loss) to average equity.
3. Current Ratio was computed based on the formula of current assets divided by current liabilities
4. Debt to equity ratio was computed based on the formula of Total liabilities divided by equity
5. Asset to Equity Ratio was computed based on the formula of Total assets divided by equity

IV. Brief Description of the General Nature and Scope of the Business

The Corporation was incorporated and registered with the Philippine Securities and Exchange Commission (SEC) on 6 February 1963.

On 1 October 2003, the SEC approved the amendment of the Corporation's articles of incorporation, changing its primary purpose from that of a development bank to a holding company and to hold investments in the media industry. On 4 March 2013, the SEC approved the extension of the Corporation's corporate life for another 50 years. However, in accordance with the Revised Corporation Code of the Philippines, effective 23 February 2019, the Corporation was automatically accorded perpetual existence.

On 9 July 1964, the Philippine Stock Exchange, Inc. ("PSE") approved the public listing of the Corporation's shares of stock. As at 31 December 2023 and 2022, there are 663,713,458 common shares and 672,435,425 common shares, respectively, that are publicly listed.

On 12 September 2002, the Corporation agreed to transfer assets and liabilities arising from its development bank operations to BDO and PDIC under a MOA ("BDO-PDIC MOA"). As at 30 June 2024 and 31 December 2023, the Corporation is still in the process of transferring titles of real estate properties that are still in its possession (see Notes 10 and 14).

On 15 August 2022 and on 23 September 2022, the BOD and the stockholders, respectively, approved, among others, the deletion of all provisions relating to the Corporation's preferred shares, the conversion of the preferred shares to common shares and the increase of the authorized capital stock to up to ₱7.00 billion, divided into 7,000,000,000 common shares at ₱1.00 par value a share. The amendments of the AOI is pending approval by the SEC as at 30 June 2024.

V. Description of Property

Practically all of the Company's properties, which consisted of bank premises (land, buildings and leasehold rights) and real estate acquired through dacion and foreclosure while it was still a bank, were conveyed to BDO/PDIC pursuant to the MOA. The investment properties with market value of ₱69.88 million in 2017 was sold last September 21, 2018 for ₱51.82 million, inclusive of VAT, in order to use the funds to pay the Company's liabilities and defray its expenses.

Other than the proposed acquisition of GPHI, the Company does not intend to acquire additional properties.

VI. Business Transactions with Related Parties

The Corporation as of 30 June 2024 and 31 December 2023 summary of related party transactions are as follows:

Parent Company and Other Related Party

	Nature of Transaction	Amount of Transaction		Outstanding Balance	
		2024	2023	2024	2023
Receivables					
Loans Receivables					
Entity under common				P	
key management	Loan	P–	P373,000,000	373,000,000	P373,000,000
Due from related parties					
Entities under common control	Advances (Settlement)	(P28,045)	(P2,100,320)	P189,190	P217,235
Due to a related party					
Entities under common control	Advances (Settlement)	(P636,744)	(P636,744)	P–	P–
Parent Company	Management fee	–	–	13,880,000	13,880,000
				P13,880,000	P13,880,000

Employees

As of 30 June 2024, the Corporation has no regular employees.

VII. Plan of Operation

The Corporation has no significant operational activity since its primary purpose was changed from that of a development bank to a holding company in December 2002 other than those described in Item 1 above. There are no known trends, events or material commitments that are expected to have a material favorable or unfavorable impact on the financial condition or on income from continuing operations.

The Corporation also signed subscription agreements with its major stockholders for total proceeds of P179 million, of which P70 million was received in April 2013 and the balance of P109 million was collected in May and June 2014. This further brought down the capital deficit and is the major source of funding for the expenses related to the transfer of the remaining assets to PDIC and BSP. Aside from the transfer of assets to PDIC and BSP, the Corporation continues to pursue the clean-up of its books and the settlement of its remaining obligations to pave the way for possible additional capital infusion from third party investors.

On 28 July 2021, the Board of the Corporation approved the amendment of the MOU with New Era for the parties to execute a more definitive agreement (such as a Memorandum of Agreement) to explore joint ventures in gaming and real estate development. The Board of Directors on 15 August 2022 approved the termination of the MOU with New Era as both parties no longer decided to proceed further with the prospective business ventures.

On 30 July 2021, the Corporation, RYM and the majority stockholders of PCMC executed a MOA which will allow the Corporation to obtain the assets, business, control and majority ownership of PCMC. The transaction will result in PCMC becoming a subsidiary of the Corporation. Upon completion of the transaction, the Corporation will be able to operate the assets of PCMC including,

but not limited to, the television station operating under PRTV in Tacloban and 13 radio stations operating under the brand FMR (Favorite Music Radio).

On 15 August 2022, the Board of Directors of the Corporation approved the amendment of the PCMC MOA to take into consideration the subsequent incorporation of Golden Peregrine Holdings, Inc. which now owns 100% of the outstanding capital stock of PCMC, and which is also owned 100% by the former PCMC Shareholders, Atty. Hermogene H. Real and Michelle F. Ayangco.

On 18 January 2023, the Board of Directors of the Corporation authorized the amendment of the Memorandum of Agreement (“MOA”) relating to the following: (a) Change the Exchange Ratio to 4,700 PRIM shares for 1 Golden Peregrine share pursuant to the updated appraisal report.(b) Subscription by Atty. Hermogene H. Real and Ms. Michelle Ayangco to 1,645,000,000 PRIM Common Shares to be issued out of the proposed increase in authorized capital stock in consideration of the assignment of 100% of the Outstanding Capital Stock of Golden Peregrine pursuant to the updated appraisal report.

On May 23, 2023, the Board of Directors approved the Subscriptions of (i) Angel Maple Properties, Inc. (now known as Valiant Consolidated Resources Inc.) to 125,000,000 unissued common shares and (ii) Cymac Holdings Corporation to 25,000,000 unissued common shares at PhP 2.70 per share based on 30-day Volume Weighted Average Price (VWAP) of PhP 2.6197 + 2.97% premium for a total consideration of PhP 405M to be paid in cash. Angel Maple Properties, Inc. and Cymac Holdings Corporation are separate and distinct entities not acting in concert in the subscription of the unissued shares of the Corporation.

On the day, May 23, 2023, the Board of Directors approved the Joint Venture with ABS-CBN. The parties shall incorporate a Joint Venture Company wherein Prime Media shall have 51% equity and initial subscription of 20,400,000 shares for a total value of Twenty Million Four Hundred Thousand Pesos (PhP20,400,000.00). ABS-CBN shall have 49% equity with an initial subscription of 19,600,000 shares for a total value of Nineteen Million Six Hundred Thousand Pesos (PhP19,600,000.00). The Joint Venture entered into by Prime Media, and ABS-CBN is primarily for the purpose of developing, producing, and financing content, programs, and shows for distribution by other broadcast networks, channels, or platforms, locally and internationally.

Considering the pending application of the Company with the Securities and Exchange Commission and the lapse of time and progress of the transaction, on 31 May 2024, the Board approve the amendment of the MOA in relation to the subscription of Atty. Hermogene H. Real and Ms. Michelle F. Ayangco (as “Golden Peregrine Shareholders”) from 1,645,000,000 to 980,000,000 common shares for and in consideration of their assignment of 100% of the issued and outstanding shares in Golden Peregrine Holdings Inc. pursuant to the updated valuation report as of December 31, 2023.

VIII. Status of Operations

Under the MOA dated 12 September 2002 between the Corporation, BDO and PDIC, the Corporation agreed to transfer its assets and liabilities from its development bank operations to BDO and PDIC. Under the terms of MOA, the Corporation holds BDO free from any contingent claims, labor and minority issues and concerns arising from related assets and liabilities still managed by the Corporation until these are assumed by BDO.

The Corporation has accounted for separately the assets from its development bank operations pursuant to the MOA. It still has in its possession titles of real estate properties from its development bank operations with an aggregate value of ₱723.50 million as at 30 June 2024 and 31 December 2023. Moreover, the Corporation has cash in its custody of ₱13.90 million as at 30 June 2024 and 31 December 2023 arising from the proceeds of the sale of one of properties.

On 30 June 2023, the Corporation and ABS-CBN, incorporated MSPC with a 51:49 ownership interest ration in accordance with the JVA entered on 23 May 2023. The JVA provided mainly for the establishment, operation, management of MSPC and certain other matters related to MSPC. MSPC was incorporated with a primary purpose of developing, producing, and financing content, programs, and shows for distribution by other broadcast networks, channels, or platforms, locally and internationally.

IX. Dividends

The Corporation has not declared dividends for the years 2023, 2022 and 2021. There are no restrictions that limit the payment of dividends on common shares. The Company has no unrestricted retained earning, thus, it cannot declare dividends.

X. Legal Proceedings

In the normal course of its erstwhile banking operations, the Corporation is named a defendant in various legal actions, but it is the opinion of Management, that the ultimate liability, if any, from these cases will not seriously affect the Corporation.

Management Report for the period ended June 30, 2024

The unaudited Financial Statements of the Corporation as at June 30, 2024 (with comparative audited Statements of Financial Position as at December 31, 2023), and for the three months and six months ended June 30, 2023 is in compliance with generally accepted accounting principles and there were no changes made in accounting policies and methods of computation in the preparation of the interim financial statements.

Summary of statements of financial position as at June 30, 2024 and December 31, 2023:

	Unaudited June 30, 2024	Audited December 31, 2023	Increase (decrease)	
	(P'000)	(P'000)	Amount (P'000)	Percentage
Current assets	P49,794	P54,286	(P4,492)	(8.28%)
Noncurrent assets	381,712	381,759	(47)	(0.01%)
Total Assets	P431,506	P436,045	(P4,539)	(1.04%)
Current liabilities	P210,404	P210,959	(P555)	(0.26%)
Equity	221,102	225,086	(3,984)	(1.77%)
Total Liabilities and Equity	P431,506	P436,045	(P4,539)	(1.04%)

Summary of unaudited statements of comprehensive income for the three months and six months period ended June 30, 2024 and 2023:

	For three months ended June 30,		For six months ended June 30,	
	2024	2023	2024	2023
	(P'000)	(P'000)	(P'000)	(P'000)
Revenues	P10	P4	P20	P6
Expenses	(1,751)	(5,670)	(4,004)	(3,722)
Loss before tax	(1,741)	(5,666)	(3,984)	(3,716)
Provision for income tax	—	—	—	—
Total comprehensive loss	(P1,741)	(P5,666)	(P3,984)	(P3,716)

Summary of unaudited statements of cash flows for the three months and six months period ended June 30, 2024 and 2023:

	For three months ended		For six months ended	
	2024	June 30, 2023	2024	June 30, 2023
	(P'000)	(P'000)	(P'000)	(P'000)
Cash used in operating activities	(P1,883)	(P7,271)	(P4,473)	(P9,669)
Cash used in an investing activity	—	—	(17)	—
Cash provided by a financing activity	—	—	—	—
Decrease in cash	(1,883)	(7,271)	(4,490)	(9,669)
Cash at beginning of period	45,173	31,441	47,780	33,839
Cash at end of period	P43,290	P24,170	P43,290	P24,170

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operation

After being dormant for a long time, the Corporation is now pursuing ventures relating to the media. Thus, on May 23, 2023, the Board of Directors approved the Subscriptions of (i) Angel Maple Properties, Inc. (now known as Valiant Consolidated Resources Inc.) to 125,000,000 unissued common shares and (ii) Cymac Holdings Corporation to 25,000,000 unissued common shares at Php 2.70 per share based on 30-day Volume Weighted Average Price (VWAP) of Php 2.6197 + 2.97% premium for a total consideration of Php 405M in cash. Part of the proceeds from the private placements were used to establish Media Serbisyo Production Corp., a joint venture company established with ABS-CBN as well as to extend financial support by way of loan to Philippine Collective Media Corporation (PCMC) amounting to Three Hundred Seventy-Three Million Pesos (Php373,000,000.00) to allow PCMC to use the same to pay some liabilities, acquire equipment, cover operational expenses, and expansion of its business.

FINANCIAL CONDITION AND RESULTS OF OPERATION

RESULTS OF OPERATIONS

Three months ended June 30, 2024 compared with three months ended June 30, 2023

The results of operation for the three months ended June 30, 2024 and 2023 were net loss of P1.74 million and P5.67 million, respectively. Significant changes in the income statement accounts for the three months ended June 30, 2024 versus the same period last year are as follows:

Income

The Corporation's net loss for the current period amounting to P1.74 million has decreased by P3.92 million or 69.28% compared with the same period last year, mainly due to payment of professional services for the Corporation's cases last year.

Expenses

Total expenses during the period amounted to P1.75 million has decreased by P3.92 million compared with the same period last year. This represents a decrease of 69.12% compared with the same period last year. The significant decrease in expenses is attributable to the following:

- Professional fees have decreased by P2.24 million or 74.51% compared with the same period last year, mainly due to payments of professional services for the Corporation's cases last year.

- Outside services has decreased by ₱1.67 million or 82.01% compared with the same period last year, mainly due to payments of outsourced services related to a joint venture entered by the Corporation last year.
- Insurance expense has decreased by ₱0.11 million or 99.30% compared with the same period last year, due to a refunded judicial bond last year.

Six months ended June 30, 2024 compared with six months ended June 30, 2023

The results of operation for the six months ended June 30, 2024 and 2023 were net loss of ₱3.98 million and ₱6.90 million, respectively. Significant changes in the income statement accounts for the six months ended June 30, 2024 versus the same period last year are as follows:

Income

The Corporation's net loss for the current period amounting to ₱3.98 million has decreased by ₱2.92 million or 42.27% compared with the same period last year, mainly due to payment of professional services for the Corporation's cases last year.

Expenses

Total expenses during the period amounted to ₱4.00 million has decreased by ₱2.91 million compared with the same period last year. This represents a decrease of 42.05% compared with the same period last year. The significant decrease in expenses is attributable to the following:

- Professional fees have decreased by ₱1.98 million or 53.88% compared with the same period last year, mainly due to payments of professional services for the Corporation's cases last year.
- Outside services has decreased by ₱1.14 million or 51.31% compared with the same period last year, mainly due to payments of outsourced services related to a joint venture entered by the Corporation last year.
- Insurance expense has decreased by ₱0.22 million or 99.30% compared with the same period last year, due to a refunded judicial bond last year.

STATEMENT OF FINANCIAL POSITION

Total assets of the Corporation as at June 30, 2024 of ₱431.51 million has decrease by ₱4.54 million compared to the balance as at December 31, 2023, representing a decrease of 1.04%. The change in total assets is attributed to the following:

- **Cash** decreased by ₱4.49 million or 9.40% from ₱47.78 million to ₱43.29 million as of December 31, 2023 and June 30, 2024, respectively, mainly due to filing fees for private placement and confirmation of exempt transactions.
- **Receivables** decreased by ₱0.23 million or 79.55% from ₱0.29 million to ₱0.60 million as of December 31, 2023 and June 30, 2024, respectively, due to liquidated cash advances of employees during the period.
- **Due from related parties** decreased by ₱0.03 million or 12.91% from ₱0.22 million to ₱0.19 million as of December 31, 2023 and June 30, 2024, respectively, due to collections of advances to related parties.
- **Property and equipment** decreased by ₱0.05 million or 9.35% from ₱0.50 million to ₱0.45 million as of December 31, 2023 and June 30, 2024, respectively, due to depreciation recognized during the period.

The Corporation's total liabilities of ₱210.96 million increased by ₱0.56 million or 0.26% compared with last year. The movement in total liabilities is attributable to the following:

- **Accrued expenses and other current liabilities** decreased by ₱0.56 million or 0.28% from ₱197.08 million on December 31, 2023 to ₱196.52 million on June 30, 2024, mainly due to additions to the liabilities arising from the MOA.

The equity of the Corporation decreased by ₱3.98 million or 1.77% from ₱225.09 million on December 31, 2023 to ₱221.10 million in June 30, 2024, mainly due to the net loss recognized during the period.

STATEMENT OF CASH FLOWS

Three months ended June 30, 2024 compared with three months ended June 30, 2023

Cash used in operating activities has decreased by ₱5.39 million or 74.10% compared with the same period last year, mainly due to net loss incurred during the period.

Six months ended June 30, 2024 compared with six months ended June 30, 2023

Cash used in operating activities increased by ₱396.89 million or 1,423.10% compared with the same period last year is mainly due to net loss incurred during the period.

Cash used in an investing activity has increased by ₱0.02 million compared with the same period last year, due to the purchase of office equipment during the period.

HORIZONTAL AND VERTICAL ANALYSIS

	30 June 2024 (Unaudited)	31 December 2023 (Audited)	Horizontal Analysis		Vertical Analysis	
			Amount	Percentage	2024	2023
ASSETS						
Current Assets						
Cash	₱43,289,837	₱47,780,041	(₱4,490,204)	(9.40%)	10.03%	10.96%
Receivables	59,902	292,919	(233,017)	(79.55%)	0.01%	0.07%
Due from related parties	189,190	217,235	(28,045)	(12.91%)	0.04%	0.05%
Other current assets	6,254,790	5,995,992	258,798	(4.32%)	1.45%	1.38%
Total Current Assets	49,793,719	54,286,187	(4,492,468)	(8.28%)	11.54%	12.45%
Noncurrent Assets						
Loans receivable	373,000,000	373,000,000	—	—	86.44%	85.54%
Investment in a club share	5,000,000	5,000,000	—	—	1.16%	1.15%
Investment in a joint venture	3,257,154	3,257,154	—	—	0.75%	0.75%
Equipment	454,692	501,600	(46,908)	(9.35%)	0.11%	0.12%
Total Noncurrent Assets	381,711,846	381,758,754	(46,908)	(0.01%)	88.46%	87.55%
	₱431,505,565	₱436,044,941	(₱4,539,376)	(1.04%)	100.00%	100.00%

LIABILITIES AND CAPITAL DEFICIENCY

Current Liabilities						
Accrued expenses and other current liabilities	₱196,523,440	₱197,078,691	(₱555,251)	(0.28%)	45.54%	45.20%
Due to a related party	13,880,000	13,880,000	—	—	3.22%	3.18%
Total Current Liabilities	210,403,440	210,958,691	(555,251)	(0.26%)	48.76%	48.38%
Equity						
Capital stock	1,118,164,876	1,118,164,876	—	—	259.13%	256.43%
Deficit	(901,862,751)	(897,878,626)	(3,984,125)	(0.44%)	(209.00%)	(205.91%)
Other comprehensive income	4,800,000	4,800,000	—	—	1.11%	1.10%
Total Equity	221,102,125	225,086,250	(3,984,125)	(1.77%)	51.24%	51.62%
	₱431,505,565	₱436,044,941	(₱4,539,376)	(1.04%)	100.00%	100.00%

Corporate Governance

On 26 June 2020, the Corporation adopted its 2020 Revised Manual on Corporate Governance, which details the standards by which it conducts sound corporate governance consistent with relevant laws and regulations and supersedes the Corporation's earlier 2016 Revised Manual on Corporate Governance.

Ultimate responsibility for the Corporation's adherence to its manual rests with its Board of Directors, and through three committees that are to be charged with oversight functions on specific areas of the Corporation's activities. The Audit Committee is charged with internal audit oversight over all of the Corporation's transactions. The Nomination Committee is charged with ensuring that those admitted as members of the Corporation's Board of Directors are qualified, as well as ensuring fair representation of independent directors in the Corporation's Board of Directors. Finally, the Compensation and Remuneration Committee is tasked to ensure that fair compensation practices are adhered throughout the organization.

In view, however, of its current condition, the Corporation is not actively conducting business. Despite the said absence of actual business operations, the Corporation is currently undergoing internal

reorganization and is in the process of evaluating its compliance with its reporting obligations as a public company. As such, it is not in a position to fully comply with the provisions of the manual on corporate governance. There are no regular meetings conducted by the Committees. There is also no Compensation Committee, in view of the fact that the Corporation's directors and officers currently do not receive compensation for serving as such. Notwithstanding the foregoing, the Corporation continues to endeavor towards internally reorganizing and evaluating its compliances to the rules applicable to it as a public company. Despite the status of the business operations of the Corporation, it has submitted to the Securities and Exchange Commission current reports (SEC Form 17-C) and quarterly (SEC Form 17-Q) and annual (SEC Form 17-A) reports to update the investing public of its financial and operational condition. There are no other definitive plans yet to improve the corporate governance of the Company aside from the recently implemented company policy for Board Assessment Policy which was approved by the Board of Directors on 12 April 2022. The Board Assessment Policy adopts a primarily self-evaluation approach to measure the performance of the Board, and the Committee Members.

To avoid conflict of interest, Directors inhibit voting in transactions that are considered self-dealing or related party transactions.

The following transactions are considered related party or self-dealing:

1. Sale or Disposition of Valley Golf Share to the son of Mr. Rolando Santos at prevailing market price.

2. Ms. Michelle Ayangco and Atty. Hermogene Real, are the incumbent members of the Board of Directors of PMHI. They are also the 100% owner of Golden Peregrine Holdings, Inc. ("GPPI") which now owns 100% of the outstanding capital stock of PCMC. Pursuant to proposed amendments to the MOA, they will subscribe to up to 980,000,000 shares of PMHI, pursuant to the updated valuation report as of December 31, 2023. As consideration for their subscription, Ms. Michelle Ayangco and Atty. Real shall assign and transfer their 100% ownership in GPPI to PMHI.

Market Information

The Corporation's shares of stock are being traded at the Philippine Stock Exchange under Banks and Financial Institutions and classified as Financials.

	Price	
	Low	High
Q1 (2022)	1.10	1.88
Q2 (2022)	1.21	3.48
Q3 (2022)	1.50	3.03
Q4 (2022)	1.46	2.28
Q1 (2023)	1.79	2.21
Q2 (2023)	1.80	3.03
Q3 (2023)	1.90	2.93
Q1 (2024)	2.30	3.78
Q2 (2024)	2.60	4.58

The high and low prices of the Corporation's share **as of the latest practicable trading date 23 July 2024 are Php 2.65 and Php 2.49**, respectively.

The shares of the Corporation are held by 1,590 shareholders of common shares and 267 shareholders of preferred shares.

The list of the top 20 stockholders of common shares of the Corporation as of **30 June 2024** is shown below :

	Name of Stockholders	No. of shares	% Age of ownership
1	PCD Nominee Corporation (Filipino)	672,150,424	79.05
2	Valiant Consolidated Resources Inc.	125,000,000	14.70
3	Cymac Holdings Corporation	25,000,000	02.94
4	First Producers Holdings, Corp. FAO Ray Burton Dev't Corporation	6,175,789	0.73
5	First Producers Holdings, Corp. FAO Producers Properties, Inc.	4,903,852	0.58
6	Ray Burton Development Corporation	3,213,293	0.38
7	Producers Properties, Inc.	3,013,701	0.35
8	Mercantile Investment Company, Inc.	1,585,989	0.19
9	Albert Del Rosario ITF Anthony Salim	1,289,279	0.15
10	Lucio W. Yan &/or Clara Yan	600,000	0.07
11	Joel B. Vargas	534,876	0.06
12	PCD Nominee Corporation (Foreign)	285,001	0.03
13	Merlene So &/or So Peng Kee	239,000	0.03
14	Maria T. Uy	211,200	0.02
15	Jose Yu Go, Jr.	210,000	0.02
16	Solar Securities, Inc.	200,000	0.02
17	Ponciano V. Cruz Jr.	150,000	0.02
18	Jovy Lim Go	150,000	0.02
19	Qeu Lu Kiong	150,000	0.02
20	Rufino H. Abad	142,011	0.02

On May 23, 2023, the Board of Directors approved the Subscriptions of (i) Angel Maple Properties, Inc. (now known as Valiant Consolidated Resources Inc.) to 125,000,000 unissued common shares and (ii) Cymac Holdings Corporation to 25,000,000 unissued common shares at PhP 2.70 per share based on 30-day Volume Weighted Average Price (VWAP) of PhP 2.6197 + 2.97% premium for a total consideration of PhP 405M to be paid in cash. Angel Maple Properties, Inc. and Cymac Holdings Corporation are separate and distinct entities not acting in concert in the subscription of the unissued shares of the Corporation.

The sale of securities is exempt under Section 10.1(k) of the SRC pertaining to the sale of securities by an issuer to fewer than twenty (20) persons in the Philippines during any twelve-month period.

The list of the top 20 stockholders of preferred shares of the Corporation as of **30 June 2024** is shown below :

	Name of Stockholders	No. of shares	Percentage of ownership
1	MARTINEZ, FLORENTINO L.	907,340	06.32%
2	TORRES, CARLOS	800,000	05.57%
3	MDI EMPLOYEES RETIREMENT PLAN	610,450	04.25%
4	METROLAB EMPLOYEES RETIREMENT PLAN	545,040	03.79%
5	LLEREZA, HELENA	529,810	03.69%
6	NG, VIRGINIA U.	527,600	03.67%
7	HPPI EMPLOYEES RETIREMENT PLAN	500,000	03.48%
8	E. CHUA CHIACO SEC., INC.	449,640	03.13%
9	CITISECURITIES, INC.	403,000	02.81%

10	WEALTH SECURITIES INC.	402,000	02.80%
11	PNB SECURITIES, INC.	300,280	02.09%
12	JOHAN, TATO A.	300,000	02.09%
13	BANCO DE ORO TRUST BANKING GROUP FAO MIRIAM COLLEGE FOUNDATION INC. EMPLOYEES	280,000	01.95%
14	SAMSON, ANTONIO R.	250,000	01.74%
15	SEANGIO, SEGUNDO	244,000	01.70%
16	DIVERSIFIED SEC., INC.	218,080	01.52%
17	ALIPIO, ANTONIO	218,000	01.52%
18	COMETA, TERESITA C.	210,000	01.46%
19	EASTERN SECURITIES DEVELOPMENT CORPORATION	196,340	01.37%
20	UMIPIG JR., JUAN B.	180,000	01.25%

UPON THE WRITTEN REQUEST OF THE STOCKHOLDER(S), THE CORPORATION UNDERTAKES TO FURNISH SAID STOCKHOLDER(S) WITH A COPY OF SEC FORM 17-A, FREE OF CHARGE, EXCEPT FOR THE EXHIBIT ATTACHED THERETO, WHICH SHALL BE CHARGED AT A COST. ANY WRITTEN REQUEST FOR A COPY OF SEC FORM 17-A SHALL BE ADDRESSED TO Atty. Diane Madelyn C. Ching, 16th Floor BDO Towers Valero (formerly: Citibank Tower), 8741 Paseo de Roxas, Makati City.

SIGNATURE PAGE

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this report is true, complete and correct. This report is signed in the City of Makati on the 08 August 2024.

PRIME MEDIA HOLDINGS, INC.

By:



DIANE MADELYN C. CHING
Corporate Secretary

"Annex A"

[illegible]

ANNEX “B”

Procedure for Registration, Participation and Voting in the 2024 Annual Stockholders’ Meeting of PRIME MEDIA HOLDINGS, INC.

As a safety and health measure due to the Corona Virus Disease 2019 (COVID-19) pandemic, Prime Media Holdings, Inc. (the “Company”) will be conducting its Annual Stockholders’ Meeting (“ASM”) scheduled on **30 August 2024** at 2:00 PM, virtually via remote communication.

Only Stockholders of record as of **30 July 2024** are entitled to participate and vote in the 2024 ASM.

I. Registration and Participation/Attendance Procedure:

1. Stockholders who intend to participate in the virtual ASM may register at <https://conveneagm.com/ph/prime2024> with the following requirements for registration:
 - a. *For individual stockholders:*
 - i. Scanned copy of any valid government-issued ID;
 - ii. Scanned copy of stock certificate in the name of the individual stockholder; and
 - iii. Active contact number, either landline or mobile.
 - b. *For stockholders with joint accounts:*
 - i. Scanned copy of authorization letter signed by other stockholders indicating the person among them authorized to participate and/or vote in the 2024 ASM;
 - ii. Documents required under items 1.a (i) and (iii) for the authorized stockholder;
 - iii. Scanned copy of stock certificate in the name of the joint stockholders.
 - c. *For stockholders under PCD Participant / Brokers Account or “Scripless Shares”:*
 - i. Coordinate with the broker and request for the full account name and reference number or account number;
 - ii. Documents required under items 1.a (i) and (iii).
 - d. *For corporate stockholders:*
 - i. Secretary’s Certificate attesting to the authority of the representative to participate and / or vote in the 2024 ASM;
 - ii. Documents required under items 1.a (i) and (iii) for the authorized representative;
 - iii. Scanned copy of stock certificate in the name of the corporate stockholder.
2. Upon successful registration and validation of the documents submitted through the portal <https://conveneagm.com/ph/prime2024>, the stockholder will receive an email confirmation and a unique link which can be used to log in and view the 2024 ASM.
3. Only those stockholders who have registered following the procedure above, and stockholders who have voted by providing their executed Proxy Form shall be included for purposes of determining the existence of a quorum.
4. For purposes of voting during the 2024 ASM, please see section on Voting Procedure below.
5. For the Question-and-Answer portion during the 2024 ASM, stockholders may send their questions related to the agenda at <https://conveneagm.com/ph/prime2024>. Due to limitations on technology and time, not all questions may be responded to during the 2024 ASM but the Company will endeavor to respond to all the questions through email.
6. The proceedings during the 2024 ASM will be recorded as required by the Securities and Exchange Commission.
7. Stockholders intending to participate by remote communication in the 2024 ASM are required to pre-register not later than **20 August 2024**.
8. In compliance with the SEC Notice dated 16 March 2021, the Information Statement, the Management Report, SEC Form 17A and other pertinent documents may be accessed through the Company’s website at www.primemediaholdingsinc.com and through PSE Edge.

II. Voting Procedure:

Stockholders may vote during the 2024 ASM by Proxy.

1. Voting by Proxy:

- a. Download and fill up the Proxy Form at <https://conveneagm.com/ph/prime2024>. The Chairman, or in his absence, the President or the Corporate Secretary is authorized to cast the votes pursuant to the instructions in the Proxy Form.
- b. Send a scanned copy of the executed proxy Form by email to mdc.prim@gmail.com
- c. The scanned copy of the executed Proxy Form should be emailed to the above not later than **20 August 2024**.
- d. The hard copy of the signed Proxy Form should be delivered to:

The Corporate Secretary, Prime Media Holdings, Inc.

16th Floor BDO Towers Valero (formerly: Citibank Tower), 8741 Paseo de Roxas, Makati City

For any questions or clarification, you may contact us through:

- Email at dcc.chinglaw@gmail.com; or
- Telephone number at 8831-4479; or
- Our stock transfer agent, Stock Transfer Service, Inc. (STSI), through
 - ✓ Richard Regala at rdregala@stocktransfer.com.ph or
 - ✓ Jomar M. Lucinario at jmlucinario@stocktransfer.com.ph, or
 - ✓ STSI's telephone number at 8403-2410 or 8403-2412

ANNEX “C”

1. For Amendment of all previous resolutions and Approval of the following Amendments to the Articles of Incorporation:

1.1 Series A Preferred Shares:

1.1.1 Amendment to reiterate the Non-Voting and Convertible features of the Series A Preferred Shares with mandatory conversion right of the Company.

1.1.2 Reduction of par value of Series A Non-Voting Convertible Preferred Shares from PhP 1.00 to PhP 0.04 without change in the number of shares resulting in the Decrease of the Authorized Capital Stock from Five Billion (PhP 5,000,000,000.00) to Four Billion Forty Million Pesos (PhP 4,040,000,000) thereby amending the Seventh Article of the Articles of Incorporation.

1.2 Reclassification of Shares

1.2.1 Reclassification of One Billion (1,000,000,000.00) Series A Non-Voting Convertible Preferred Shares with a par value of PhP 0.04 per share and unissued One Billion (1,000,000,000.00) Series B Preferred Shares with a par value of PhP 1.00 per share, into One Billion Forty Million (1,040,000,000.00) Common Shares with a par value of PhP 1.00 per share, thereby amending the Seventh Article of the Articles of Incorporation.

1.2.2 Creation of Series “C” Non-Voting Redeemable Preferred Shares with a par value of PhP 1.00 per share, thereby amending the Seventh Article of the Articles of Incorporation.

1.2.3 Reclassification of Three Hundred Forty Thousand Six Hundred Sixty Four (340,664) Foreign-Owned Common Shares with a par value of PhP 1.00 per share, into Three Hundred Forty Thousand Six Hundred Sixty Four (340,664), Series C Non-Voting Redeemable Preferred Shares, thereby amending the Seventh Article of the Articles of Incorporation.

1.3 Increase in the authorized capital stock from Four Billion Forty Million Pesos (PhP 4,040,000,000.00) to Six Billion Pesos (PhP 6,000,000,000.00), thereby amending the Seventh Article of the Articles of Incorporation.

1.4 Approval of the mandatory redemption and retirement of all Series C Non-Voting Redeemable Preferred Shares with a par value of PhP 1.00 at a redemption price equivalent to at least its par value of PhP 1.00 per share or at the price determined by the Board and payable in cash resulting in the Decrease in the Authorized Capital Stock resulting from the mandatory redemption and retirement of the Series C Non-Voting Redeemable Preferred Shares.



- 1.5 Amendment of the Articles of Incorporation to delete all other provisions/ paragraphs in the Seventh Article relating to the Preferred Shares in view of the aforementioned amendments.
2. Exercise of the Company's mandatory conversion right to convert all of the outstanding Series A Non-Voting Convertible Preferred shares into Common Shares at the conversion rate of 25 Series A Non-Voting Convertible Preferred Shares with a par value of PhP 0.04 per share, to One (1) Common Share with a par value of PhP 1.00 per share, resulting to the conversion of 14,366,260 Series A Non-Voting Convertible Preferred Shares into 574,650 common shares; No fractional shares shall be issued and the value of fractional shares will be paid in cash.
3. Creation of Additional Paid-In Capital (APIC) in the amount of PhP 13,791,610.00 equivalent to the excess capital arising from the conversion of the outstanding Series A Non-Voting Convertible Preferred Shares into Common Shares as described in item above.
4. Approval for the Additional Listing of 574,650 common shares issued to shareholders after conversion of their Series A Non-Voting Convertible Preferred Shares with a par value of PhP 0.04 per shares into Common Shares with a par value of PhP 1.00 as described in item above, if necessary.
5. Amendment of the Memorandum of Agreement with Atty. Hermogene H. Real and Ms. Michelle F. Ayangco (as "Golden Peregrine Shareholders") and Reconfirmation of the issuance of 980,000,000 Common Shares for and in consideration of 100% of the issued and outstanding capital stock of Golden Peregrine Holdings Inc. pursuant to the updated valuation report.
6. Approval for the Additional Listing of 980,000,000 common shares issued to Golden Peregrine Shareholders as described in item (9) above.
7. Waiver by the minority stockholders of the rights or public offer requirement under the PSE Additional Listing Rule.



**MINUTES OF THE ANNUAL MEETING OF THE STOCKHOLDERS
OF
PRIME MEDIA HOLDINGS INC.**

Conducted virtually via <https://conveneagm.com/ph/prime2023>

Held on December 5, 2023 at 2:00 P.M.

Stockholders Present:

<i>No. of Shares¹</i>	<i>% of Outstanding Common Shares</i>	<i>% of Outstanding Common and Preferred Shares</i>
572,030,906	81.68%	80.04%

Directors Present:

Atty. Manolito A. Manalo	<i>Chairman of the Board President</i>
Atty. Bernadeth A. Lim	<i>Vice President President of the Audit, Governance, Oversight and Related Party Transaction Committee</i>
Mr. Rolando S. Santos	<i>Director Treasurer Member, Executive Committee</i>
Atty. Hermogene H. Real	<i>Director Member, Executive Committee Member, Nomination and Corporate Governance Committee</i>
Ms. Michelle F. Ayangco	<i>Director</i>
Engr. Francisco L. Layug, III	<i>Director Chairman of the Nomination and Compensation Committee, Member, Audit, Governance, Oversight and Related Party Transaction Committee</i>
Atty. Johnny Y. Aruego, Jr.	<i>Director Member, Nomination and Corporate Governance Committee Chairman of the Audit, Governance, Oversight and Related Party Transaction Committee</i>

Officers Present:

Atty. Diane Madelyn C. Ching	<i>Corporate Secretary</i>
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¹ Total number of Proxies and Attendance

I. CALL TO ORDER

Atty. Manolito A. Manalo, the Chairman of the Board, called the meeting to order and virtually presided over the same from Makati City.

The Corporate Secretary then acknowledged the presence of the following members of the Board of Directors at the meeting:

Manolito A. Manalo	Chairman of the Board/President
Bernadeth A. Lim	Director/ Vice President
Hermogene H. Real	Director
Michelle F. Ayangco	Director
Rolando S. Santos	Director/ Treasurer
Francisco L. Layug, III	Independent Director
Johnny Y. Aruego, Jr.	Independent Director

Chairman Manalo also acknowledged the Company's Corporate Secretary, Atty. Diane Madelyn C. Ching and the presence of representatives of the Company's external auditor, Reyes, Tacandong, and Company (RTC).

II. PROOF OF NOTICE AND CERTIFICATION OF QUORUM

The Corporate Secretary reported that pursuant to SEC Notice dated 16 March 2021 and 13 March 2023, the notice (or "Notice") of the meeting was published in print and online format in the business sections of the Manila Standard and Daily Tribune, both newspapers of general circulation, through the following links, for 2 consecutive days on November 13 and 14, 2023:

Manila Standard:

September 1: <http://manilastandard.net/business/314256583/prime-media-Sholdings-inc-notice-of-annual-stockholders-meeting.html>

September 2: <http://manilastandard.net/business/314256589/prime-media-holdings-inc-notice-of-annual-stockholders-meeting-2.html>

Daily Tribune:

September 1: <https://tribune.net.ph/2022/09/01/prim/>

September 2: <https://tribune.net.ph/2022/09/01/prim/>

A copy of the Notice, together with the Definitive Information Statement, minutes of the previous stockholders' meeting, and other documents related to the annual stockholders' meeting (ASM), were also made accessible through the Company's website and the meeting portal.

As set out in the Requirements and Procedure for Participation and Voting in the meeting, which was attached to the Company's Definitive Information Statement, stockholders who successfully registered within the prescribed period will be included in the determination of quorum. By voting by proxy or by participating remotely in the meeting, a stockholder will be deemed present for purposes of determining quorum.

Based on this, the Corporate Secretary certified that there were present at the meeting, stockholders owning at least 572,030,906 shares representing at least 81.68% of

the outstanding common or voting stock of the Company. Therefore, there was a quorum for the transaction of business.

Mode of Attendance	No. of Shares	% of Outstanding Common Shares	% of Outstanding Common & Preferred Shares
Total Proxies and Attendance	572,030,906	81.68%	80.04%

Chairman Manalo stated that while the Company was holding the meeting virtually, the Company had taken steps to ensure that the stockholders would have an opportunity to participate in the meeting to the same extent as they would have had the meeting been done in person.

The Corporate Secretary then proceeded to explain the participation and voting procedures adopted for the meeting and emphasized the following points:

- (i) Under the Company's By-Laws, every stockholder shall be entitled to one vote for each share of stock standing in his/her name in the books of the Company. For the election of directors, each stockholder may cumulate his/her votes.
- (ii) Stockholders who successfully registered for the meeting were given the opportunity to cast their votes by submitting their proxy forms. The proposed resolutions will be shown in the screen later as each matter on the agenda is taken up.
- (iii) For all items in the agenda to be approved in the meeting other than the election of directors, the stockholders had the option to either vote in favor of or against a matter for approval, or to abstain. For the election of directors, the stockholders had the option to vote their shares for each of the nominees, not vote for any nominee, or vote for one or some nominees only, in such number of shares as the stockholders prefer; provided that the total number of votes cast did not exceed the number of shares owned by them multiplied by the number of directors to be elected. The seven (7) nominees receiving the highest number of votes will be declared the duly elected members of the Board of Directors, provided at least two (2) members who are independent directors.
- (iv) Votes received through ballots or by proxy forms were validated by Stock Transfer and Services, Inc., the Company's Stock and Transfer Agent. The results of the voting, with full details of the affirmative and negative votes, as well as abstentions, are set out in **Annex "A"** of these Minutes.
- (v) For the approval of the proposed amendments to the Articles of Incorporation (AOI), the affirmative vote of the shareholders representing at least two-thirds (2/3) of the outstanding common and preferred capital stock will be needed for approval.
- (vi) For all other matters proposed to be acted upon, the affirmative vote of the shareholders representing at least a majority of the outstanding common capital stock will be needed for approval.

- (vii) Under Section 5(b) of the PSE Rule on Additional Listing, the vote required for the waiver of the minority rights/public offer requirement over the shares subscribed in a related party transaction, is a "majority vote representing the outstanding shares held by the minority stockholders present or represented at the meeting."
- (viii) Finally, the Corporate Secretary explained that stockholders, once successfully registered, were also given an opportunity to raise questions or express comments limited to the agenda items by submitting the same through the meeting portal or by e-mail. Management would endeavor to reply to these questions or address these comments at the end of the meeting. Lastly, questions not answered would be answered by email.

III. APPROVAL OF MINUTES OF PREVIOUS ANNUAL STOCKHOLDERS' MEETING

The next item on the agenda was the approval of the minutes of the previous meeting of the stockholders held on 23 September 2022, an electronic copy of which was made available through the Company's website.

The Corporate Secretary presented Resolution No. S-01-2022-001, Management's proposal to adopt the following resolution approving the minutes of the annual stockholders' meeting held on 23 September 2022:

Resolution No. S-01-2022-001

"RESOLVED, that the minutes of the Annual Stockholders' Meeting of the Corporation held on September 23, 2022 be, as it is hereby, approved."

Thereafter, the Corporate Secretary announced the voting results as follows:

	FOR	AGAINST	ABSTAINED
No. of Shares Voted	572,030,906	0	0
% of Shares of Shareholders Present (Outstanding Common shares)	81.68%	0%	0%

The Corporate Secretary noted that the affirmative votes were sufficient to approve the resolution.

IV. APPROVAL OF MANAGEMENT REPORT AND AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2022

The next matter on the agenda was the approval of the Management Report and Audited Financial Statements. Chairman Manalo reported on the Company's operational

highlights and financial results, the Audited Financial Statements for the year ended December 31, 2022, and interim period financial report.

Message from the Chairman and President

Chairman Manalo stated that Prime Media Holdings, Inc. (PMHI) is now at the forefront of the one of the most exciting developments in radio and cable television. In the previous year, the execution of the Memorandum of Agreement (MOA) with shareholders of Golden Peregrine Holdings Inc., the parent of Philippine Collective Media Corporation (PCMC) ushered the Company's entry into broadcast communications. Several meetings and discussions ensued in order to move towards the revitalization of PMHI's business model.

Chairman Manalo added that a few months ago, Media Serbisyo Corporation, Prime Media's joint venture with ABS-CBN was formally launched with the initial broadcast of DWPM Radyo 630 and TeleRadyo Serbisyo cable news channel. Both radio station and cable news channel are currently riding high with its interesting line-up of news, public affairs, entertainment, business, health, and lifestyle programs featuring top radio personalities Noli de Castro, Alvin Elchico, Doris Bigornia, Bernadette Sombrero and many others. Chairman Manalo also added that this venture is a foray in the ever-growing global media environment that the company has worked hard for.

Chairman Manalo closed his message with a statement that the encouraging stock performance is an undeniable indicator of the public's confidence in the Company's financial viability. With such positive developments, Chairman Manalo expressed the Company is eagerly waiting for the next phase of developments.

After the report, the Corporate Secretary presented management's proposal to adopt the Resolution No. S-01-2022-002, approving the annual report of management as presented by the President and the Audited Financial Statements for the year ended December 31, 2022.

Resolution No. S-1-2023-001

"RESOLVED, that the Management Report as presented by the President, Atty. Manolito A. Manalo and the Corporation's audited financial statements for the year ended December 31, 2022, be, as it is hereby, approved."

Thereafter, the Corporate Secretary announced the voting results as follow:

	FOR	AGAINST	ABSTAINED
No. of Shares Voted	572,030,906	0	0
% of Shares of Shareholders Present (Outstanding Common shares)	81.68%	0%	0%

The Corporate Secretary noted that the affirmative votes were sufficient to approve the resolution.

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V. APPROVAL OF THE ADDITIONAL LISTING OF 150,000,000 SHARES ARISING FROM PRIVATE PLACEMENTS SHARE

Corporate Secretary stated that the next item for approval is the additional listing of 150,000,000 common shares which were privately placed by Valiant Consolidated Resources Inc. (formerly known as Angel Maple Resources) at 125,000,000 and Cymac Holdings Corp. at 25,000,000.

The Corporate Secretary presented the effect of the private placement in the Company's capital structure as follows:

Prime Media		Current	Percentage after New Subscriptions
Authorized Capital Stock	3,000,000,000.00		
RYM+ Mairete	540,733,986.00	77.21%	63.59%
Public	159,564,630.00	22.79%	18.77%
Subscribed and Outstanding	700,298,616.00		
Angel Maple Properties Inc.	125,000,000.00		14.70%
Cymac Holdings	25,000,000.00		2.94%
TOTAL	850,298,616.00		100.00%

Thereafter, the Corporate Secretary presented the Management's proposal for approval of the additional listing as follows:

Resolution No. S-1-2023-002

"RESOLVED, that the additional listing of 150,000,000 shares arising from private placements, be, as it is hereby approved."

Thereafter, the Corporate Secretary announced the voting results as follow:

	FOR	AGAINST	ABSTAINED
No. of Shares Voted	572,030,906	0	0
% of Shares of Shareholders Present (Outstanding Common shares)	81.68%	0%	0%

The Corporate Secretary noted that the affirmative votes were sufficient to approve the resolution.

VI. FOR RE-APPROVAL

A. AMENDMENT OF THE ARTICLES OF INCORPORATION TO REDUCE THE PAR VALUE OF ALL SERIES "A" PREFERRED SHARES FROM PHP 1.00 TO PHP 0.04 PER SHARE

The Corporation explained that the succeeding matters for approval are sequential steps and corporate actions, which were earlier approved by the Board of Directors in its meeting on 15 August 2022. These actions are necessary to achieve the following objectives: (a) to eliminate the Company's preferred shares and foreign-held shares in order to comply with the Seventh Article of the Amended Articles of Incorporation which limits ownership

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to 100% Filipino and (b) to The Corporate Secretary explained that there is a need to re-approve such corporate actions in order to ensure effectivity of the resolutions for compliance with the requirements of the Corporation with the Securities and Exchange Commission.

Foremost of these proposed actions is the amendment of the Corporation's Amended Articles of Incorporation to reduce the par value of all Series "A" Preferred Shares from PhP1.00 to PhP 0.04 per share.

The Corporate Secretary discussed that the reduction in par value was required by the SEC as a preparatory step for the conversion of the outstanding Series "A" Preferred Shares into Common Shares at the conversion rate of 25:1 which has been approved for listing.

The Corporate Secretary presented the Management's proposal to adopt the following resolutions approving the Amendment of the Articles of Incorporation as follows:

Resolution No. S-01-2022-003

"RESOLVED, that the Corporation be authorized, as it is hereby authorized, to reduce the par value of each and all of its Series "A" Preferred Shares from PhP1.00 to PhP0.04, and amend Article Seventh of the Articles of Incorporation accordingly."

Thereafter, the Corporate Secretary announced the voting results as follows:

	FOR	AGAINST	ABSTAINED
No. of Shares Voted	572,030,906	0	0
% of Shares of Shareholders Present (Outstanding Common and Preferred shares)	80.04%	0%	0%

The Corporate Secretary noted that the affirmative votes were sufficient to approve the resolution.

B. CONVERSION OF ALL OUTSTANDING SERIES "A" PREFERRED SHARES INTO COMMON SHARES AT THE CONVERSION RATE OF 25:1

The next matter on the agenda was the proposal to convert all Series "A" Preferred Shares into Common Shares at the Conversion Rate of 25:1. The Corporate Secretary stated that a similar proposal for the conversion of all Preferred Shares to Common Shares was already approved by the Stockholders during the 2022 ASM and the stockholders are being requested to refresh the approval.

The Corporate Secretary presented Management's proposal to adopt the following resolutions approving the conversion of all Series "A" Preferred Shares into Common Shares at the Conversion Shares of 25:1:

Resolution No. S-01-2022-004

"RESOLVED, that the Corporation be authorized, as it is hereby authorized, to convert all outstanding Series "A" Preferred Shares with a par value of PhP0.04 per share, into Common Shares with a par value of PhP1.00 per share, at the conversion rate of 25:1."

Thereafter, the Corporate Secretary announced the voting results as follows:

	FOR	AGAINST	ABSTAINED
No. of Shares Voted	572,030,906	0	0
% of Shares of Shareholders Present (Outstanding Common Shares)	81.68%	0%	0%

The Corporate Secretary noted that the affirmative votes were sufficient to approve the resolution.

C. AMENDMENT OF THE ARTICLES OF INCORPORATION TO CREATE A NEW CLASS OF SERIES C REDEEMABLE PREFERRED SHARES AND TO AUTHORIZE THE CONVERSION OF THE REMAINING FOREIGN-OWNED COMMON SHARES TO SERIES C REDEEMABLE PREFERRED SHARES SUBSEQUENT TO THE CONVERSION OF ALL SERIES A PREFERRED SHARES APPROXIMATELY NUMBERING THREE HUNDRED FORTY THOUSAND SIX HUNDRED SIXTY-FOUR (340,664) BASED FROM RECORDS AS OF 30 JULY 2022

The next item was the proposal to amend the AOI to create a new class of Preferred Shares which shall be referred to as Series "C" Preferred Shares and to authorize the conversion of the remaining foreign-owned Common Shares to Series "C" Preferred Shares. This is intended to be carried out subsequent to the conversion of all Series "A" Preferred Shares to common shares. The foreign-owned Common Shares are expected to be approximately Three Hundred Forty Thousand Six Hundred Sixty Four (340,664) Common Shares post conversion, based on records as of 30 July 2022.

The Corporate Secretary presented Management's proposal to adopt the following resolutions approving the amendment of AOI to create a new class of Series "C" Preferred Shares and the conversion:

Resolution No. S-01-2022-005

"RESOLVED, that the Corporation be authorized, as it is hereby authorized, to create a new class of Series "C" Redeemable Preferred Shares which shall have no voting rights, be entitled to the same dividends as Common Shares, and shall be subject to mandatory redemption at the option of the Corporation under terms and conditions to be approved by the Board of Directors. Consequently, Article Seventh of the Articles of Incorporation be amended accordingly;

"RESOLVED FURTHER, that the new class of Series "C" Redeemable Preferred Shares be, as it is hereby, created and issued through the reclassification of not more than Three Hundred Fifty Thousand (350,000) foreign-owned Common Shares with a par value of PhP1.00 per share, to Three Hundred Fifty Thousand (350,000) Series "C" Redeemable Preferred Shares with a par value of PhP1.00 per share, and that Article Seventh of the Articles of Incorporation be amended accordingly;

"RESOLVED FURTHER, that following the conversion of all Series "A" Preferred Shares into Common Shares, all outstanding foreign-owned Common Shares with a par value of PhP1.00 per share be, as it is hereby, converted to Series "C" Redeemable Preferred Shares for a mandatory redemption by the Corporation."

Thereafter, the Corporate Secretary announced the voting results as follows:

	FOR	AGAINST	ABSTAINED
No. of Shares Voted	572,030,906	0	0
% of Shares of Shareholders Present (Outstanding Common and Preferred shares)	80.04%	0%	0%

The Corporate Secretary noted that the affirmative votes were sufficient to approve the resolution.

D. AMENDMENT OF THE ARTICLES OF INCORPORATION TO RECLASSIFY ALL SERIES "B" PREFERRED SHARES INTO COMMON SHARES

The next item on the agenda was the proposal to amend the AOI to reclassify all Series "B" Preferred Shares into Common Shares.

The Corporate Secretary stated that at the present, the Company has no issued and outstanding Series "B" shares. Thus, there is a proposal to amend the Articles of Incorporation to reclassify Series "B" Preferred Shares into Common Shares. The resolutions approving the amendment of Articles of Incorporation to reclassify all Series "B" Preferred Shares into Common Shares is provided below:

Resolution No. S-01-2022-006

"RESOLVED, that the Corporation be authorized, as it is hereby authorized, to reclassify all Series "B" Preferred Shares into Common Shares, and that Article Seventh of the Articles of Incorporation be amended accordingly."

Thereafter, the Corporate Secretary announced the voting results as follows:

	FOR	AGAINST	ABSTAINED
No. of Shares Voted	572,030,906	0	0
% of Shares of Shareholders Present (Outstanding Common and Preferred shares)	80.04%	0%	0%

The Corporate Secretary noted that the affirmative votes were sufficient to approve the resolution.

E. APPROVAL TO REDEEM ALL SERIES "C" PREFERRED SHARES

The next item in the agenda is the approval to redeem all Series "C" Preferred Shares at a redemption price equivalent to its par value of PhP 1.00 per share, or as determined by the Board payable in cash.

The Corporate Secretary presented Management's proposal to adopt the following resolutions approving the redemption of all outstanding Series "C" Preferred Shares:

Resolution No. S-1-2023-003

"RESOLVED, that the Corporation be authorized, as it is hereby authorized, to redeem all Series "C" Redeemable Preferred Shares with a par value of PhP1.00 per share, at a redemption price equivalent to its par value of PhP1.00 per share, or as set by the Board and payable in cash."

Thereafter, the Corporate Secretary announced the voting results as follows:

	FOR	AGAINST	ABSTAINED
No. of Shares Voted	572,030,906	0	0
% of Shares of Shareholders Present (Outstanding Common and Preferred shares)	80.04%	0%	0%

F. AMENDMENT OF THE ARTICLES OF INCORPORATION TO DELETE ALL PROVISIONS RELATING TO THE PREFERRED SHARES (SERIES A, SERIES B, and SERIES C) AFTER THE CONVERSION OF ALL SERIES A SHARES, RECLASSIFICATION OF SERIES B SHARES AND THE REDEMPTION OF SERIES C REDEEMABLE PREFERRED SHARES

The next item in the agenda is the amendment of the Articles of Incorporation to delete all provisions relating to the Preferred Shares (Series A, Series B, and Series C) after the conversion of all Series A Shares, reclassification of Series B, and the redemption of Series C Redeemable Preferred Shares.

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The Corporate Secretary presented Management's proposal to adopt the following resolutions approving the amendment of the Articles of Incorporation:

Resolution No. S-1-2023-004

"RESOLVED, that the Corporation be authorized, as it is hereby authorized, to amend the Seventh Article of the Articles of Incorporation to remove all provisions relating to Preferred Shares in view of the conversion of all Series A Shares, reclassification of Series B, and the redemption of Series C Redeemable Preferred Shares

Thereafter, the Corporate Secretary announced the voting results as follows:

	FOR	AGAINST	ABSTAINED
No. of Shares Voted	572,030,906	0	0
% of Shares of Shareholders Present (Outstanding Common and Preferred shares)	80.04%	0%	0%

The Corporate Secretary noted that the affirmative votes were sufficient to approve the resolution.

G. APPROVAL TO AMEND THE MEMORANDUM OF AGREEMENT WITH ATTY. HERMOGENE H. REAL AND MS. MICHELLE F. AYANGCO (as "Golden Peregrine Shareholders") FOR THE ISSUANCE OF ONE BILLION SIX HUNDRED FORTY-FIVE MILLION (1,645,000,000) COMMON SHARES SUBJECT TO FINAL DETERMINATION OF THE BOARD, APPRAISAL REPORT AND OTHER CONDITIONS

The next item in the agenda was the proposal to amend the Memorandum of Agreement with Atty. Hermogene H. Real and Ms. Michelle F. Ayangco (as "Golden Peregrine") for the issuance of One Billion Six Hundred Forty-Five Million (1,645,000,000) Common Shares subject to final determination of the Board, third party appraisal, fairness opinions, and other closing conditions to be issued out of the Corporation's increase in authorized capital stock in consideration for the assignment of shares of stock in Golden Peregrine Holdings, Inc., representing one hundred (100%) percent of its outstanding capital.

As explained by the Corporate Secretary, the proposed resolution is to give authority to the Board to amend any and all agreements, i.e. Memorandum of Agreement with Atty. Hermogene H. Real and Ms. Michelle F. Ayangco in relation to the acquisition of Golden Peregrine.

The Corporate Secretary presented Management's proposal to adopt the following resolution:

Resolution No. S-1-2023-005

"RESOLVED, that the Corporation be authorized, as it is hereby authorized, to amend the Memorandum of Agreement with Atty. Hermogene H. Real and Ms. Michelle F. Ayangco (or the "Golden

Peregrine Shareholders") for issuance of One Billion Six Hundred Forty-Five Million (1,645,000,000) Common Shares subject to final determination of the Board by the Board based on final appraisal out of the proposed increase in authorized capital stock of the Corporation, in consideration for 100% outstanding shares of stock in Golden Peregrine."

Thereafter, the Corporate Secretary announced the voting results as follows:

	FOR	AGAINST	ABSTAINED
No. of Shares Voted	572,030,906	0	0
% of Shares of Shareholders Present (Outstanding Common Shares)	81.68%	0%	0%

The Corporate Secretary noted that the affirmative votes were sufficient to approve the resolution.

H. AMENDMENT OF THE ARTICLES OF INCORPORATION TO INCREASE THE AUTHORIZED CAPITAL STOCK UP TO SEVEN BILLION PESOS (PHP 7,000,000,000.00)

The next item on the agenda was the proposal to amend the Articles of Incorporation to increase the authorized capital stock up to Seven Billion Pesos (Php 7,000,000,000.00). The proposed increase was previously approved by the stockholders and the stockholders are requested to refresh such approval.

The Corporate Secretary presented Management's proposal to adopt the following resolutions approving the amendment of the Articles of Incorporation to increase the authorized capital stock up to Seven Billion Pesos (Php 7,000,000,000.00):

Resolution No. S-01-2022-010

"RESOLVED, that the Corporation be authorized, as it is hereby authorized, to amend the Articles of Incorporation to increase the authorized capital stock of up to Seven Billion Pesos (Php 7,000,000,000.00) divided into Seven Billion (7,000,000,000) common shares with a par value of One Peso (PhP1.00) per share, as may be determined by the Board of Directors."

Thereafter, the Corporate Secretary announced the voting results as follows:

	FOR	AGAINST	ABSTAINED
No. of Shares Voted	572,030,906	0	0
% of Shares of Shareholders Present	80.04%	0%	0%

(Outstanding Common and Preferred shares)			
---	--	--	--

The Corporate Secretary noted that the affirmative votes were sufficient to approve the resolution.

I. WAIVER BY THE MINORITY STOCKHOLDERS OF THE RIGHTS OR PUBLIC OFFER REQUIREMENT UNDER THE PSE ADDITIONAL LISTING RULE

The next item on the agenda was the waiver by the minority stockholders of the rights or public offer requirement under the Philippine Stock Exchange's (PSE) Additional Listing Rule.

The Corporate Secretary stated that as part of the listing conditions, the PSE requires a rights or public offering of shares to be conducted by the Company for the shares to be subscribed by related parties, unless the rights or public offering requirement is waived by a majority vote of the minority stockholders present or represented in the meeting. In this regard, Management is requesting the minority stockholders of the Company to waive the PSE requirement in relation to the issuance of shares to Atty. Hermogene H. Real and Ms. Michelle Ayangco who are related parties, being directors, in order to facilitate the acquisition by the Company of Golden Peregrine Holdings Inc., which owns Philippine CollectiveMedia Corp. (PCMC) and implement the increase in authorized capital stock.

The Corporate Secretary then presented Management's proposal to adopt the following resolution for the waiver by the minority stockholders of the rights or public offer requirement under the PSE Additional Listing Rule:

Resolution No. S-01-2022-011

"RESOLVED, that the minority stockholders approve, as they hereby approve, the waiver of the rights or public offer requirement under the PSE Additional Listing Rule in relation to the subscription by **HERMOGENE H. REAL** and **MICHELLE AYANGCO** to the increase in authorized capital stock."

As noted by the Corporate Secretary, the minority stockholders present or represented at the meeting constitute 5.45% of the total attendance, and all such minority shareholders voted in favor of the waiver. The affirmative votes are sufficient to approve the Resolution.

VII. RATIFICATION OF MANAGEMENT'S ACTS AND BOARD OF DIRECTORS

The next item on the agenda is the ratification and approval of the acts of management and the Board of Directors of the Corporation undertaken from the date of the last stockholders' meeting to date. A summary of the acts of the management and directors of the Corporation was included in the Definitive Information Statement.

The Corporate Secretary then presented Management's proposal to adopt the following resolution:

Resolution No. S-1-2023-006

"RESOLVED, that all acts, proceedings, transactions, contracts, agreements, resolutions and deeds, authorized and entered into by the Board of Directors, Management and/or Officers of Prime Media Holdings, Inc. from the date of the last annual stockholders' meeting up to the present, be as they are hereby, ratified, confirmed and approved."

Thereafter, the Corporate Secretary announced the voting results as follows:

	FOR	AGAINST	ABSTAINED
No. of Shares Voted	572,030,906	0	0
% of Shares of Shareholders Present (Outstanding Common Shares)	81.68%	0%	0%

The Corporate Secretary noted that the affirmative votes were sufficient to approve the resolution.

VIII. ELECTION OF DIRECTORS

The next matter in the agenda was the election of the members of the Board of Directors.

As explained by the Corporate Secretary, there are seven (7) seats in the Board of Directors under the Sixth Article of the Company's Amended Articles of Incorporation. Under existing SEC rules, the Corporation is required to have at least two (2) independent directors. As provided under SEC rules, all nominations for directorship shall be submitted to and evaluated by the Company's Nominations and Corporate Governance Committee. Nominations for Independent Directors shall appear in the Final List of Candidates set forth in the Definitive Information Statement, and no other nominations shall be entertained.

The Corporate Secretary noted that the Company received a total of five (5) nominations for Regular Directors, and two (2) for Independent Directors. As disclosed in the Definitive Information Statement, Independent Director Johnny Y. Aruego, Jr. has been nominated beyond the term limit of nine (9) years which is allowed by the SEC upon meritorious justification. Given his background, Mr. Aruego is to act as an independent director; thus, there is meritorious justification for his nomination.

According to the Corporate Secretary, nominees receiving the highest number of votes for the 5 available seats for Regular Director, and for the 2 available seats for Independent Director, would be declared as the duly elected members of the Board of Directors for 2023-2024.

He announced the names of the following nominees for regular and independent directors and that full details of the background and qualifications of the nominees were disclosed in the Company's Definitive Information Statement:

For Regular Directors:

1. MANOLITO A. MANALO
2. BERNADETH A. LIM
3. HERMOGENE H. REAL
4. MICHELLE F. AYANGCO
5. ROLANDO S. SANTOS

and as Independent Directors:

6. FRANCISCO L. LAYUG III
7. JOHNNY Y. ARUEGO, JR.

The Corporate Secretary announced that based on the tabulation and validation by the Company's stock and transfer agent, stockholders owning at least 572,030,906 shares representing at least 81.68% of the outstanding common capital stock, voted to elect all the seven (7) candidates to the Board of Directors. The above seven (7) candidates were therefore declared as duly elected members of the Board of Directors of the Company for the term 2023-2024 to act as such until their successors are duly elected and qualified.

As tabulated, final votes received are as follows:

	FOR	AGAINST	ABSTAINED
No. of Shares Voted	572,030,906	0	0
% of Shares of Shareholders Present (Outstanding Common Shares)	81.68%	0%	0%

IX. APPOINTMENT OF EXTERNAL AUDITOR

Chairman Manalo stated that the next item in the agenda was the appointment of the Company's external auditor for the current year.

Upon the request of Chairman Manalo, the Chairman of the Company's Audit Committee and Independent Director, Atty. Johnny Y. Aruego, Jr., informed the stockholders that the Audit Committee has reviewed the qualifications and performance of the Company's current external auditor, Reyes Tacandong & Company, and endorsed its reappointment for the current year.

The Corporate Secretary presented Management's proposal to adopt the following Resolution, which was shown on the screen, reappointing Reyes Tacandong & Company as the Company's external auditor for the current year:

Resolution No. S-1-2023-007

"RESOLVED, that the accounting firm of Reyes Tacandong & Company be re-appointed external auditors of the Corporation for the year 2023-2024."

Thereafter, the Corporate Secretary announced the voting results as follows:

	FOR	AGAINST	ABSTAINED
No. of Shares Voted	572,030,906	0	0
% of Shares of Shareholders Present (Outstanding Common Shares)	81.68%	0%	0%

The Corporate Secretary noted that the affirmative votes were sufficient to approve the resolution.

X. OTHER MATTERS

The Chairman inquired whether there were any questions or comments made on the agenda, by email or through the meeting portal. The Corporate Secretary replied that no questions or comments were received by email through the meeting portal prior to and during the meeting.

XI. ADJOURNMENT

There being no other matters on the agenda, the Chairman adjourned the meeting.

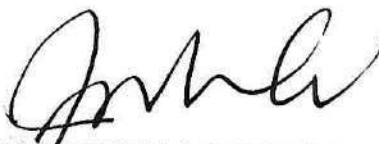
Prepared by:



ATTY. DIANE MADELYN C. CHING
Corporate Secretary

Not

Attested by:



ATTY. MANOLITO A. MANALO
Chairman/President

ATTY. BERNADETH A. LIM
Vice President



MR. ROLANDO S. SANTOS
Director/Treasurer

ATTY. HERMOGENE H. REAL
Director



ENGR. FRANCISCO L. LAYUG III
Independent Director

MS. MICHELLE F. AYANGCO
Director

ATTY. JOHNNY Y. ARUEGO JR.
Director

ANNEX "A"
(VOTING RESULTS)

AGENDA ITEMS	ACTION			
Item 1. Call to Order	No action necessary.			
Item 2. Proof of Notice of Meeting and Certification of Quorum	No action necessary.			
	FOR	%	AGAINST	ABSTAIN
Item 3. Approval of Minutes of Previous Stockholders' Meeting	572,030,906	81.68%	0	0
Item 4. Approval of Annual Report and Audited Financial Statements for the Year ending December 31, 2022	572,030,906	81.68%	0	0
Item 5. Approval of the Additional Listing of 150,000,000 shares arising from Private Placements	572,030,906	81.68%		
Item 6-A. Amendment of the Articles of Incorporation to reduce the par value of all Series "A" Preferred Shares from PhP 1.00 To PhP 0.04 per share	572,030,906	80.04%	0	0
Item 6-B. Approval to convert all Series "A" Preferred Shares into Common Shares at the conversion rate of 25:1	572,030,906	81.68%	0	0
Item 6-C. Amendment of the Articles of Incorporation to create a new class of Series C Redeemable Preferred Shares and to Authorize the conversion of the remaining foreign-owned Common Shares to Series C Redeemable Preferred Shares subsequent to the conversion of all Series A Preferred Shares approximately numbering Three Hundred Forty Thousand Six Hundred Sixty-Four (340,664) based from records as of 30 July 2022	572,030,906	80.04%	0	0
Item 6-D. Amendment of Articles of Incorporation to reclassify all Series "B" Preferred Shares into Common Shares	572,030,906	80.04%	0	0

11/26

Item 6-E. Approval to redeem all Series "C" Preferred Shares	572,030,906	80.04%	0	0
Item 6-F. Amendment of the Articles Of Incorporation to delete all provisions relating to the Preferred Shares (Series A, Series B, and Series C) after the conversion of all Series A Shares, Reclassification of Series B Shares and the Redemption of Series C Redeemable Preferred Shares	572,303,906	80.04%	0	0
Item 6-G. Approval to amend the Memorandum of Agreement with Atty. Hermogene H. Real And Ms. Michelle F. Ayangco (as "Golden Peregrine Shareholders") for the Issuance of One Billion Six Hundred Forty-Five Million (1,645,000,000) Common Shares, Subject to final determination of the Board, Appraisal report and Other conditions.	572,030,906	81.68%	0	0
Item 6-H. Amendment of the Articles of Incorporation to increase the Authorized Capital Stock up to Seven Billion Pesos (Php 7,000,000,000.00)	572,030,906	80.04%	0	0
Item 6-I. Waiver by the Minority Stockholders of the Rights or Public Offer Requirement under the PSE Additional Listing Rule	31,199,920	5.45%	0	0
Item 7. Ratification of Management's Acts	572,030,906	81.68%	0	0
Item 8. Election of Directors				
For Regular Director:				
1. MANOLITO A. MANALO	572,030,906	81.68%	0	0
2. MICHELLE F. AYANGCO	572,030,906	81.68%	0	0
3. BERNADETH A. LIM	572,030,906	81.68%	0	0
4. HERMOGENE H. REAL	572,030,906	81.68%	0	0
5. ROLANDO S. SANTOS	572,030,906	81.68%	0	0

12/6

For Independent Director:				
6. JOHNNY Y. ARUEGO, JR.	572,030,906	81.68%		
7. FRANCISCO L. LAYUG, III	572,030,906	81.68%	0	0
Item 9. Approval of appointment of Reyes & Tacandong as the Company's external auditor	572,030,906	81.68%	0	0
Item 10. Adjournment			0	0

* For Item Nos. 6-A, 6-C, 6-D, 6-E, 6-F, and 6-H, percentage is based on the total outstanding Common & Preferred Capital Stock of the Company at 714,664,876 shares. For Item Nos. 3, 4, 5, 6-B, 6-G, 7, 8 and 9, percentage is based on the total outstanding Common/Voting Capital Stock of the Company at 700,298,616 common shares. For Item 6-I, percentage is based on the outstanding shares held by minority stockholders in attendance or represented during the ASM totaling 31,199,92

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CERTIFICATION OF INDEPENDENT DIRECTOR

I, **Francisco L. Layug, III**, Filipino, of legal age and a resident of 12 F. Bernabe St., Merville Park Subdivision, Paranaque City, after having been duly sworn to in accordance with law do hereby declare that:

1. I am elected for Independent Director of **PRIME MEDIA HOLDINGS INC. ("the Company")** and have been its independent director since December 2017.
2. I am affiliated with the following companies or organizations (including Government Owned and Controlled Corporations):

COMPANY/ORGANIZATION	POSITION/RELATIONSHIP	PERIOD OF SERVICE
Rotary Club of Pasay	President	2017-2018
University of the Philippines Electronics and Electrical Engineering Alumni Association, Inc. (UPEEEAAI)	President	2010-2011
Alay-Lakad Foundation	Vice President	2009-2010

3. I possess all the qualifications and none of the disqualifications to serve as an Independent Director of the Company, as provided for in Section 38 of the Securities Regulation Code, its Implementing Rules and Regulations and other SEC issuances.
4. I am not in any way related to any director, officer, or substantial shareholder of the Company and its subsidiaries and affiliates.
5. To the best of my knowledge, I am not the subject of any pending criminal or administrative investigation or proceeding.
6. I am not employed with any government agency.
7. I shall faithfully and diligently comply with my duties and responsibilities as independent director under the Securities Regulation Code and its Implementing Rules and Regulations, Code of Corporate Governance and other SEC issuances.
8. I shall inform the Corporate Secretary of the Company of any changes in the above mentioned information within five (5) days from its occurrence.


Done, this 29th day of July at Makati City


FRANCISCO L. LAYUG, III
Affiant

JUL 29 2024

SUBSCRIBED AND SWORN to before me this _____ day of _____ at
_____ **MAKATI CITY** affiant personally appeared before me and exhibited to me his Tax
Identification Number 112-818-166.

Doc. No. 436;
Page No. 89;
Book No. 14;
Series of 2024.


ATTY. JOEL FERRER FLORES
Notary Public for Makati City
Until December 31, 2024
Appointment No. M-115(2023-2024),
Roll Of Attorneys No. 77576
MCLE Compliance Vln No. 0001393
Jan. 3, 2023 until Apr. 12, 2028
PTR NO. 106739439 Jan. 2, 2024/Makati City
IBP No. 3307402 Jan. 2, 2024/Presig City
107 Batnan St., Guadalupe Nuevo, Ma

CERTIFICATION OF INDEPENDENT DIRECTOR

I, **JOHNNY Y. ARUEGO, JR.**, Filipino, of legal age and a resident of No. 167 Libra Street, Cinco Hermanos Subdivision, IVC, Marikina City, after having been duly sworn to in accordance with law, do hereby declare that:

1. I am elected for Independent Director of **PRIME MEDIA HOLDINGS, INC.** and have been an independent director since May 2013.

2. I am affiliated with the following companies or organizations (including Government Owned and Controlled Corporations):

COMPANY/ORGANIZATION	POSITION/RELATIONSHIP	PERIOD OF SERVICE
Classic Fine Foods Philippines, Inc.	Liquidator	Since 2023
Life Savings Bank	Independent Director	Since 2019
Alfredo H. Rivera & Sons, Inc.	Legal Counsel	Since 2015
RGA Realty, Inc.	Legal Counsel	Since 2015
JYT Investments, Inc.	Legal Counsel	Since 2015
East Offices Realty and Management Co., Inc.	Legal Counsel	Since 2012
A.V. Ocampo-ATR Kimeng Insurance Broker, Inc.	Corporate Secretary and Legal Counsel	Since 2011
East Asia (AEA) Capital Corporation	Assistant Liquidator	Since 2009
National Steel Corporation	Legal Consultant	Since 2006
PET Plans, Inc.	Corporate Secretary and Legal Counsel	Since 2006
Bacnotan Steel Industries, Inc.	Assistant Liquidator	Since 2003
Advent Capital and Finance Corporation	Assistant Liquidator	Since 2001

3. I possess all the qualifications and none of the disqualifications to serve as an Independent Director of **PRIME MEDIA HOLDINGS, INC.**, as provided for in Section 38 of the Securities Regulation Code, its Implementing Rules and Regulations and other Securities and Exchange Commission (SEC) issuances.

4. I am not in any way related to any director, officer and/or substantial shareholder of **PRIME MEDIA HOLDINGS, INC.** and its subsidiaries and affiliates.

5. To the best of my knowledge, I am not the subject of any pending criminal or administrative investigation or proceeding.

6. I am not employed with any government agency.

7. I shall faithfully and diligently comply with my duties and responsibilities as independent director under the Securities Regulation Code and its Implementing Rules and Regulations, the Code of Corporate Governance and other SEC issuances.

8. I shall inform the Corporate Secretary of **PRIME MEDIA HOLDINGS, INC.** of any changes in the abovementioned information within five (5) days from its occurrence.

Done this 29 day of July 2024, at Makati City.

JOHNNY Y. ARUEGO, JR.
Affiant

JUL 29 2024

SUBSCRIBED AND SWORN to before me this _____ day of July 2024 at Makati City, affiant personally appeared before me and exhibited to me his Driver's License No. NO1-87-048565, expiring on 03 February 2024.

Doc. No. 437
Page No. 87
Book No. 19
Series of 2024.

ATTY. JOEL FERRER FLORES
Notary Public for Makati City
Until September 31, 2024
Appointment No. 4-11-1-1-2024
Roll of Attorneys No. 1-1-1-1-2024
MCLE Compliance VIM No. 1-1-1-1-2023
Jan. 3, 2023 until Apr. 12, 2023
PTR NO. 10073945/Jan. 2, 2024/Makati City
IBF No. 330140/Jan. 2, 2024/Pasig City
107 Bataan St., Guadalupe Nuevo, Ma

COVER SHEET

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SEC Registration Number

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R	L	Y		F	I	R	S	T		E	-	B	A	N	K		C	O	R	P	.)										

(Company's Full Name)

1	6	T	H		F	L	O	O	R		B	D	O		T	O	W	E	R	S		V	A	L	E	R	O		(F	O	R
M	E	R	L	Y		C	I	T	I	B	A	N	K		T	O	W	E	R)		8	7	4	1		P	A	S	E	O	
D	E		R	O	X	A	S		M	A	K	A	T	I			C	I	T	Y												

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

Rolando S. Santos

(Contact Person)

(02) 8831-4479

(Company Telephone Number)

1	2		3	1
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Month Day
(Calendar Year)

1	7	-	Q	
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(Form Type)

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Month Day
(Annual Meeting)

N/A

Secondary License Type, If Applicable)

Finance Department

Dept. Requiring this Doc.

June 30, 2024

Period Ending Date

Total Amount of Borrowings

1,589

Total No. of Stockholders

N/A

Domestic

N/A

Foreign

To be accomplished by SEC Personnel concerned

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File Number

LCU

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Document ID

Cashier

STAMPS

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SECURITIES AND EXCHANGE COMMISSION
SEC FORM 17-Q

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

1. For the quarterly period ended: **June 30, 2024**
2. Commission identification number **22401**
3. BIR Tax Identification No. **000-491-007-000**
4. Exact name of registrant as specified in its charter: **PRIME MEDIA HOLDINGS, INC.**
5. Province, country or other jurisdiction of incorporation or organization: **PHILIPPINES**
6. Industry Classification Code: (SEC Use Only)
7. Address of registrant's principal office:

16th Floor BDO Towers Paseo (formerly Citibank Tower), 8741 Paseo de Roxas, Makati City 1227
8. Registrant's telephone number, including area code: **(63 2) 831-4479**
9. Former name, former address and former fiscal year, if changed since last report. **N/A**
10. Securities registered pursuant to Sections 4 and 8 of the RSA

<u>Title of each Class</u>	<u>Number of Shares of Common Stock Outstanding and Amount of Debt Outstanding</u>
Common Stock (P1.00 par value)	850,298,616 shares
Preferred Stock (P1.00 par value)	14,366,200 shares

11. Are any or all of the securities listed on the Philippine Stock Exchange?
Yes. The common shares are listed on the Philippine Stock Exchange.
12. Indicate by check mark whether the registrant:
 - (a) has filed all reports required to be filed by Section 17 of the Code and SRC Rule 17 thereunder or Sections 11 of the RSA and RSA Rule (11(a)-1 thereunder, and Sections 26 and 141 of the Corporation Code of the Philippines, during the preceding 12 months (or for such shorter period the registrant was required to file such reports)

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

Yes

Table of Contents

Contents

SECURITIES AND EXCHANGE COMMISSION	2
SEC FORM 17-Q.....	2
PART I - FINANCIAL INFORMATION.....	3
Item 1. - Management’s Discussion and Analysis of Financial Condition and Results of Operation.....	3
Financial Condition as of June 30, 2024 and December 31, 2023 and Results of Operation for the Three months and Six months ended June 30, 2024 and June 30, 2023	3
STATEMENT OF COMPREHENSIVE INCOME.....	3
STATEMENT OF FINANCIAL POSITION.....	4
STATEMENT OF CASH FLOWS	4
Item 2 - Financial Statements	5
Horizontal and Vertical Analysis:.....	5
Other Information.....	6
Key Performance Indicators (KPIs)	7
PART II - OTHER INFORMATION.....	8
PART III - FINANCIAL SOUNDNESS INDICATORS.....	8
SIGNATURES	9

PART I - FINANCIAL INFORMATION

Item 1. - Management's Discussion and Analysis of Financial Condition and Results of Operation

The following discussion and analysis are based on the unaudited financial statements as of June 30, 2024, with comparative figures for the corresponding periods in 2023 and audited financial statements as of December 31, 2023, prepared in conformity with Philippine Financial Reporting Standards (PFRS) and accompanying notes to the financial statements and should be read in conjunction with the audited financial statements.

Financial Condition as of June 30, 2024 and December 31, 2023 and Results of Operation for the Three months and Six months ended June 30, 2024 and June 30, 2023

STATEMENT OF COMPREHENSIVE INCOME

Three months ended June 30, 2024 compared with three months ended June 30, 2023

Income

The Company's interest income for the current period in the amount of ₱0.01 million has increased by ₱0.01 compared with the same period last year. This represents an increase of 140.14%.

Expenses

Total expenses during the period amounted to ₱1.75 million, lower by ₱3.92 million compared with the same period last year. This represents a decrease of 69.12% compared with the same period last year. The decrease was mainly accounted for by the following:

- **Outside Services** decreased by ₱1.67 million or 82.01% compared with the same period last year, mainly due to lesser outsourced services during the period.
- **Professional Fees** decreased by ₱2.24 million or 74.51% compared with the same period last year, mainly due to the fees related to the settlement of civil cases last year.
- **Insurance** decreased by ₱0.11 million or 99.30% compared with the same period last year, due to a refunded judicial bond last year.

Six months ended June 30, 2024 compared with six months ended June 30, 2023

Income

The Company's interest income for the current period in the amount of ₱0.02 million has increased by ₱0.01 million compared with the same period last year. This represents an increase of 143.81%.

Expenses

Total expenses during the period amounted to ₱4.00 million, lower by ₱2.91 million compared with the same period last year. This represents a decrease of 42.05% compared with the same period last year. The decrease was mainly accounted for by the following:

- **Outside Services** decreased by ₱1.14 million or 51.31% compared with the same period last year, mainly due to lesser outsourced services during the period.
- **Professional Fees** decreased by ₱1.98 million or 53.88% compared with the same period last year, mainly due to the fees related to the settlement of civil cases last year.
- **Insurance** decreased by ₱0.22 million or 99.30% compared with the same period last year, due to a

refunded judicial bond last year.

STATEMENT OF FINANCIAL POSITION

Assets

The Company's total assets as of June 30, 2024 of ₱431.51 million has decreased by ₱4.54 million compared to the balance as of December 31, 2023, representing a decrease of 1.0%. The decrease was mainly due to the following:

- **Cash** decreased by ₱4.49 million or 9.40% compared to the balance as of December 31, 2023, mainly due to the filing fees for private placement and confirmation of exempt transactions.
- **Receivables** decreased by ₱0.23 million or 79.55% compared to the balance as of December 31, 2023, due to the liquidation of cash advances during the period.
- **Due from related parties** decreased by ₱0.01 million or 12.91% compared to the balance as of December 31, 2023, due to collection of advances during the period.
- **Property and equipment** decreased by ₱0.05 million or 9.35% compared to the balance as of December 31, 2023, due to the accumulated depreciation recognized during the period.

Liabilities

The Company's total liabilities as of June 30, 2024 of ₱210.40 million has decreased by ₱0.56 million or 0.26% compared to the balance as of December 31, 2023, mainly due to the payment of obligations arising from BDO-PDIC MOA.

Equity

The Company's stockholders' equity as of June 30, 2024 of ₱221.10 million has decreased by ₱3.98 million or 1.77% compared to the balance as of December 31, 2023, due to the net loss incurred during the period.

STATEMENT OF CASH FLOWS

Three months ended June 30, 2024 compared with three months ended June 30, 2023

Cash used in operating activities has decreased by ₱5.39 million or 74.10% compared with the same period last year, mainly due to net loss incurred during the period.

Six months ended June 30, 2024 compared with six months ended June 30, 2023

Cash used in operating activities increased by ₱5.20 million or 53.74% compared with the same period last year is mainly due to net loss incurred during the period.

Cash used in an investing activity has increased by ₱0.02 million compared with the same period last year, due to the purchase of office equipment during the period.

Item 2 - Financial Statements

The unaudited Financial Statement of Prime Media Holdings, Inc. as of June 30, 2024 (with comparative audited figures as of December 31, 2023), and for the three months and six months ended June 30, 2023 is in compliance with generally accepted accounting principles and there were no changes made in accounting policies and methods of computation in the preparation of the interim financial statements.

Horizontal and Vertical Analysis:

	June 30, 2024 (Unaudited)	December 31, 2023 (Audited)	Horizontal Analysis		Vertical Analysis	
			Amount	Percentage	2024	2023
ASSETS						
Current Assets						
Cash	₱43,289,837	₱47,780,041	(₱4,490,204)	(9.40%)	10.03%	10.96%
Receivables	59,902	292,919	(233,017)	(79.55%)	0.01%	0.07%
Due from related parties	189,190	217,235	(28,045)	(12.91%)	0.04%	0.05%
Other current assets	6,254,790	5,995,992	258,798	(4.32%)	1.45%	1.38%
Total Current Assets	49,793,719	54,286,187	(4,492,468)	(8.28%)	11.54%	12.45%
Noncurrent Assets						
Loans receivable	373,000,000	373,000,000	–	–	86.44%	85.54%
Investment in a club share	5,000,000	5,000,000	–	–	1.16%	1.15%
Investment in a joint venture	3,257,154	3,257,154	–	–	0.75%	0.75%
Equipment	454,692	501,600	(46,908)	(9.35%)	0.11%	0.12%
Total Noncurrent Assets	381,711,846	381,758,754	(46,908)	(0.01%)	88.46%	87.55%
	₱431,505,565	₱436,044,941	(₱4,539,376)	(1.04%)	100.00%	100.00%
LIABILITIES AND CAPITAL DEFICIENCY						
Current Liabilities						
Accrued expenses and other current liabilities	₱196,523,440	₱197,078,691	(₱555,251)	(0.28%)	45.54%	45.20%
Due to a related party	13,880,000	13,880,000	–	–	3.22%	3.18%
Total Current Liabilities	210,403,440	210,958,691	(555,251)	(0.26%)	48.76%	48.38%
Equity						
Capital stock	1,118,164,876	1,118,164,876	–	–	259.13%	256.43%
Deficit	(901,862,751)	(897,878,626)	(3,984,125)	(0.44%)	(209.00%)	(205.91%)
Other comprehensive income	4,800,000	4,800,000	–	–	1.11%	1.10%
Total Equity	221,102,125	225,086,250	(3,984,125)	(1.77%)	51.24%	51.62%
	₱431,505,565	₱436,044,941	(₱4,539,376)	(1.04%)	100.00%	100.00%

Other Information

- a. There are no known trends or any known demands, commitments, events, or uncertainties that will result in or that are reasonably likely to result in the registrant's liquidity increasing or decreasing in any material way.
- b. There are no events that will trigger direct or contingent financial obligation that is material to the Company, including any default or acceleration of an obligation.
- c. There are no material off-balance sheet transactions, arrangements, obligations (including contingent obligations), and other relationships of the Company with unconsolidated entities or other persons created during the reporting period.
- d. Aside from the volatile USD exchange rate, there are no other known trends, events or uncertainties that have had or that are reasonably expected to have a material favorable or unfavorable impact on net sales or revenues or income from continuing operations.
- e. The causes for the material changes from period to period in the financial accounts were explained in the Management's discussion and analysis of financial condition and results of operation.
- f. There are no significant elements of income or loss that did not arise from the registrant's continuing operations.
- g. There are no items affecting assets, liabilities, equity, net income, or cash flows that are unusual because of their nature, size, or incidents.
- h. There are no new issuances, repurchases, and repayments of debt and equity securities.
- i. There are no material events subsequent to the end of the interim period that have not been reflected in the financial statements for the interim period.
- j. There are no changes in the composition of the issuer during the interim period including business combinations, acquisition or disposal of subsidiaries and long-term investments, restructurings, and discontinuing operations.
- k. There have been no contingent liabilities or contingent assets since the last annual balance sheet date.
- l. There are no material contingencies and other material events or transactions during the interim period.
- m. There are no events that will trigger direct or contingent financial obligation that is material to the Company, including any default or acceleration of an obligation.

Key Performance Indicators (KPIs)

Management uses the following KPIs for the Company:

	June 30, 2024	June 30, 2023
Net Loss	(P3,984,125)	(P6,901,214)
Quick assets	43,527,769	24,408,063
Current assets	49,793,720	33,280,759
Total assets	431,505,565	37,148,684
Current liabilities	210,403,440	193,855,177
Total liabilities	210,403,440	193,855,177
Stockholders' Equity	221,102,125	(156,706,493)
Preferred stock	14,366,260	14,366,260
Number of common shares outstanding	850,298,616	700,298,616
Number of preferred shares outstanding	14,366,260	14,366,260

	June 30, 2024	June 30, 2023
Liquidity ratios:		
Current ratio ⁽¹⁾	0.24:1	0.17:1
Quick ratio ⁽²⁾	0.21:1	0.13:1
Solvency Ratios:		
Debt ratio ⁽³⁾	0.49:1	5.22:1
Debt to Equity ratio ⁽⁴⁾	0.95:1	(1.24):1
Profitability ratios:		
Loss per share ⁽⁵⁾	(0.006):1	(0.011):1
Book value per share ⁽⁶⁾	(0.24):1	(0.24):1

Notes:

1. Current Assets / Current Liabilities
2. Quick Assets / Current Liabilities
3. Total Liabilities / Total Assets
4. Total Liabilities / Shareholders' Equity
5. Net Income (Loss) / Common Shares Outstanding
6. Stockholders' Equity / Common Shares Outstanding

PART II - OTHER INFORMATION

Any information not previously reported in a report on SEC Form 17-C

NONE

PART III - FINANCIAL SOUNDNESS INDICATORS

Liquidity Ratio

a. Current Ratio

Total Current Assets/ Total Current Liabilities = 0.24:1

b. Quick Ratio

Quick asset / Total Current Liabilities = 0.21:1

Solvency Ratio

a. Debt Ratio

Total liabilities / Total assets = 0.49:1

b. Debt to Equity Ratio

Total liabilities / Shareholder's Equity = 0.95:1

Profitability Ratio

a. Return on Equity Ratio

Net Income (Loss) / Average shareholder's equity = (0.02):1

b. Return on Assets

Net Income (Loss)/ Average Total assets = (0.01):1

c. Asset to Equity Ratio:

Total Assets / Stockholders' Equity = 1.95:1


d. Asset Turnover:

Revenue/Total Assets = 0.00005

SIGNATURES

Pursuant to the requirements of the Securities Regulation Code, the Issuer has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

Issuer: PRIME MEDIA HOLDINGS, INC.

Signature and Title:  ROLANDO S. SANTOS
Treasurer

Date: August 7, 2024

Signature and Title:  DALE A. TONGCO
Risk Management Officer

Date: August 7, 2024

PRIME MEDIA HOLDINGS, INC.
(A Subsidiary of RYM Business Management Corp.)

STATEMENTS OF FINANCIAL POSITION

	Note	June 30, 2024 (Unaudited)	December 31, 2023 (Audited)
ASSETS			
Current Assets			
Cash	4	₱43,289,837	₱47,780,041
Receivables	5	59,202	292,919
Due from related parties	13	189,190	217,235
Other current assets	6	6,254,790	5,995,992
Total Current Assets		49,793,720	54,286,187
Noncurrent Assets			
Loans receivable	13	373,000,000	373,000,000
Investment in a club share	7	5,000,000	5,000,000
Investment in a joint venture	8	3,257,154	3,257,154
Property and equipment	9	454,692	501,600
Total Noncurrent Assets		381,711,846	381,758,754
		₱431,505,565	₱436,044,941
LIABILITIES AND EQUITY			
Current Liabilities			
Accrued expenses and other current liabilities	10	₱196,523,440	₱197,078,691
Due to related parties	13	13,880,000	13,880,000
Total Current Liabilities		210,403,440	210,958,691
Equity			
Capital stock	11	864,664,876	864,664,876
Additional paid-in capital	11	253,500,000	253,500,000
Deficit		(901,862,751)	(897,878,626)
Cumulative fair value changes on investment in a club share	7	4,800,000	4,800,000
Total Equity		221,102,125	225,086,250
		₱431,505,566	₱436,044,941

See accompanying Notes to Financial Statements.

PRIME MEDIA HOLDINGS, INC.
(A Subsidiary of RYM Business Management Corp.)

STATEMENTS OF COMPREHENSIVE INCOME

		Three Months Ended June 30	
	Note	2024	2023
INCOME			
Interest income	4	₱9,919	₱4,130
EXPENSES			
Professional fees		764,947	3,000,824
Outside services		365,584	2,032,524
Directors' fees		150,000	130,000
Taxes and licenses		80,719	78,170
Membership and association dues		34,526	28,487
Depreciation	9	32,196	34,069
Transportation and travel		22,353	31,767
Insurance		774	110,917
Others		299,566	222,955
		1,750,664	5,669,713
LOSS BEFORE INCOME TAX		(1,740,745)	(5,665,582)
PROVISION FOR CURRENT INCOME TAX		—	—
NET LOSS		(1,740,745)	(5,665,582)
OTHER COMPREHENSIVE INCOME			
<i>Item that will not be reclassified to profit or loss</i>			
Unrealized fair value change on investment in a club share	7	—	—
TOTAL COMPREHENSIVE LOSS		(₱1,740,745)	(₱5,665,582)
Basic/Diluted Loss Per Share	15	(₱0.003)	(₱0.009)

See accompanying Notes to Financial Statements.

PRIME MEDIA HOLDINGS, INC.
(A Subsidiary of RYM Business Management Corp.)

STATEMENTS OF COMPREHENSIVE INCOME

		Six Months Ended June 30	
	Note	2024	2023
INCOME			
Interest income	4	₱20,200	₱8,285
EXPENSES			
Professional fees		1,695,217	3,675,758
Outside services		1,082,886	2,224,229
Taxes and licenses		512,555	90,796
Directors' fees		170,000	220,000
Depreciation	9	63,828	68,138
Membership and association dues		59,022	57,023
Transportation and travel		26,614	62,784
Penalties		11,000	—
Insurance		1,548	221,060
Others		381,654	289,711
		4,004,325	6,909,499
LOSS BEFORE INCOME TAX		(3,984,125)	(6,901,214)
PROVISION FOR CURRENT INCOME TAX		—	—
NET LOSS		(3,984,125)	(6,901,214)
OTHER COMPREHENSIVE INCOME			
<i>Item that will not be reclassified to profit or loss</i>			
Unrealized fair value change on investment in a club share	7	—	—
TOTAL COMPREHENSIVE LOSS		(₱3,984,125)	(₱6,901,214)
Basic/Diluted Loss Per Share	15	(₱0.006)	(₱0.011)

See accompanying Notes to Financial Statements.

PRIME MEDIA HOLDINGS, INC.
(A Subsidiary of RYM Business Management Corp.)

STATEMENTS OF CHANGES IN EQUITY

	Note	June 30, 2024	December 31, 2023
CAPITAL STOCK	11		
Preferred stock - ₱1 par value		₱14,366,260	₱14,366,260
Common stock - ₱1 par value			
Balance at beginning of period		850,298,616	700,298,616
Issuance		–	150,000,000
Balance at end of period		850,298,616	850,298,616
		864,664,876	864,664,876
ADDITIONAL PAID-IN CAPITAL	11		
Balance at beginning of period		253,500,000	–
Premiums from issuance of common shares		–	255,500,000
Stock issuance cost		–	(1,500,000)
Balance at end of period		253,500,000	253,500,000
DEFICIT			
Balance at beginning of period		(897,878,626)	(867,570,155)
Net loss		(3,984,125)	(30,308,471)
Balance at end of period		(901,862,751)	(897,878,626)
CUMULATIVE FAIR VALUE CHANGES ON INVESTMENT IN A CLUB SHARE	7		
Balance at beginning of period		4,800,000	3,100,000
Unrealized fair value gain		–	1,700,000
Balance at end of period		4,800,000	4,800,000
		₱221,102,125	₱225,086,250

See accompanying Notes to Financial Statements.

PRIME MEDIA HOLDINGS, INC.
(A Subsidiary of RYM Business Management Corp.)

STATEMENTS OF CASH FLOWS

		Three Months Ended June 30	
	Note	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES			
Loss before income tax		(P1,740,745)	(P5,665,582)
Adjustments for:			
Depreciation	9	32,196	34,069
Interest income	4	(9,919)	(4,130)
Operating loss before working capital changes		(1,718,468)	(5,635,644)
Decrease (increase) in:			
Receivables		316,298	(6,000)
Due from related parties		(80,235)	(420,727)
Other current assets		(88,949)	(931,057)
Increase (decrease) in:			
Accrued expenses and other current liabilities		(322,094)	(285,734)
Due to related party		—	3,999
Net cash used for operations		(1,893,448)	(7,275,163)
Interest received		9,919	4,130
Net cash used in operating activities		(1,883,529)	(7,271,033)
CASH AT BEGINNING OF PERIOD		45,173,366	31,441,164
CASH AT END OF PERIOD	4	P43,289,837	P24,170,131

See accompanying Notes to Financial Statements.

PRIME MEDIA HOLDINGS, INC.
(A Subsidiary of RYM Business Management Corp.)

STATEMENTS OF CASH FLOWS

		Six Months Ended June 30	
	Note	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES			
Loss before income tax		(₱3,984,125)	(₱6,901,214)
Adjustments for:			
Depreciation	9	63,828	68,138
Interest income	4	(20,200)	(8,285)
Operating loss before working capital changes		(3,940,497)	(6,841,361)
Decrease (increase) in:			
Receivables		233,017	(26,000)
Due from related parties		28,045	(459,966)
Other current assets		(258,798)	(939,079)
Increase (decrease) in:			
Accrued expenses and other current liabilities		(555,251)	(1,414,913)
Due to related party		—	3,999
Net cash used for operations		(4,493,484)	(9,677,320)
Interest received		20,200	8,285
Net cash used in operating activities		(4,473,284)	(9,669,035)
CASH FLOW FROM AN INVESTING ACTIVITY			
Addition to property and equipment	9	(16,920)	—
NET DECREASE IN CASH		(4,490,204)	(9,669,035)
CASH AT BEGINNING OF PERIOD		47,780,041	33,839,166
CASH AT END OF PERIOD	4	₱43,289,837	₱24,170,131

See accompanying Notes to Financial Statements.

PRIME MEDIA HOLDINGS, INC.
(A Subsidiary of RYM Business Management Corp.)
NOTES TO FINANCIAL STATEMENTS

1. Corporate Information

Prime Media Holdings, Inc. (the Company) was originally incorporated and registered with the Philippine Securities and Exchange Commission (SEC) on February 6, 1963 as Private Development Corporation of the Philippines. In October 2003, the SEC approved the amendment of the Company's Articles of incorporation, changing its primary purpose from a development bank to a holding company. On March 4, 2013, the SEC approved the extension of the Company's corporate life for another 50 years. However, in accordance with the Revised Corporation Code of the Philippines, effective February 23, 2019, the Company was automatically accorded perpetual existence.

On July 9, 1964, the Philippine Stock Exchange, Inc. (PSE) approved the public listing of the Company's shares of stock. As at June 30, 2024, there are 663,713,458 Company shares that are publicly listed.

The Company is a subsidiary of RYM Business Management Corp. (RYM or the Parent Company), a holding company registered and domiciled in the Philippines.

The Company's registered office and principal place of business is on the 16th Floor, BDO Towers Valero, 8741 Paseo de Roxas, Makati City.

Amendments in the Articles of Incorporation (AOI)

On August 15, 2022 and on September 23, 2022, the Board of Directors (BOD) and the stockholders, respectively, approved, among others, the deletion of all provisions relating to the Company's preferred shares, the conversion of the preferred shares to common shares and the increase of the authorized capital stock to up to ₱7 billion, divided into 7,000,000,000 common shares at ₱1.00 par value a share. Considering the lapse of time, the Company's objectives as well as applicable laws, rules or regulations, the Company shall re-submit the amendments of the AOI with further clarification and modification for approval of the shareholders in the Annual Meeting scheduled on 30 August 2024.

Additional Capital

In 2023, the Company issued a total of 150,000,000 common shares at ₱2.70 per share equivalent to ₱405.0 million paid in cash, resulting to an additional paid-in capital of ₱255.0 million. The documentary stamp tax of ₱1.5 million paid in relation to stock issuance was recognized as deduction to additional paid-in capital, resulting to a balance of ₱253.5 million as at June 30, 2024 and December 31, 2023. Notably, 125,000,000 common shares were issued to Angel Maple Properties, Inc. (now known as Valiant Consolidated Resources Inc.) and 25,000,000 common shares were issued to Cymac Holdings Corporation. Angel Maple Properties, Inc. and Cymac Holdings Corporation are separate and distinct entities not acting in concert in subscribing to shares of the Company.

MOA with Philippine Collective Media Corporation (PCMC)

In 2021, the Company entered into a MOA, with the majority stockholders of a mass media entity, Philippine Collective Media Corporation ("PCMC Shareholders"), subscribing to 70% of the Company's outstanding capital stock in exchange for PCMC shares to obtain the business, assets and ownership of PCMC. With PCMC's national franchise, the Company may use this as a leverage to provide other content providers with an avenue to broadcast their contents, regionally and nationwide, for profit.

PRIME MEDIA HOLDINGS, INC.
(A Subsidiary of RYM Business Management Corp.)

This MOA was subsequently amended On August 15, 2022 and September 23, 2022, due to subsequent acquisition of PCMC by Golden Peregrine Holdings, Inc. (GPHI). The BOD and stockholders approved the subscription by GPHI shareholders to 1,679,966,400 common shares to be issued from the proposed increase in authorized capital stock of the Company in exchange of shares of stock in GPHI in order to obtain full control and ownership in PCMC. This MOA is conditioned upon clean-up activities to be performed by the Company, which are pending with the Securities and Exchange Commission.

On January 18, 2023, the BOD approved the Amendment of the MOA with GPHI to:

- (a) Change the Exchange Ratio to 4,700 PRIM shares for 1 Golden Peregrine share pursuant to the updated appraisal report.
- (b) Subscription by Atty. Hermogene H. Real and Ms. Michelle Ayangco to 1,645,000,000 PRIM Common Shares to be issued out of the proposed increase in authorized capital stock in consideration of the assignment of 100% of the Outstanding Capital Stock of Golden Peregrine pursuant to the updated appraisal report.
- (c) Other provisions which require updating and affected by the amendments aforementioned.

Joint Venture Agreement with ABS-CBN Corporation (ABS-CBN)

On May 23, 2023, the BOD approved the Joint Venture Agreement with ABS-CBN to form a joint venture entity, which was eventually incorporated on June 30, 2023 (see Note 8). The Company shall have 51% equity with an initial subscription of 20,400,000 shares for a total value of ₱20.4 million. ABS-CBN on the other hand, shall have 49% equity with an initial subscription of 19,600,000 shares for a total value of ₱19.6 million. The Joint Venture is incorporated primarily for the purpose of developing, producing, and financing content, programs, and shows for distribution by other broadcast networks, channels, or platforms, locally and internationally.

2. Summary of Significant Accounting Policies

Basis of Preparation

The financial statements have been prepared in compliance with the Philippine Financial Reporting Standards (PFRS) issued by the Philippine Financial and Sustainability Reporting Standards Council (formerly Financial Reporting Standards Council) and adopted by the SEC, including SEC pronouncements. This financial reporting framework includes PFRS, Philippine Accounting Standards (PAS) and Philippine Interpretations from International Financial Reporting Interpretations Committee (IFRIC).

The accounting policies adopted are consistent with those of the previous financial year.

Measurement Bases

The financial statements are presented in Philippine Peso (Peso), which is also the Company's functional currency. All amounts are rounded to the nearest Peso, unless otherwise stated.

The financial statements have been prepared on a historical cost basis, except for investment in a club share which was classified and measured as a financial asset at fair value through other comprehensive income (FVOCI). Historical cost is generally based on the fair value of the consideration given in exchange for an asset and the fair value of the consideration received in exchange for incurring liability.

PRIME MEDIA HOLDINGS, INC.
(A Subsidiary of RYM Business Management Corp.)

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the transaction date. The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

The Company uses observable market data to a possible extent when measuring the fair value of an asset or a liability. Fair values are categorized into different levels in a fair value hierarchy based on inputs used in the valuation techniques as follows:

- Level 1 - Quoted (unadjusted) market prices in active market for identical assets or liabilities.
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

Further information about the assumptions made in measuring fair values is included in Notes 7 and 16.

Adoption of Amended PFRS

The accounting policies adopted are consistent with those of the previous financial year, except for the adoption of the following amended PFRS:

Effective for annual periods beginning on or after January 1, 2024:

- Amendments to PAS 1, *Presentation of Financial Statements*, and PFRS Practice Statement 2, *Making Materiality Judgments - Disclosure Initiative - Accounting Policies* – The amendments require an entity to disclose its material accounting policies, instead of its significant accounting policies and provide guidance on how an entity applies the concept of materiality in making decisions about accounting policy disclosures. In assessing the materiality of accounting policy information, entities need to consider both the size of the transactions, other events or conditions and their nature. The amendments clarify (1) that accounting policy information may be material because of its nature, even if the related amounts are immaterial, (2) that accounting policy information is material if users of an entity's financial statements would need it to understand other material information in the financial statements, and (3) if an entity discloses immaterial accounting policy information, such information should not obscure material accounting policy information. In addition, PFRS Practice Statement 2 is amended by adding guidance and examples to explain and demonstrate the application of the 'four-step materiality process' to accounting policy information.

PRIME MEDIA HOLDINGS, INC.
(A Subsidiary of RYM Business Management Corp.)

- Amendments to PAS 8, *Accounting Policies, Changes in Accounting Estimates and Errors - Definition of Accounting Estimates* – The amendments clarify the distinction between changes in accounting estimates and changes in accounting policies, and the correction of errors. Under the new definition, accounting estimates are “monetary amounts in financial statements that are subject to measurement uncertainty”. An entity develops an accounting estimate if an accounting policy requires an item in the financial statements to be measured in a way that involves measurement uncertainty. The amendments clarify that a change in accounting estimate that results from new information or new developments is not a correction of an error, and that the effects of a change in an input or a measurement technique used to develop an accounting estimate are changes in accounting estimates if they do not result from the correction of prior period errors. A change in an accounting estimate may affect only the profit or loss in the current period, or the profit or loss of both the current and future periods.
- Amendments to PAS 12, *Income Taxes - Deferred Tax Related Assets and Liabilities from a Single Transaction* – The amendments require companies to recognize deferred tax on transactions that, on initial recognition, give rise to equal amounts of taxable and deductible temporary differences.
- Amendments to PAS 1, *Classification of Liabilities as Current or Noncurrent* – The amendments clarify the requirements for an entity to have the right to defer settlement of the liability for at least 12 months after the reporting period. The amendments also specify and clarify the following: (i) an entity’s right to defer settlement must exist at the end of the reporting period, (ii) the classification is unaffected by management’s intentions or expectations about whether the entity will exercise its right to defer settlement, (iii) how lending conditions affect classification, and (iv) requirements for classifying liabilities where an entity will or may settle by issuing its own equity instruments.
- Amendments to PAS 1, *Noncurrent Liabilities with Covenants* – The amendments clarified that covenants to be complied with after the reporting date do not affect the classification of debt as current or noncurrent at the reporting date. Instead, the amendments require the entity to disclose information about these covenants in the notes to the financial statements. The amendments must be applied retrospectively. Earlier application is permitted. If applied in an earlier period, the Company shall also apply Amendments to PAS 1 - *Classification of Liabilities as Current or Noncurrent* for that period.
- Amendments to PAS 7, *Statement of Cash Flows* and PFRS 7, *Financial Instrument: Disclosures - Supplier Finance Arrangements* – The amendments introduced new disclosure requirements to enable users of the financial statements assess the effects of supplier finance arrangements on the liabilities, cash flows and exposure to liquidity risk. The amendments also provide transitional relief on certain aspects, particularly on the disclosures of comparative information. Earlier application is permitted.

The adoption of the amended PFRS did not materially affect the financial statements of the Company. Additional disclosures were included in the financial statements, as applicable.

Amended PFRS Issued But Not Yet Effective

Relevant amended PFRS, which are not yet effective as at December 31, 2023 and have not been applied in preparing the financial statements, are summarized below.

PRIME MEDIA HOLDINGS, INC.
(A Subsidiary of RYM Business Management Corp.)

Deferred effectivity -

- Amendments to PFRS 10, *Consolidated Financial Statements*, and PAS 28 - *Sale or Contribution of Assets Between an Investor and its Associate or Joint Venture* – The amendments address a conflicting provision under the two standards. It clarifies that a gain or loss shall be recognized fully when the transaction involves a business, and partially if it involves assets that do not constitute a business. The effective date of the amendments, initially set for annual periods beginning on or after January 1, 2016, was deferred indefinitely in December 2015 but earlier application is still permitted.

Under prevailing circumstances, the adoption of the foregoing amended PFRS is not expected to have any material effect on the financial statements of the Company. Additional disclosures will be included in the financial statements, as applicable.

Financial Assets and Liabilities

Date of 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 and derecognition, as applicable is done using settlement date accounting.

Initial Recognition and Measurement. Financial instruments are recognized initially at fair value, which is the 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 at fair value through profit or loss (FVPL), includes transaction cost.

“Day 1” Difference. Where the transaction price in a non-active market is different from the fair value of other observable current market transactions in the same instrument or based on a valuation technique whose variables include only data from observable market, the Company recognizes the difference between the transaction price and fair value (a “Day 1” difference) in profit or loss. In cases where there is no observable data on inception, the Company deems the transaction price as the best estimate of fair value and recognizes “Day 1” difference in profit or loss when the inputs become observable or when the instrument is derecognized. For each transaction, the Company determines the appropriate method of recognizing the “Day 1” difference.

Classification. The Company classifies its financial assets at initial recognition under the following categories: (a) financial assets at FVPL, (b) financial assets at amortized cost, and (c) financial assets at FVOCI. Financial liabilities, on the other hand, are classified as either financial liabilities at FVPL or other financial liabilities at amortized cost. The classification of a financial instrument largely depends on the Company’s business model.

As at June 30, 2024 and December 31, 2023, the Company does not have financial assets and liabilities at FVPL.

Financial Assets at Amortized Cost. A financial asset shall be measured at amortized cost if both of the following conditions are met:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely

PRIME MEDIA HOLDINGS, INC.

(A Subsidiary of RYM Business Management Corp.)

payments of principal and interest on the principal amount outstanding.

After initial recognition, financial assets at amortized cost are subsequently measured at amortized cost using the effective interest method, less allowance for impairment, if any. 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 derecognized and through the amortization process. Financial assets at amortized cost are included under current assets if realizability or collectability is within 12 months after the reporting period. Otherwise, these are classified as noncurrent assets.

As at June 30, 2024 and December 31, 2023, the Company's cash, receivables (excluding advances to officers, employees and service providers), due from related parties and loans receivable are classified under this category.

Financial Assets at FVOCI. Equity securities which are not held for trading may be irrevocably designated at initial recognition under the FVOCI category.

Financial assets at FVOCI are initially measured at fair value plus transaction costs. After initial recognition, financial assets at FVOCI are measured at fair value with unrealized gains or losses recognized in other comprehensive income (OCI) and are included under "Other comprehensive income" account in the equity section of the statements of financial position. These fair value changes are recognized in equity and are not reclassified to profit or loss in subsequent periods. On disposal of these equity securities, any cumulative unrealized valuation gains will be reclassified to retained earnings.

As at June 30, 2024 and December 31, 2023, the Company's investment in a club share of Valley Golf & Country Club is classified under this category.

Financial Liabilities at Amortized Cost. Financial liabilities are categorized as financial liabilities at amortized cost when the substance of the contractual arrangement results in the Company having an obligation either to deliver cash or another financial asset to the holder, or to settle the obligation other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of its own equity instruments.

These financial liabilities are initially recognized at fair value less any directly attributable transaction costs. After initial recognition, these financial liabilities are subsequently measured at amortized cost using the effective interest method. Amortized cost is calculated by taking into account any discount or premium on the issue and fees that are an integral part of the effective interest rate.

As at June 30, 2024 and December 31, 2023, the Company's accrued expenses and other current liabilities (excluding statutory payable) and amounts due to related parties are classified under this category.

Reclassification of Financial Assets

The Company reclassifies its financial assets when, and only when, it changes its business model for managing those financial assets. The reclassification is applied prospectively from the first day of the first reporting period following the change in the business model (reclassification date).

For a financial asset reclassified out of the financial assets at amortized cost category to financial assets at FVPL, any gain or loss arising from the difference between the previous amortized cost of the financial asset and fair value is recognized in profit or loss.

PRIME MEDIA HOLDINGS, INC.
(A Subsidiary of RYM Business Management Corp.)

For a financial asset reclassified out of the financial assets at amortized cost category to financial

assets at FVOCI, any gain or loss arising from the difference between the previously amortized cost of the financial asset and fair value is recognized in OCI.

For a financial asset reclassified out of the financial assets at FVOCI category to financial assets at amortized cost, any gain or loss previously recognized in OCI, and any difference between the new amortized cost and maturity amount, are amortized to profit or loss over the remaining life of the investment using the effective interest method. If the financial asset is subsequently impaired, any gain or loss that has been recognized in OCI is reclassified from equity to profit or loss.

For a financial asset reclassified out of the financial assets at FVOCI category to financial assets at FVPL, the financial asset continues to be measured at fair value.

Impairment of Financial Assets at Amortized Cost

The Company records an allowance for expected credit loss (ECL) 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. The difference is then discounted at an approximation to the asset's original effective interest rate.

Derecognition of Financial Assets and Liabilities

Financial Assets. A financial asset (or where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognized by the Company when:

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

When the Company has transferred its right to receive cash flows from an asset or has entered into a pass-through arrangement and has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the asset is recognized to the extent of the Company's continuing involvement in the asset. Continuing involvement that takes the form of a guarantee over the transferred asset, if any, is measured at the lower of original carrying amount of the asset and the maximum amount of consideration that the Company could be required to pay.

Financial Liabilities. A financial liability is derecognized when the obligation under the liability is discharged, or cancelled or has expired. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of the new liability, and the difference in the respective carrying amount is recognized in profit or loss.

Offsetting Financial Assets and Liabilities

Financial assets and liabilities are offset, and the net amount is reported in the statements of financial

PRIME MEDIA HOLDINGS, INC.
(A Subsidiary of RYM Business Management Corp.)

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. This is not generally the case with master netting agreements, and the related assets and liabilities are presented gross in the statements of financial position.

Classification of Financial Instrument between Liability and Equity

A financial instrument is classified as liability if it provides for a contractual obligation to:

- Deliver cash or another financial asset to another entity;
- Exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavorable to the Company; or
- Satisfy the obligation other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of own equity shares.

If the Company does not have an unconditional right to avoid delivering cash or another financial asset to settle its contractual obligation, the obligation meets the definition of a financial liability.

Other Current Assets

This account mainly consists of creditable withholding taxes (CWT), input value-added tax (VAT) and prepayments.

CWT. CWT represents the amount withheld by the Company's customers in relation to its income. CWT can be utilized as payment for income taxes provided that these are properly supported by certificates of creditable tax withheld at source subject to the rules on Philippine income taxation. CWT is stated at estimated net realizable value.

VAT. Revenues, expenses and assets are generally recognized net of the amount of VAT, except:

- where the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case the tax is recognized as part of the cost of acquisition of the asset or as part of the expense item, as applicable; and
- receivables and payables that are stated with the amount of tax included.

The net amount of VAT recoverable from the taxation authority is included as part of "Other current assets" account in the statements of financial position.

Investment in a Joint Venture

Joint arrangements represent activities where the Parent Company has joint control established by a contractual agreement. Joint control requires unanimous consent for financial and operational decisions. A joint arrangement is either a joint operation, whereby the parties have rights to the assets and obligations for the liabilities, or a joint venture, whereby the parties have rights to the net assets.

Classification of a joint arrangement as either joint operation or joint venture requires judgment.

Management's considerations include, but are not limited to, determining if the arrangement is structured through a separate vehicle and whether the legal form and contractual arrangements give the entity direct rights to the assets and obligations for the liabilities within the normal course of business. Other facts and circumstances are also assessed by management, including the entity's rights

PRIME MEDIA HOLDINGS, INC.
(A Subsidiary of RYM Business Management Corp.)

to the economic benefits of assets and its involvement and responsibility for settling liabilities associated with the arrangement.

The Company accounted for its interest in Media Serbisyo Production Corp (MSPC) as a joint venture (see Note 8).

Investment in a joint venture is accounted for using the equity method. Under the equity method, the investment in a joint venture is initially recorded at cost and thereafter for the post-acquisition change in the Company's share in net assets of the joint venture. The statement of comprehensive income reflects the Company's share in the results of operations of the joint venture.

The financial statements of the joint venture are prepared for the same reporting period as the Company. Adjustments are made to bring the accounting policies in line with those of the Company.

The considerations made in determining significant influence on joint control are similar to those necessary to determine control over subsidiaries.

Impairment of Nonfinancial Assets

The Company assesses at each reporting date whether there is an indication that nonfinancial assets may be impaired when events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. If any such indication exists and if the carrying amount exceeds the estimated recoverable amount, nonfinancial assets are written down to its recoverable amount, which is the greater of fair value less cost to sell and value in use. The fair value less cost to sell is the amount obtainable from the sale of an asset in an arm's length transaction between knowledgeable and willing parties less cost of disposal. In assessing value in use, the estimated future cash flows are discounted to present value using a pretax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs. Impairment losses are recognized in profit or loss.

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

Equity

Capital Stock. Capital stock is measured at par value for all shares issued and outstanding.

Additional Paid-in Capital. Additional paid-in capital includes any premium received in the issuances of capital stock. Any transaction costs associated with the issuance of shares are deducted from additional paid-in capital, net of tax.

Deficit. Deficit represents the cumulative balance of the Company's results of operations.

Cumulative Fair Value Changes on Investment in a Club Share. The account comprises of unrealized fair value changes that are not recognized in profit or loss for the year in accordance with PFRS.

PRIME MEDIA HOLDINGS, INC.
(A Subsidiary of RYM Business Management Corp.)

Revenue Recognition

Revenue is recognized to the extent that it is probable that economic benefits will flow to the Company and the amount of revenue can be measured reliably.

Revenue from contracts with customers is recognized when the performance obligation in the contract has been satisfied at a point in time or over time.

The Company also assesses its revenue arrangements to determine if it is acting as a principal or as an agent. The Company has assessed that it acts as a principal in all of its revenue sources.

The following specific recognition criteria must also be met before revenue is recognized.

Interest Income. Interest income is recognized in profit or loss as it accrues, taking into account the effective yield on the asset.

Expense Recognition

Expenses constitute the cost of administering the business. These costs are expensed upon receipt of goods, utilization of services, or when the expense is incurred.

Income Taxes

Current Tax. Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount is the one that has been enacted or substantively enacted at the reporting date.

Deferred Tax. Deferred tax is provided on all temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognized for all taxable temporary differences. Deferred tax assets are recognized for all deductible temporary differences, carryforward benefits of any unused tax credits from the excess of minimum corporate income tax (MCIT) over the regular corporate income tax (RCIT) and any unused net operating loss carryover (NOLCO), to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and carryforward benefits of unused excess MCIT over RCIT and unused NOLCO can be utilized. Deferred tax, however, is not recognized when it arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

Deferred tax is recognized in profit or loss except to the extent that it relates to a business combination, or items directly recognized in equity as OCI.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are reassessed at each reporting date and are recognized to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates and tax laws that are expected to apply to the period when the asset is realized or the liability is settled, based on tax rate that has been enacted or substantively enacted at the reporting date.

PRIME MEDIA HOLDINGS, INC.
(A Subsidiary of RYM Business Management Corp.)

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

Basic and Diluted Loss per Share

The Company computes its basic loss per share by dividing the net loss for the period attributable to ordinary equity holders of the Company by the weighted average number of common shares outstanding during the period.

Diluted loss per share amounts is computed in the same manner, adjusted for the diluted effect of any potential common shares. There is no such information as of June 30, 2024 and in 2023 because the Company has no dilutive potential common shares and is in a net loss position.

Segment Reporting

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to the transactions with any of the Company's other components. The Company has only one segment which is as a holding company.

Related Parties

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

A related party transaction is a transfer of resources, services or obligations between a reporting entity and a related party, regardless of whether a price is charged.

Related party transactions are considered material and/or significant if these transactions amount to 10% or higher of the Company's total assets or if there are several transactions or a series of transactions over a twelve-month period with the same related party amounting to 10% or higher of the Company's total assets.

Provisions

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

Provisions are made using the best estimates of the amount required to settle the obligation and are discounted to present values using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. Changes in estimates are reflected in profit or loss in the period these arise.

Contingencies

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

PRIME MEDIA HOLDINGS, INC.
(A Subsidiary of RYM Business Management Corp.)

Events after the Reporting Date

Post year-end events that provide additional information about the Company's financial position at the end of the reporting period (adjusting events) are reflected in the financial statements. Post year-end events that are non-adjusting are disclosed in the notes to financial statements when material.

3. Significant Judgment, Accounting Estimates and Assumptions

The preparation of financial statements in accordance with PFRS requires management to exercise judgment, make estimates and assumptions that affect the amounts reported in the financial statements. The judgment and estimates used in the financial statements are based on management's evaluation of relevant facts and circumstances as at the reporting date. While the Company believes that the assumptions are reasonable and appropriate, significant differences in the actual experience or significant changes in the assumptions may materially affect the estimated amounts. Actual results could differ from such estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

Judgments

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

Classifying Financial Instruments. The Company exercises judgment in classifying a financial instrument on initial recognition either as a financial asset, a financial liability or an equity instrument in accordance with the substance of the contractual arrangement and the definitions of a financial asset, a financial liability or an equity instrument. The substance of a financial instrument, rather than its legal form, governs its classification in the statements of financial position.

The Company classified its investment in a club share as a financial asset at FVOCI (see Note 7).

Assessing the Distinction Between Joint Operation and Joint Venture. The Company determines whether a joint arrangement qualifies as a joint operation or a joint venture. In making its judgment, the Company assesses whether it has joint control and has rights to the assets, and obligations for the liabilities, relating to the arrangement or it has joint control and has rights to the net assets of the arrangement, in which case the arrangement shall be classified as a joint operation or a joint venture, respectively, as the case may be. The Company considers each arrangement separately in making its judgment.

The Company assessed that the joint arrangement qualifies as a joint venture and to be accounted using equity method in accordance with PAS 28, *Investments in Associates and Joint Ventures* (see Note 8).

Determining the Fair Value of Financial Instruments. PFRS requires certain financial assets and liabilities to be carried at fair value, which requires extensive use of accounting estimates. While significant components of fair value measurement were determined using verifiable objective evidence, the amount of changes in fair value would differ if the Company utilized different valuation methodologies.

PRIME MEDIA HOLDINGS, INC.
(A Subsidiary of RYM Business Management Corp.)

Any changes in the fair value of these financial assets would affect profit and loss and equity.

The fair value of the Company's financial assets and liabilities is disclosed in Note 16.

Evaluating the Contingencies. The Company is a party to certain lawsuits or claims arising from the ordinary course of business. However, the Company's management and legal counsel believe that eventual liabilities under these lawsuits or claims, if any, will not have a material effect on the Company's financial statements.

Estimates and Assumptions

The key estimates concerning the future and other key sources of estimation uncertainty at the reporting date, that has a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below.

Estimating the Liabilities related to Previous Development Bank Operations. The estimated liabilities related to previous development bank operations of the Company is based on the management's best estimate of the amount expected to be incurred to settle the obligation based on the terms of the MOA.

Liabilities arising from the MOA amounted to ₱183.04 million ₱183.97 million as at June 30, 2024 and December 31, 2023, respectively (see Note 10).

Determining Fair Value of Financial Instruments at Date of Initial Recognition. The Company determines the fair value of financial instruments based on transaction price. As at date of recognition of financial instruments as of June 30, 2024 and in 2023, the Company assessed that the fair value of the financial instruments approximates its transaction price.

Assessing the ECL on Financial Assets at Amortized Cost. The Company applies the simplified approach to its receivables and the general approach on all its other financial assets at amortized cost in measuring the ECL. The Company estimates the ECL on its receivables using a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

The Company assessed that cash in banks is deposited with reputable counterparty banks that possess good credit ratings. For related party transactions and other receivables, the Company considered the available liquid assets of the related parties and a letter of guarantee from the stockholders.

The Company assesses that a financial asset is considered credit impaired when one or more events that have a detrimental effect on the estimated future cash flows of the asset have occurred such as significant financial difficulty and cessation of operations of the debtor.

No impairment loss was recognized as at June 30, 2024 and in 2023.

The aggregate carrying amount of cash in banks, receivables (excluding advances to officers, employees and service providers), due from related parties and loans receivable amounted to ₱418.3 million and ₱421.0 million as at June 30, 2024 and December 31, 2023, respectively (see Note 4, 5 and 13).

Assessing the Impairment of Nonfinancial Assets. The Company assesses impairment of nonfinancial assets whenever events or changes in circumstances indicate that the carrying amount of an asset

PRIME MEDIA HOLDINGS, INC.
(A Subsidiary of RYM Business Management Corp.)

may not be recoverable.

The factors that the Company considers important which could trigger an impairment review include the following:

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

No impairment losses were recognized as at June 30, 2024 and in 2023.

The carrying amounts of the Company's nonfinancial assets are as follows:

	Note	June 30, 2024 (Unaudited)	December 31, 2023 (Audited)
Advances to officers, employees and service providers	5	₱59,902	₱292,919
Other current assets	6	6,254,790	5,995,992
Investment in a joint venture	8	3,257,154	3,257,154
Property and equipment	9	454,692	501,600

Assessing the Realizability of Deferred Tax Assets. The Company reviews its deferred tax assets at each reporting date 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 assets to be utilized in the future. The amount of deferred income tax assets that are recognized is based upon the likely timing and level of future taxable profits together with future tax planning strategies to which the deferred income tax assets can be utilized.

The Company's unrecognized deferred tax assets amounted to **₱21.1 million** as at June 30, 2024 and December 31, 2023 (see Note 12). Management believes that there will be no sufficient future taxable profits against which these deferred tax assets can be utilized.

4. Cash

This account consists of:

	June 30, 2024 (Unaudited)	December 31, 2023 (Audited)
Cash on hand	₱20,000	₱20,000
Cash in banks	43,269,837	47,760,041
	₱45,289,837	₱47,780,041

Cash in banks earn interest at prevailing bank deposit rates.

Interest income amounted to **₱20,200** and **₱30,244** as at June 30, 2024 and December 31, 2023, respectively.

PRIME MEDIA HOLDINGS, INC.
(A Subsidiary of RYM Business Management Corp.)

5. Receivables

This account consists of:

	June 30, 2024 (Unaudited)	December 31, 2023 (Audited)
Loans receivable	₱62,277,740	₱62,277,740
Advances to officers, employees and service providers	2,186,237	2,419,254
Rent receivables	237,932	237,932
	64,701,909	64,934,926
Less allowance for impairment losses	64,642,007	64,642,007
	₱59,902	₱292,919

Loans receivable from third parties are related to the Company's previous bank operations and are fully provided with allowance for impairment loss.

Advances to officers, employees and service providers represent unliquidated, noninterest-bearing advances for processing the transfer of title of properties to BDO and PDIC. These are liquidated upon the accomplishment of the purposes for which the advances were granted.

Breakdown of allowance for impairment losses as at June 30, 2024 and December 31, 2023 are as follows:

	Note	June 30, 2024 (Unaudited)	December 31, 2023 (Audited)
Loans receivable		₱62,277,740	₱62,277,740
Advances to officers, employees and service providers		2,126,335	2,126,335
Rent receivables		237,932	237,932
		₱64,642,007	₱64,642,007

Movements of allowance for impairment loss as June 30, 2024 and December 31, 2023 are as follows:

	Note	June 30, 2024 (Unaudited)	December 31, 2023 (Audited)
Balance at beginning of period		₱64,642,007	₱70,183,674
Write-off	13	—	(5,541,667)
Balance at end of period		₱64,642,007	₱64,642,007

In 2022, the Company wrote-off interest receivables from a related party amounting to ₱5.5 million. This was approved by the BOD on April 11, 2023 (see Note 13).

PRIME MEDIA HOLDINGS, INC.
(A Subsidiary of RYM Business Management Corp.)

6. Other Current Assets

This account consists of:

	June 30, 2024 (Unaudited)	December 31, 2023 (Audited)
CWT and excess tax credits	₱3,159,222	₱3,159,222
Input VAT	2,910,511	2,651,713
Prepayments	185,057	185,057
	₱6,254,790	₱5,995,992

Prepayments mainly pertain to prepaid insurance.

7. Investment in a Club Share

The Company's investment consists of a club share in Valley Golf & Country Club. The fair value of the club share is determined by reference to published price quotations in an active market.

Movements in this account are as follows:

	June 30, 2024 (Unaudited)	December 31, 2023 (Audited)
Cost	₱200,000	₱200,000
Cumulative unrealized gains on fair value changes		
Balance at beginning of period	4,800,000	3,100,000
Fair value changes	–	1,700,000
Balance at end of period	4,800,000	4,800,000
	₱5,000,000	₱5,000,000

The fair value of the investment in a club share was determined based on the current selling price to third parties, which falls under Level 1 of the fair value hierarchy.

On 11 April 2024, the Board of Directors of the Corporation approved the sale of Valley Golf shares of the Corporation amounting to Five Million Five Hundred Thousand Pesos (PhP5,500,000.00) to the son of Mr. Rolando S. Santos, the Director and Treasurer of the Corporation.

8. Investment in a Joint Venture

As discussed in Note 1, on June 30, 2023, the Company and ABS-CBN, collectively referred hereinafter as the "Venturers," incorporated MSPC with a 51:49 ownership interest ratio in accordance with the Joint Venture Agreement (JVA) entered into by the Venturers on May 23, 2023. The JVA provided mainly for the establishment, operation and management of MSPC, and certain other matters related to MSPC. MSPC was incorporated with a primary purpose of developing, producing, and financing content, programs, and shows for distribution by other broadcast networks, channels, or platforms, locally and internationally.

Details of investments in a joint venture are as follows:

	June 30, 2024 (Unaudited)	December 31, 2023 (Audited)
Investment to the joint venture	₱3,257,154	₱20,400,000

PRIME MEDIA HOLDINGS, INC.

(A Subsidiary of RYM Business Management Corp.)

Share in net loss	–	(17,142,846)
Balance at end of period	₱3,257,154	₱3,257,154

9. Property and Equipment

Movements in this account are as follows:

	June 30, 2024 (Unaudited)		
	Computer Equipment	Transportation Equipment	Total
Cost			
Balance at beginning of period	₱712,800	₱54,375	₱767,175
Addition	16,920	–	16,920
Balance at end of period	729,720	54,375	784,095
Accumulated Depreciation			
Balance at beginning of period	211,200	54,375	265,575
Depreciation	63,828	–	63,828
Balance at end of period	275,028	54,375	329,403
Carrying Amount	₱454,692	₱–	₱454,692

	December 31, 2023 (Audited)		
	Computer Equipment	Transportation Equipment	Total
Cost			
Balance at beginning and end of year	₱712,800	₱54,375	₱767,175
Accumulated Depreciation			
Balance at beginning of year	85,800	45,312	131,112
Depreciation	125,400	9,063	134,463
Balance at end of year	211,200	54,375	265,575
Carrying Amount	₱501,600	₱–	₱501,600

In 2022, the Company sold its transportation equipment to a related party, with carrying amount of ₱157,700 for ₱200,746. The gain on disposal of transportation equipment amounted to ₱43,046.

10. Accrued Expenses and Other Current Liabilities

This account consists of:

	June 30, 2024 (Unaudited)	December 31, 2023 (Audited)
Liabilities arising from the MOA	₱183,965,710	₱184,038,013
Dividends payable	10,985,443	10,985,443
Accrued expenses	1,561,340	2,036,636
Statutory payables	10,948	18,599
	₱196,523,441	₱197,078,691

Liabilities arising from the MOA pertain mainly to the estimated transfer taxes and registration fees related to the transfer of assets from the Company's previous development bank operations to BDO and PDIC and other related liabilities, primarily from unremitted collection of assigned receivables and

PRIME MEDIA HOLDINGS, INC.
(A Subsidiary of RYM Business Management Corp.)

sale of foreclosed properties for the account of PDIC (see Note 1). Additions to the liabilities arising from the MOA as at June 30, 2024 and in 2023 amounted to nil. The Company also paid ₱3.7 million in 2023 for processing of transfer of titles.

Dividends payable pertain to the Company's dividend for cumulative, nonparticipating, nonvoting, redeemable and convertible preferred stock that were declared prior to the Company's incurrence of deficit.

Accrued expenses pertain to accrual professional fees and association dues, among others. These are normally settled in the next financial year.

Statutory payable is normally settled within the following month.

In 2021, the Company reversed long-outstanding payables aggregating ₱9.2 million related to rental deposits not claimed by previous tenants and other payables not expected to be settled or discharged. The reversal was subsequently approved by the Company's BOD on April 12, 2022.

11. Equity

Capital Stock

Details of capital stock as at June 30, 2024 and December 31, 2023 account are as follows:

	June 30, 2024 (Unaudited)		December 31, 2023 (Audited)	
	Number of Shares	Amount	Number of Shares	Amount
Authorized:				
Preferred stock Series A - ₱1 par value	1,000,000,000	₱1,000,000,000	1,000,000,000	₱1,000,000,000
Preferred stock Series B - ₱1 par value	1,000,000,000	1,000,000,000	1,000,000,000	1,000,000,000
Common stock - ₱1 par value	3,000,000,000	3,000,000,000	3,000,000,000	3,000,000,000
	5,000,000,000	₱5,000,000,000	5,000,000,000	₱5,000,000,000
Issued and outstanding:				
Preferred stock Series A	14,366,260	₱14,366,260	14,366,260	₱14,366,260
Common stock				
Beginning of period	850,298,616	850,298,616	700,298,616	700,298,616
Issuance	—	—	150,000,000	150,000,000
End of period	850,298,616	850,298,616	850,298,616	850,298,616
	864,664,876	₱864,664,876	864,664,876	₱864,664,876

The preferred stock Series A and B has the following salient features:

- Cumulative, nonparticipating, nonvoting, redeemable and convertible at the option of the Company.
- Cash dividend rate initially at 4.50% per annum based on par value, which shall be automatically adjusted to 11.00% per annum upon full payment of the subscription price.

PRIME MEDIA HOLDINGS, INC.
(A Subsidiary of RYM Business Management Corp.)

- c. The Company may, at any time at its option, wholly or partially redeem the outstanding preferred stock plus accrued dividends thereon. When such a call for redemption is made, the holders of the preferred stock may opt to convert the preferred stock to common stock.

As discussed in Note 1, in 2022, the BOD and shareholders approved the amendment of the AOI of the Company to reflect the increase, declassification of preferred shares and common shares into one class of common shares and deletion of all provisions relating to the preferred shares. As of April 11, 2023, the application for the additional amendments of Articles of Incorporation is pending approval from the SEC. The Company shall re-submit the amendments of the AOI for approval of the shareholders on 30 August 2024.

Other planned amendments are also discussed in Note 1.

As discussed in Note 1, the Company, issued additional 150,000,000 common shares at ₱2.70 a share equivalent to ₱405.0 million and paid for in cash, resulting to additional paid-in capital amounting to ₱255.0 million. The documentary stamp tax of ₱1.5 million paid in relation to stock issuance was recognized as deduction to additional paid-in capital, resulting to a balance of ₱253.5 million as at June 30, 2024 and December 31, 2023. The shares were issued to Angel Maple Properties, Inc. (now known as Valiant Consolidated Resources Inc.) for 125,000,000 unissued common shares and (ii) Cymac Holdings Corporation for 25,000,000 unissued common shares.

As at June 30, 2024 and December 31, 2023, there is no accrued and unpaid preferential dividend.

12. Income Tax

The Company has no current income tax in 2023 as it is in a gross and taxable loss position. The provision for current income tax in 2022 and 2021 represents MCIT.

On March 26, 2021, the “Corporate Recovery and Tax Incentives for Enterprise” (CREATE) was approved and signed into law by the country’s President. Under the CREATE, the RCIT of domestic corporations was revised from 30% to 25% or 20% depending on the amount of total assets or total amount of taxable income. In addition, the MCIT was changed from 2% to 1% of gross income for a period of three years. The changes in the income tax rates retrospectively became effective beginning July 1, 2020. The impact of change in 2020 was applied in 2021.

The rate of MCIT for domestic corporations shall revert to two percent (2%) based on the gross income starting July 1, 2023. The impact of the revision was accounted for in 2023.

The income tax rates used in preparing the financial statements are 25% and 20% for RCIT in 2023 and 2022, respectively, and 1.5% and 1% for MCIT in 2023 and 2022, respectively. The Company used 25% regular tax rate in 2023 as the total assets breached the threshold allowing the Company to use the lower regular tax rate of 20%. As a result, unrecognized deferred tax assets which was previously measured at 20% are now measured using the 25%.

The reconciliation of benefit from current income tax at the statutory income tax rate to the provision for current income tax shown in the statements of comprehensive income are as follows:

PRIME MEDIA HOLDINGS, INC.
(A Subsidiary of RYM Business Management Corp.)

	2023
Income tax computed at statutory tax rate	(P7,577,118)
Changes in unrecognized deferred tax assets	6,836,677
Tax effects of:	
Share in a net loss of a joint venture	4,285,712
Stock issuance cost	(375,000)
Nondeductible expenses	318,079
Expired MCIT	53,000
Interest income already subjected to final tax	(7,561)
Change in statutory income tax rate	(3,533,789)
	P—

The components of the Company's unrecognized deferred tax assets are as follows:

	2023
Allowance for impairment losses on receivables	P16,160,502
NOLCO	4,864,325
MCIT	92,119
	P21,116,946

No deferred tax assets were recognized as it is not probable that sufficient taxable profit will be available against which the deferred tax assets can be utilized.

As at December 31, 2023, unused NOLCO that can be claimed as deduction from future taxable income are as follows:

Year Incurred	Beginning Balance	Incurred	Applied	Ending Balance	Expiry Date
2023	P—	P13,423,553	P—	P13,423,553	2026
2022	5,252,413	—	—	5,252,413	2025
2020	781,334	—	—	781,334	2025
	P6,033,747	P13,423,553	P—	P19,457,300	

Under Revenue Regulations No. 25-2020, NOLCO incurred for the taxable years 2021 and 2020 will be carried over for the next five (5) consecutive taxable years immediately following the year of such loss and NOLCO incurred for taxable year 2022 and beyond can be carried over for the next three consecutive years.

As at December 31, 2023, unused MCIT that can be claimed as deduction from future income tax payable are as follows:

Year Incurred	Beginning Balance	Incurred	Expired	Ending Balance	Expiry Date
2022	P430	P—	P—	P430	2025
2021	91,689	—	—	91,689	2024

PRIME MEDIA HOLDINGS, INC.

(A Subsidiary of RYM Business Management Corp.)

2020	53,000	—	(53,000)	—	2023
	₱145,119	₱—	(₱53,000)	₱92,119	

PRIME MEDIA HOLDINGS, INC.
(A Subsidiary of RYM Business Management Corp.)

13. Related Party Transactions

Outstanding balances and transactions with related parties are as follows:

	Nature of	Amount of Transaction		Outstanding Balance	
	Transaction	2024	2023	June 30, 2024 (Unaudited)	December 31, 2023 (Audited)
Loans receivable					
Entity under common key management	Loan	₱—	₱373,000,000	₱373,000,000	₱373,000,000
Due from related parties					
Entities under common control	Settlement	(₱28,045)	(₱2,100,320)	₱189,190	₱217,235
Due to related parties					
Parent Company	Management fee	₱—	₱—	₱13,880,000	₱13,880,000

The Company has no other material and/or significant transactions with its related parties as at June 30, 2024 and in 2023.

Terms and Conditions of Transactions with Related Parties

Loans Receivable to Entities with Common Stockholders

Loans Receivable from Philippine Collective Media (PCMC)

In August 2023, the Company granted an unsecured loan to PCMC, a related party under common key management, for the payments of its liabilities, acquisition of equipment, operations, and expansion of its business. The loan has no interest in the first year and 7.5% interest on succeeding years. The loan is to be paid within five years and can be paid in whole or in part at any time without penalty.

Loans Receivable from Marcventures Mining and Development Corporation (MMDC)

In 2018, the Company entered into an unsecured loan agreement with MMDC, a related party under common control, at 10% a year. The loan is due and demandable.

As at December 31, 2021, the Company has loans receivable amounting to ₱26.0 million. The Company fully collected the outstanding loan receivable in 2022.

Management has assessed that the outstanding interest receivable on the loan receivable was impaired in 2021, thus the Company recognized an impairment loss amounting to ₱5.5 million in the statement of comprehensive income and wrote-off the interest receivables in 2022. This was approved by the BOD on April 11, 2023. The interest from the loan receivable for 2021 was waived and no interest income was recognized for the year. This was approved by the BOD on April 12, 2022.

Sale of Valley Golf Shares

On 11 April 2024, the Board of Directors of the Corporation approved the sale of Valley Golf shares of the Corporation amounting to Five Million Five Hundred Thousand Pesos (PhP5,500,000.00) to the son of Mr. Rolando S. Santos, the Director and Treasurer of the Corporation.

PRIME MEDIA HOLDINGS, INC.
(A Subsidiary of RYM Business Management Corp.)

Rent Receivables

On February 8, 2018, the Company entered into an operating lease agreement with MMDC for the lease of transportation equipment until October 7, 2019. In 2022, the Company sold the leased transportation equipment to MMDC for ₱200,746. The gain on disposal of equipment amounted to ₱43,046 (see Note 9).

Due to and from Related Parties

Outstanding balances are unsecured, noninterest-bearing, collectible or payable in cash upon demand. The Company has no provision for impairment loss relating to the amounts due from related parties as at June 30, 2024 and December 31, 2023. This assessment is undertaken at each reporting date by taking into consideration the financial position of the related parties and the market at which the related parties operate.

Compensation of Key Management Personnel

There is no compensation for key management personnel for the period ended June 30, 2024 and for the year ended December 31, 2023. The Company's accounting and administrative functions are provided by a related party at no cost to the Company.

14. Commitments and Contingencies

- a. In the normal course of its prior operations, the Company has outstanding commitments, pending litigations and contingent liabilities which are not reflected in the financial statements. Management believes that the ultimate outcome of these matters will not have a material impact in the financial statements.
- b. As discussed in Note 1, under the MOA dated September 12, 2002 between the Company, BDO and PDIC, the Company agreed to transfer its assets and liabilities from its development bank operations to BDO and PDIC. Under the terms of the MOA, the Company holds BDO free from any contingent claims, labor and minority issues and concerns arising from related assets and liabilities still managed by the Company until these are assumed by BDO.

The Company has accounted for separately, assets from its development bank operations pursuant to the MOA. It still has in its possession titles of real estate properties from its development bank operations with an aggregate value of ₱723.5 million as at June 30, 2024 and December 31, 2023. Moreover, the Company has cash in its custody of ₱13.9 million as at June 30, 2024 and December 31, 2023 arising from the proceeds of the sale of one of the properties.

15. Basic/Diluted Loss Per Share

The basic loss per share is computed as follows:

	June 30, 2024 (Unaudited)	December 31, 2023 (Audited)
Net loss	(₱2,243,380)	(₱30,308,471)
Less dividend rights of preferred stockholders for the period	790,836	1,581,671
Income (loss) attributable to common stockholders	(4,774,961)	(31,890,142)
Divided by weighted average number of common stock	850,298,616	850,298,616

PRIME MEDIA HOLDINGS, INC.
(A Subsidiary of RYM Business Management Corp.)

Basic loss per share	(P0.006)	(P0.038)
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The convertible feature of the Company's preferred stock has potential antidilutive effect. The Company has no diluted income per share for the periods ended June 30, 2024 and December 31, 2023, respectively.

16. Financial Risk Management Objectives and Policies

The Company's principal financial instruments comprise of cash, receivables (excluding advances to officers, employees and service providers), due from related parties, investment in a club share, accrued expenses and other current liabilities (excluding statutory payable) and due to a related party.

The main risks arising from the financial instruments of the Company are credit risk, liquidity risk and market risk. The BOD reviews and approves policies for managing the risks.

Credit Risk

Credit risk is the risk of loss that may arise on outstanding financial instruments should a counterparty default on its obligation. The Company's exposure to credit risk arises primarily from cash in banks, receivables (excluding advances to officers, employees and service providers) and due from related parties and investment in a club share. The carrying amounts of the financial assets represent the Company's gross maximum exposure to credit risk in relation to financial assets.

The Company estimates the ECL on its receivables using a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

The tables below present the Company's exposure to credit risk and show the credit quality of the financial assets by indicating whether the financial assets are subjected to 12-month ECL or lifetime ECL.

June 30, 2024 (Unaudited)				
	12-month ECL	Lifetime ECL - not credit impaired	Lifetime ECL - credit impaired	Total
Financial assets at amortized cost:				
Cash in banks	P43,269,837	P—	P—	P46,269,837
Receivables*	—	—	62,515,672	62,515,672
Due from related parties	189,190	—	—	189,190
Loans receivable	—	373,000,000	—	373,000,000
Financial assets at FVOCI -				
Investment in a club share	5,000,000	—	—	5,000,000
	P48,459,027	P373,000,000	P62,515,672	P483,974,699

*Excluding advances to officers, employees and service providers amounting to P2.5 million.

December 31, 2023 (Audited)				
	12-month ECL	Lifetime ECL - not credit impaired	Lifetime ECL - credit impaired	Total
Financial assets at amortized cost:				
Cash in banks	P47,760,041	P—	P—	P47,760,041
Receivables*	—	—	62,515,672	62,515,672
Due from related parties	217,235	—	—	217,235
Loans receivable	—	373,000,000	—	373,000,000

PRIME MEDIA HOLDINGS, INC.

(A Subsidiary of RYM Business Management Corp.)

Financial assets at FVOCI -

Investment in a club share	3,300,000	–	–	3,300,000
	₱52,977,276	₱373,000,000	₱62,515,672	₱488,492,948

**Excluding advances to officers, employees and service providers amounting to ₱2.4 million.*

PRIME MEDIA HOLDINGS, INC.
(A Subsidiary of RYM Business Management Corp.)

The aging analyses of financial assets are as follows:

June 30, 2024 (Unaudited)					
	Neither Past Due Nor Impaired	<u>Past Due But Not Impaired</u>		Past Due and Impaired	Total
		Less Than 30 Days	31-60 Days		
Financial Assets at Amortized Cost					
Cash in banks	P43,269,837	P—	P—	P—	P43,269,837
Receivables*	—	—	—	62,515,672	62,515,672
Due from related parties	189,190	—	—	—	189,190
Loans receivable	373,000,000	—	—	—	373,000,000
	416,459,027	—	—	62,515,672	478,974,699
Financial Assets at FVOCI					
Investment in a club share	5,000,000	—	—	—	5,000,000
	P421,459,027	P—	P—	P62,515,672	P483,974,699

*Excluding advances to officers, employees and service providers amounting to P2.2 million.

December 31, 2023 (Audited)					
	Neither Past Due Nor Impaired	<u>Past Due But Not Impaired</u>		Past Due and Impaired	Total
		Less Than 30 Days	31-60 Days		
Financial Assets at Amortized Cost					
Cash in banks	P47,760,041	P—	P—	P—	P47,760,041
Receivables*	—	—	—	62,515,672	62,515,672
Due from related parties	217,235	—	—	—	217,235
Loans receivable	373,000,000	—	—	—	373,000,000
	420,977,276	—	—	62,515,672	483,492,948
Financial Assets at FVOCI					
Investment in a club share	5,000,000	—	—	—	5,000,000
	P425,977,276	P—	P—	P62,515,672	P488,492,948

*Excluding advances to officers, employees and service providers amounting to P2.4 million.

Credit Quality of Financial Assets. The credit quality of the Company's financial assets is being managed by using internal credit ratings such as high grade and standard grade.

High grade - pertains to a counterparty who is not expected by the Company to default in settling its obligations, thus credit risk exposure is minimal.

Standard grade - include financial assets that are considered moderately realizable and some accounts which would require some reminder follow-ups to obtain settlement from the counterparty.

The Company has assessed the credit quality of financial assets that are neither past due nor impaired as a high grade.

Liquidity Risk

Liquidity risk is the risk that the Company will not be able to settle or meet its financial obligations when they fall due. The Company aims to maintain flexibility by maintaining sufficient cash to meet all foreseeable cash needs.

PRIME MEDIA HOLDINGS, INC.
(A Subsidiary of RYM Business Management Corp.)

The Company also maintains a balance between continuity of funding and flexibility. The policy of the Company is to make the first exhaust lines available from affiliated companies before local bank lines are availed of. The Company seeks to manage its liquid funds through cash planning on a weekly basis. The Company uses historical figures and experiences and forecasts from its cash receipts and disbursements. As part of its liquidity risk management, the Company regularly evaluates its projected and actual cash flows.

As at June 30, 2024 and December 31, 2023, accrued expenses and other current liabilities (excluding statutory payable) and due to related parties are generally due and demandable.

Market Risk

Interest Rate Risk

Interest rate risk is the risk that future cash flows from a financial instrument (cash flow interest rate risk) or its fair value (fair value interest rate risk) will fluctuate because of changes in market interest rates. The Company's loans receivable is subject to fixed interest rates and are exposed to fair value interest rate risk.

As at June 30, 2024 and December 31, 2023, the Company's loan receivable amounting ₱373.0 million has no repricing arrangement and is exposed to fair value interest risk. As at June 30, 2024, the Company's exposure to changes in interest rates is not significant.

Equity Price Risk

Equity price risk relating to the fair value of quoted club share would decrease as the result of the adverse changes in the quoted club share brought about by both rational and irrational market forces. The market risk of the Company arises mainly from its investments in a club share measured at FVOCI. Impact of fair value changes amounted to ₱1.7 million on the investment as at June 30, 2024 and December 31, 2023.

Fair Values

The following table presents the carrying amounts and fair values of the Company's assets and liabilities measured at fair value and the corresponding fair value hierarchy:

	June 30, 2024 (Unaudited)		December 31, 2023 (Audited)	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Financial Assets				
Cash	₱43,289,367	₱43,289,367	₱47,780,041	₱47,780,041
Due from related parties	189,190	189,190	217,235	217,235
Loans receivable	373,000,000	373,000,000	373,000,000	374,555,467
Investment in a club share	5,000,000	5,000,000	5,000,000	5,000,000
	₱421,479,027	₱421,479,027	₱425,997,276	₱427,552,743
Financial Liabilities				
Accrued expenses and other current liabilities*	₱196,512,493	₱196,512,493	₱197,060,092	₱197,060,092
Due to a related party	13,880,000	13,880,000	13,880,000	13,880,000
	₱210,392,493	₱210,392,493	₱210,940,092	₱210,940,092

*Excluding statutory payables amounting to ₱10,948 and ₱18,598 as at June 30, 2024 and December 31, 2023, respectively.

PRIME MEDIA HOLDINGS, INC.
(A Subsidiary of RYM Business Management Corp.)

Current Financial Assets and Liabilities. The carrying amounts of cash, receivables (excluding advances from officers, employees and service providers), due from related parties and accrued expenses and other current liabilities (excluding statutory payable) and due to related parties approximate their fair values due to the short-term and demand nature and maturities of the transactions. The fair value measurement of current financial assets and liabilities is classified as Level 3 (Significant unobservable inputs).

Loans Receivable. The fair value of loans receivable is based on the discounted value of future cash flows using the prevailing interest rates. The discount rate used is 6.25% in 2023.

Investment in a Club Share. The fair value of this financial asset was determined based on the current selling price to third parties. The fair value measurement of club share designated as FVOCI is classified as Level 1 in which the inputs are based on quoted prices in active markets.

There has been no transfer between levels of fair value hierarchy as at June 30, 2024 and December 31, 2023.

Capital Management

The primary objective of the Company's capital management is to safeguard the Company's ability to continue its operations as a going concern and to maximize shareholder value. The Company manages its capital structure and makes adjustments to it, when there are changes in the economic conditions. To maintain or adjust the capital structure, the Company may adjust dividend payment to shareholders, return capital to shareholders, or issue new stock. No changes were made in the objectives, policies or processes as at June 30, 2024 and December 31, 2023. The Company is not subject to externally imposed capital requirements.

COVER SHEET

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S.E.C. Registration Number

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(f	o	r	m	e	r	l	y		F	i	r	s	t		e	-	B	a	n	k		C	o	r	p	.)

(Company's Full Name)

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V	a	l	e	r	o		(f	o	r	m	e	r	l	y		C	i	t	i	b	a	n	k			
T	o	w	e	r)		8	7	4	1		P	a	s	e	o		d	e		R	o	x	a	s		
M	a	k	a	t	i		C	i	t	y																	

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

DIANE MADELYN C. CHING

Contact Person

8831-4479

Company Telephone Number

1	2	3	1
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Month Day
Fiscal Year

SEC FORM 17-A
(Annual Report FY 2023)

FORM TYPE

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Month Day
Annual Meeting

N/A

Secondary License Type, If Applicable

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Dept. Requiring this
Doc.

Amended Articles
Number/Section

Total Amount of Borrowings

1,588

Total No. of
Stockholders

nil

Domestic

Foreign

To be accomplished by SEC Personnel concerned

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File Number

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STAMPS

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-A

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

1. For the fiscal year ended **December 31, 2023**
2. SEC Identification Number **22401**
3. BIR Tax Identification No. **000-491-007**
4. Exact name of issuer as specified in its charter **PRIME MEDIA HOLDINGS, INC. (Formerly: First e-Bank Corporation)**
5. **Metro Manila**
Province, Country or other jurisdiction of
incorporation or organization
6. (SEC Use Only)
Industry Classification Code:
7. **16th Floor BDO Towers Valero (Formerly: Citibank Tower), 8741 Paseo de Roxas, Makati City 1227**
Address of principal office Postal Code
8. **(632) 8831-4479**
Issuer's telephone number, including area code
9. **Not applicable**
Former name, former address, and former fiscal year, if changed since last report.
10. Securities registered pursuant to Sections 8 and 12 of the SRC, or Sec. 4 and 8 of the RSA

Title of Each Class	Number of Shares of Common Stock Outstanding and Amount of Debt Outstanding
Preferred stock, PHP 1.00 par value	14,366,260
Common Stock, Php 1.00 par value	850,298,616 <i>(as of January 26, 2024)</i>

11. Are any or all of these securities listed on a Stock Exchange?

Yes ☒ No ☐

Philippine Stock Exchange

12. Check whether the issuer:

(a) has filed all reports required to be filed by Section 17 of the SRC and SRC Rule 17.1 thereunder or Section 11 of the RSA and RSA Rule 11(a)-1 thereunder, and Sections 26 and 141 of The Corporation Code of the Philippines during the preceding twelve (12) months (or for such shorter period that the registrant was required to file such reports);

Yes ☒ No ☐

(b) Has been subject to such filing requirements for the past ninety (90) days.

Yes ☒ No ☐

13. The aggregate market value of the voting stock held by non-affiliates is **₱457,936,127** computed on the basis of **159,559,626** representing **22.78%** of the outstanding common shares at the closing price as of December 31, 2023 of **₱2.87** per share.

Table of Contents

PART I - BUSINESS AND GENERAL INFORMATION	3
Item 1. Business Development.....	3
Item 2. Properties	3
Item 3. Legal Proceedings.....	4
Item 4. Submission of Matters to a Vote of Security Holders	4
PART II - OPERATIONAL AND FINANCIAL INFORMATION.....	5
Item 5. Market for Issuer's Common Equity and Related Stockholder Matters	5
Item 6. Management's Discussion and Analysis or Plan of Operation.....	7
Item 7. Financial Statements	12
Item 8. Information on Independent Accountant and other Related Matters	12
PART III - CONTROL AND COMPENSATION INFORMATION	12
Item 9. Directors and Executive Officers of the Issuer	12
Item 10. Executive Compensation.....	16
Item 11. Security Ownership of Certain Beneficial Owners and Management	16
Item 12. Certain Relationships and Related Transactions	17
Part IV-Corporate Governance	17
Item 13. Corporate Governance	17
Part V – Exhibits and Schedules.....	18
Item 14. Exhibits and Reports on SEC Form 17-C	18
SIGNATURES	19

PART I - BUSINESS AND GENERAL INFORMATION

(A) Description of Business

Item 1. Business Development

Prime Media Holdings, Inc. (PRIM or the Company) was originally incorporated on February 6, 1963 as Private Development Corporation of the Philippines and then changed to PDCP Development Bank, Inc. that same year. On June 6, 2000, the Company changed its name to First e-Bank Corporation and then eventually shifted to its current name on October 20, 2003.

Through a Memorandum of Agreement (MOA) executed in 2002, Banco de Oro Unibank, Inc. assumed the servicing of PRIM's deposit liabilities and other banking functions. On December 6, 2002, the Board of Directors of PRIM (BOD) approved the amendment of its Articles of Incorporation (AOI) to change its primary purpose from that of a development bank to a holding company, which would hold investments in the media industry.

On January 26, 2013, the BOD approved the amendment of its AOI extending the corporate life of PRIM by another 50 years or until February 6, 2063. The stockholders of the Company approved and ratified the amendment in a special stockholders' meeting on February 4, 2013. On February 5, 2013, the Company filed the amended AOI with the Securities and Exchange Commission (SEC), which approved such amendment of the AOI on March 4, 2013. However, in accordance with the Revised Corporation Code of the Philippines, which took effect on February 23, 2019, the Company was automatically accorded perpetual existence.

On March 2, 2015, the SEC approved the Corporation's change of principal office address from 3 San Antonio Street, Barrio Kapitolyo, Pasig City to 16th Floor Citibank Tower, 8741 Paseo de Roxas, Makati City.

The Company's previous activities comprise mainly of compliance with the Memorandum of Agreement (MOA) by transferring certain assets related to its previous banking operations, to BDO and PDIC. In view of its very minimal operations, the Company gradually retired all its employees by 2010 and instead engages consultants/service providers to service its requirements.

On 23 May 2023, the Company entered into a Joint Venture Agreement with ABS-CBN to create a joint venture company which will develop, produce and finance content programs and shows for distribution to local and international broadcast networks, channels and platforms. On 05 July 2023, the parties incorporated such joint venture company under the name, Media Serbisyo Production Corp. (MSPC) with ownership ratio of 51:49 between Prime Media and ABS-CBN. At present, MSPC airs its shows in DWPM 630 (AM radio) of Philippine CollectiveMedia Holdings Inc. and in cable channels under the brand Teleradyo Serbisyo.

Item 2. Properties

Practically all of the Company's properties, which consisted of bank premises (land, buildings and leasehold rights) and real estate acquired through dacion and foreclosure while it was still a bank, were conveyed to BDO/PDIC pursuant to the MOA. The investment properties with market value of ₱69.88 million in 2017 was sold last September 21, 2018 for ₱51.82

million, inclusive of VAT, in order to use the funds to pay the Company's liabilities and defray its expenses.

Item 3. Legal Proceedings

The Company is a party to certain lawsuits or claims arising from its previous bank operations in the ordinary course of business. However, the Company's management and legal counsel believe that eventual liabilities under these lawsuits or claims, if any, will not have a material effect on the Company's financial status and general corporate standing.

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

During the Annual Shareholders' Meeting held last 05 December 2023, the following were submitted for approval of the shareholders:

1. Call to Order
2. Proof of Notice and Certification of Quorum;
3. Approval of Minutes of Previous Stockholders' Meeting
4. Approval of the Annual Report and the Audited Financial Statements for the year ending December 31, 2022;
5. Approval of the Additional Listing of 150,000,000 shares arising from Private Placements;
6. Re-approval of the following:
 - (a) Approval of the Amendment of the Articles of Incorporation (AOI) to reduce the par value of all Series A Preferred Shares from Php1.00 to Php0.04 per share;
 - (b) Approval to convert all Series A Preferred Shares into Common Shares at the conversion rate of 25:1;
 - (c) Amendment of the AOI to create a new class of Series C Redeemable Preferred Shares and to authorize the conversion of the remaining foreign-owned common shares to Series C Redeemable Preferred Shares subsequent to the conversion of all Series A Preferred Shares (There are approximately Three Hundred Forty Thousand Six Hundred Sixty Four (340,664) foreign-owned common shares post conversion based on records as of 30 July 2022;
 - (d) Amendment of the AOI to reclassify all Series B Preferred Shares to Common Shares;
 - (e) Approval to redeem all Series C Redeemable Preferred Shares at a redemption price equivalent to its par value of Php 1.00 per share or at the price determined by the Board and payable in cash;
 - (f) Amendment of the AOI to delete all provisions relating to the Preferred Shares (Series A, Series B and Series C) after the conversion of all Series A Shares, reclassification of Series B Shares and the redemption of Series C Preferred Shares;
 - (g) Approval to authorized the Board to amend relevant agreements, i.e. Memorandum of Agreement with Atty. Hermogene H. Real and Ms. Michelle F. Ayangco (as "Golden Peregrine Shareholders") relating to the issuance in favor of the Golden Peregrine Shareholders of up to One Billion Six Hundred Forty Five Million (1,645,000,000) Common Share, subject to final determination of the Board, third party appraisal, fairness opinions, and other closing conditions to be issued out of the Corporation's increase in authorized capital stock in consideration for the assignment

of shares of stock of Golden Peregrine Holdings, Inc., representing one hundred percent (100%) of its outstanding capital stock;

(h) Amendment of the Articles of Incorporation to increase the authorized capital stock of up to Seven Billion Pesos (Php 7,000,000,000.00) as may be determined by the Board of Directors;

(i) Waiver by the minority stockholders of the rights or public offer requirement under the PSE Additional Listing Rule;

7. Ratification of Management Acts;
8. Election of Board of Directors;
9. Appointment of External Auditor;
10. Other Matters;
11. Adjournment.

PART II - OPERATIONAL AND FINANCIAL INFORMATION

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

(1) Market information

The total number of outstanding shares of record as of December 31, 2023 is 700,298,616 of which 663,713,458 is actively being traded in the Philippine Stock Exchange. The high and low stock prices in pesos for each quarter within the last three fiscal years 2021 to 2023 are given below:

Year	Quarter	High	Low
2021	1 st	4.25	0.81
	2 nd	3.55	2.53
	3 rd	3.10	1.76
	4 th	1.89	1.10
2022	1 st	1.88	1.10
	2 nd	3.48	1.21
	3 rd	3.03	1.50
	4 th	2.28	1.46
2023	1 st	2.21	1.79
	2 nd	3.03	1.80
	3 rd	2.93	1.90
	4 th	3.08	2.62

On 26 January 2024, the Company issued a total of 150,000,000 common shares, particularly, 125,000,000 common shares to Valiant Consolidated Resources Inc. (formerly Angle Maple Properties Inc.) and 25,000,000 common shares to Cymac Holdings Corporation pursuant to their Private Placements. Thus, the current outstanding and issues shares stands at 850,298,616. Listing of the new shares issued is currently pending with the Philippine Stock Exchange.

(2) Holders of Securities

Common Shareholders

The number of common shareholders on record as of December 31, 2023 is 1,588. The list of the top twenty common shareholders as of December 31, 2023 is provided below:

	Name of Stockholders	No. of shares	%age of ownership
1	PCD Nominee Corporation (Filipino)	672,150,424	95.98
2	First Producers Holdings, Corp. FAO Ray Burton Dev't Corporation	6,175,789	0.88
3	First Producers Holdings, Corp. FAO Producers Properties, Inc.	4,903,852	0.70
4	Ray Burton Development Corporation	3,213,293	0.46
5	Producers Properties, Inc.	3,013,701	0.43
6	Mercantile Investment Company, Inc.	1,585,989	0.23
7	Albert Del Rosario ITF Anthony Salim	1,289,279	0.18
8	Lucio W. Yan &/or Clara Yan	600,000	0.09
9	Joel B. Vargas	534,876	0.08
10	PCD Nominee Corporation (Foreign)	285,001	0.04
11	Merlene So &/or So Peng Kee	239,000	0.03
12	Maria T. Uy	211,200	0.03
13	Jose Yu Go, Jr.	210,000	0.03
14	Solar Securities, Inc.	200,000	0.03
15	Jovy Lim Go	150,000	0.02
16	Ponciano V. Cruz, Jr.	150,000	0.02
17	Qeu Lu Kiong	150,000	0.02
18	Rufino H. Abad	142,011	0.02
19	Luciano H. Tan	139,600	0.02
20	Leonardo Navalta	132,294	0.02

Preferred Shareholders

The number of preferred shareholders of record as of December 31, 2023 was 267. Preferred shares outstanding as of December 31, 2023 were 14,366,260. The top twenty shareholders are as follows:

No.	Name of Stockholders	No. of shares	%age of ownership
1	Florentino L. Martinez	907,340	6.32%
2	Carlos Torres	800,000	5.57%
3	MDI Employees Retirement Plan	610,450	4.25%
4	Metrolab Employees Retirement Plan	545,040	3.79%
5	Helena Llereza	529,810	3.69%
6	Virginia U. Ng	527,600	3.67%
7	HPPI Employees Retirement Plan	500,000	3.48%
8	E. Chua Chiacco Sec., Inc.	449,640	3.13%
9	Citi Securities Inc.	403,000	2.81%
10	Wealth Securities, Inc.	402,000	2.80%
11	PNB Securities Inc.	300,280	2.09%
12	Tato A. Johan	300,000	2.09%
13	BDO Trust Banking Group Fao Miriam College Foundation Inc. Employees	280,000	1.95%
14	Antonio R. Samson	250,000	1.74%

15	Segundo Seangio	244,000	1.70%
16	Diversified Sec., Inc.	218,080	1.52%
17	Antonio Alipio	218,000	1.52%
18	Teresita C. Cometa	210,000	1.46%
19	Eastern Securities Devt. Corp.	196,340	1.37%
20	Juan B. Umipig Jr.	180,000	1.25%

(3) Dividends

There were no dividends declared.

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

In December 2002, the Company changed its primary purpose from a development bank to a holding company other than the continuing activities described in Part I A (1). There are no known trends, events or material commitments that are expected to have a material favorable or unfavorable impact on the financial condition or on income from continuing operations. The Company also signed subscription agreements with its major stockholders for total proceeds of ₱179.00 million, of which ₱70.00 million was received in April 2013 and the balance of ₱109.00 million was collected in May and June 2014. This further bring down the capital deficit and will be the major source of funding for the expenses related to the transfer of the remaining assets to PDIC and BSP. Aside from the transfer of assets to PDIC and BSP, the Company continues to pursue the clean-up of its books and the settlement of its remaining obligations to facilitate possible additional capital infusion from third party investors.

The Company's current activities comprise mainly of transferring assets related to its development bank operation to BDO & PDIC. The Stockholders have continued to provide the necessary financial support to sustain company operations. The stockholders converted their preferred stock of ₱48.60 million into common stock in 2016 and converted their advances of ₱600.50 million to additional capital in 2014 and infused capital aggregate ₱119.00 million in 2014 and 2013 to reduce capital deficiency.

The Company undergone an equity restructuring to reduce capital deficiency.

The Company entered into a Memorandum of Agreement (2022 MOA) with the majority stockholders of Golden Peregrine (GP) to acquire a mass media entity, Philippine Collective Media Corporation ("PCMC Shareholders"). In the 2022 MOA (as amended), the GP Shareholders shall jointly subscribe to 1,645,000,000 common shares of the Company to be paid in the form of GP shares in order to obtain the business, assets and ownership of PCMC. After the transaction, the PCMC Shareholders will jointly gain control and majority ownership of approximately 70% of outstanding capital stock of the Company. The parties are currently pursuing actions to meet the closing conditions under the 2022 MOA (as amended). With PCMC's national franchise, the Company may use this as leverage to provide other content providers an avenue to broadcast their contents regionally and nationwide for profit.

On 23 May 2023, the Company entered into a Joint Venture Agreement with ABS-CBN to create a joint venture company which will develop, produce and finance content programs and shows for distribution to local and international broadcast networks, channels and platforms. On 05 July 2023, the parties incorporated such joint venture company under the name, Media Serbisyo Production Corp. (MSPC) with ownership ratio of 51:49 between Prime Media and ABS-CBN. At present, MSPC airs its shows in DWPM 630 (AM radio) of

Philippine CollectiveMedia Holdings Inc. and in cable channels under the brand Teleradyo Serbisyo.

In 2023, the Company issued 150,000,000 common shares at ₱2.70 a share equivalent to ₱405.00 million paid for in cash, resulting to additional paid-in capital amounting to ₱253.50 million, net of stock issuance cost of ₱1.50 million, and eliminating capital deficiency.

In August 2023, the Company granted an unsecured loan to PCMC for the payments of its liabilities, acquisition of equipment, operations, and expansion of its business. The loan has no interest in the first year and 7.5% interest on succeeding years. The loan is to be paid withing five years and can be paid in whole or in part at any time without penalty.

Explanations for the material changes in the Company's accounts between 2023 and 2022 are as follows:

Statement of Financial Position

	Audited		Increase (Decrease)	
	2023	2022	Amount	%
	(in PhP Millions)			
Assets	₱436.04	₱45.46	₱390.58	859.17%
Liabilities	210.96	195.27	16.33	8.36%
Equity (Capital Deficiency)	225.09	(149.81)	391.22	860.57%

The total **Assets** of the Company increased by ₱390.58 million or 859.17% compared with the same period last year. The movement in total Assets is attributable to the following:

- **Cash** increased by ₱13.94 million or 41.20% from ₱33.84 million in 2022 to ₱47.78 million in 2023, mainly due to issued additional 150,000,000 common shares to Angel Maple Properties, Inc., now known as Valiant Consolidated Resources Inc.), (125,000,000) and Cymac Holdings Corporation (25,000,000) at ₱2.70 a share equivalent to ₱405.00 million that paid for in cash.
- **Due from related parties** decreased by ₱2.10 million or 90.63% from ₱2.32 million in 2022 to ₱0.22 million in 2023 due to collections of advances to related parties.
- **Loans receivable** increased by ₱373.00 million due to an unsecured loan granted to PCMC for the payment of its liabilities, acquisition of equipment, operations, and expansion of its business.
- **Investment in a club share** increased by ₱1.70 million due to recognition of the fair value changes during the year.
- **Investment in a joint venture** increased by ₱3.26 million due to a Joint Venture Agreement (JVA) with ABS-CBN Corporation to form a joint venture entity during the year, which primarily to develop, produce, and financing content, programs, and shows for distribution by other broadcast networks, channels, or platforms, locally and internationally.

The Company's total **Liabilities** of ₱210.96 million increased by ₱16.33 million or 8.36% compared with the same period last year. The movement in total Liabilities is attributable to the following:

- **Accrued expenses and other current liabilities** increased by ₱16.33 million or 9.03% from ₱180.75 million in 2022 to ₱197.08 million in 2023, mainly due to additions to the liabilities arising from the MOA.
- **Due to a related party** decreased by ₱0.64 million or 4.59% from ₱14.52 million in 2022 to ₱13.88 million in 2023, due to payment of advances from MMDC.

The **Equity** of the Company increased by ₱374.89 million or 250.25% from ₱149.81 million deficit in 2022 to ₱225.09 million equity in 2023 mainly due to issuance of common shares of stock amounting to ₱405.00 million during the period.

Results of Operations

	Audited 2023	2022	Increase (Decrease)	
	(in PhP Millions)		Amount	%
Income	₱0.03	₱0.05	(₱0.02)	(43.48%)
Share in net loss of a joint venture	(17.14)	-	(17.14)	-
Expenses	13.20	6.26	6.94	110.85%

The Company's operating results reflected a net loss of ₱30.31 million and ₱6.20 million in 2023 and 2022, respectively. Comparing with the same period last year, there is a huge declined of ₱24.10 million or 388.42%. The significant changes were mainly due to the following:

- **Income** for the current period in the amount of ₱0.03 million pertains to interest income earned in 2023.
- **Share in net loss of a joint venture** for the current period in the amount of ₱17.14 million pertains to declined operating performance of the joint venture.
- **Outside services** increased by ₱2.95 million or 287.02%, primarily due to payment of outsourced services related to the joint venture entered by the Company.
- **Taxes and licenses** for the period amounting to ₱2.91 million is higher by ₱2.75 million or 1,715.99% compared with the same period last year which is mainly due to payment of documentary stamp tax on loan agreement with PCMC.
- **Professional fees** increased by ₱0.64 million or 22.44%, primarily due to payment of legal services related to the joint venture entered by the Company.

Cash Flows

	Audited 2023	2022	Increase (Decrease)	
	(in PhP Millions)		Amount	%
Cash provided by operating activities	₱3.84	₱27.15	(₱23.31)	(85.86%)
Cash used in investing activities	(393.40)	(0.43)	392.97	92,192.43%
Cash provided by financing activity	403.50	-	403.50	-

Cash provided by operating activities decreased by ₱23.31 million or 85.86% compared with the same period last year is mainly due to the additions to the liabilities arising from MOA.

Cash used in investing activities increased by ₱392.97 million or 92,192.43% compared with the same period last year are due to loan granted to PCMC and joint venture entered by the Company amounted to ₱373.00 million and ₱20.40 million, respectively.

Cash provided by financing activity during the year amounted to ₱403.50 million pertains to net proceeds from issuance of shares at a premium.

Explanations for the material changes in the Company's accounts between 2022 and 2021 are as follows:

Statement of Financial Position

	Audited 2022 (in PhP Millions)	2021	Increase (Decrease) Amount %	
Assets	₱45.46	₱48.75	(₱3.29)	(6.75%)
Liabilities	195.27	193.90	1.37	0.70%
Capital Deficiency	(149.81)	(145.15)	4.66	3.21%

The Company's total **Assets** of ₱45.46 million declined by ₱3.29 million or 6.75% compared with the same period last year. The movement in total Assets is attributable to the following:

- Cash balance of ₱33.84 million is higher by ₱26.73 million compared with the same period last year. The significant increase is mainly attributable to collection of the Company's loan receivable from Marcventures Mining and Development (MMDC), a related party under common control, amounting to ₱26.0 million.
- The increase in Investment in a club share is mainly due to recognition of the fair value changes amounting to ₱1.55 million during the year.
- Decrease in equipment of ₱0.38 million is attributed to the depreciation recognized for the year. No addition and/or disposal was made during the year.

The Company's total **Liabilities** of ₱195.27 million rise by ₱1.37 million or 0.70% compared with the same period last year. The movement in total Liabilities is attributable to the following:

- Due to related parties increased by ₱0.64 million compared with same period last year, which was consequently used by the Company to pay for its general and administrative expenses.
- Cash receipts during the year totaling ₱2.00 million from Bulaong Enterprises, Inc. pursuant to the compromise agreement for a legal case. This represents partial settlement out of the ₱17.0 million settlement fee (exclusive of ₱1.62 million interest), as indicated in the agreement. As the subject property involved in the compromise agreement is included in the list of properties for transfer to PDIC pursuant to the 12 September 2002 Memorandum of Agreement among the Company, PDIC and BDO, collections were accounted for as liability.
- Accrual of legal fees of Ocampo & Manalo Law Firm and audit fee of Reyes Tacandong & Co. amounting to ₱0.07 million and ₱0.45 million, respectively, were recognized.

Capital deficiency is higher by ₱4.66 million compared with same period last year. The Company incurred a net loss of ₱6.21 million and recognized ₱1.55 million gain on fair value

changes on its investment in a club share, which net movement resulted to the increase in capital deficiency.

Results of Operations

	Audited		Increase (Decrease)	
	2022	2021	Amount	%
	<i>(in PhP Millions)</i>			
Income	₱0.05	₱9.18	(₱9.12)	(99.42%)
Expenses	6.23	10.79	4.53	(42.01%)

The Company's operating results reflected a net loss of ₱6.21 million and ₱1.71 million in 2022 and 2021, respectively. Comparing with the same period last year, there is a huge declined of ₱4.50 million or 263.21%. The significant changes were mainly due to the following:

- Reversal of long-outstanding payables last year that will no longer be settled amounting to ₱9.17 million resulted to the decreased in income this year.
- Provision of impairment loss recognized last year related to the waiver of interest receivable on loans from MMDC amounting to ₱5.14 million.
- Depreciation decreased by ₱0.24 million or equivalent to 72.50 is due to the sold transportation equipment to MMDC during the year.

Cash Flows

	Audited		Increase (Decrease)	
	2022	2021	Amount	%
	<i>(in PhP Millions)</i>			
Cash provided by (used in) operating activities	₱27.15	(₱1.12)	(₱23.31)	(2,519.81%)
Cash used in investing activities	(0.43)	-	(0.43)	-

Cash provided by operating activities during the year amounted to ₱27.15 million mainly due to the collections of loans receivable from MMDC.

Cash used in investing activities during the year amounted to ₱0.43 million mainly due to the acquisition of computer software.

Performance Indicators

Key Performance Indicators (KPI's)

Comparative figures of the key performance indicators (KPI) for the fiscal years ended December 31, 2023 and December 31, 2022:

	2023	2022
Net Loss	(₱30,308,471)	(₱6,205,377)
Current assets	54,286,187	41,524,749
Total assets	436,044,941	45,460,812
Current liabilities	210,958,691	195,266,091
Total liabilities	210,958,691	195,266,091
Stockholders' Equity	225,086,250	(149,805,279)
No. of common shares outstanding	850,298,616	700,298,616

	2023	2022
Current ratio ¹	0.26	0.21
Book value per share ²	0.25	(0.23)
Debt ratio ³	0.94	(1.30)
Loss per share ⁴	(0.038)	(0.011)
Return on assets ⁵	(0.12)	(0.13)

Note:

1. Current assets / current liabilities
2. Stockholder's Equity / Total outstanding number of shares
3. Total Liabilities / Stockholder's Equity
4. Net Income (Loss) / Total outstanding number of shares
5. Net income (Loss) / average total assets

Item 7. Financial Statements

The 2023 Audited Financial Statements and schedules are filed as part of Form 17-A.

Item 8. Information on Independent Accountant and other Related Matters

External Audit Fees and Services

	Year Ended December 31	
	2023	2022
Audit Fees	₱480,000	₱450,000

Audit Fees. Represent professional fees of the external auditor for the audit services rendered on Company's Annual Financial Statements for the year 2023 and 2022.

Audit services provided to the Company by external auditor have been pre-approved by the Audit Committee. The Audit Committee has reviewed the magnitude and nature of these services to ensure that they are compatible with maintaining the independence of the external auditor.

Changes in and disagreements with Accountants on Accounting and financial Disclosure

There was no event in the past years where the external auditor and the Company had any disagreements with regard to any matter relating to accounting principles or practices, financial statement disclosure or auditing scope or procedure.

PART III - CONTROL AND COMPENSATION INFORMATION

Item 9. Directors and Executive Officers of the Issuer

Directors

The following are the names, ages, citizenship and periods of service of the past and the incumbent directors/independent directors of the Company:

Name	Age	Period during which individual
------	-----	--------------------------------

		Citizenship	has served as such
Manolito A. Manalo	55	Filipino	May 28, 2013 to present
Bernadeth A. Lim	43	Filipino	May 28, 2013 to present
Michelle F. Ayangco	52	Filipino	October 13, 2021 to present
Hermogene H. Real	68	Filipino	October 13, 2021 to present
Rolando S. Santos	73	Filipino	January 06, 2017 to present
Johnny Y. Aruego Jr. (independent director)	54	Filipino	May 28, 2013 to present
Francisco L. Layug III (independent director)	69	Filipino	December 21, 2017 to present

Officers

The following are the names, ages, positions, citizenship and periods of service of the past and incumbent officers and advisors of the Company:

Name	Age	Position	Citizenship	Period during which individual has served as such
Manolito A. Manalo	55	President & CEO	Filipino	May 2013 to present
Bernadeth A. Lim	43	Vice President	Filipino	May 2013 to present
Rolando S. Santos	73	Treasurer	Filipino	January 06, 2017 to present
Diane Madelyn C. Ching	41	Corporate Secretary/ Co-Compliance Officer/Co-Data Privacy Officer/ Co-Corporate Information Officer	Filipino	January 18, 2023 to present
Dale A. Tongco	59	Risk Management Officer	Filipino	October 13 2021 to present
Reuben Carlo O. General <i>(resigned effective January 3, 2023)</i>	37	Corporate Secretary/Compliance Officer/Data Privacy Officer and Corporate Information Officer	Filipino	October 2020 to October 13, 2021 as Co-Asst. Corporate Secretary; October 13, 2021 to January 3, 2023 as Corporate Secretary/ Compliance Officer/ Data Privacy Officer
Marjorie A. San Juan <i>(resigned effective March 23, 2023)</i>	39	Assistant Corporate Secretary, Co-Compliance Officer, Co-Corporate Information	Filipino	January 18, 2023 to March 23, 2023

		Officer and Co-Data Privacy Officer		
Marian L. Geronimo <i>(appointed in April 2023 and resigned effective July 14, 2023)</i>	38	Assistant Corporate Secretary	Filipino	April 11, 2023 to July 14, 2023

Business Experience and Other Directorships

Directors

The business experience of each of the past and incumbent directors of the Company for the last five (5) years is as follows.

Directors

Manolito A. Manalo was elected as President and Director in May 2013. He is a co-founder and the Managing Partner of Ocampo and Manalo Law Firm. He is a Director and the President of Panalpina World Transport (Phils.), Inc. He also sits as Director in Kajima Philippines Inc. He began his law practice as an Associate in Leovillo C. Agustin Law Offices from 1995 to 1996 and Britanico Consunji and Sarmiento from 1996 to 1997. He later headed the Legal Division of Air Philippines from 1997 to 1999.

Bernadeth A. Lim was elected as Vice President and Director in May 2013. She is a Junior Partner of Ocampo and Manalo Law Firm. She is a Director and the Corporate Secretary of Kajima Philippines Incorporated, Ripple Mobile Technology Solutions Inc., Anawhan Realty Inc. and Bryaric Holdings Corp. She also sits as a Director in Veripay Mobile Systems Inc.

Michelle F. Ayangco was elected as Director in October 2021. She graduated from Rizal Technological University with a degree in BS Accountancy. She is the current President and Chairman of Sequioa Business Management Corporation and Nieva Realty and Development Corporation. She is also a Director and Corporate Secretary of Trans Middle East Philippine Equities Inc. She operates her own business as a proprietor of BZPEP Launderette Shop.

Hermogene H. Real was elected as Director in October 2021. She graduated from the University of the Philippines with a degree in Bachelor of Laws. She was admitted to the Philippine Bar in 1998. She is the President of Mairete Asset Holdings Inc. and Southern Estates Integrated Park Inc. She serves as Director of Bright Kindle Resources and Investments Inc., Brightgreen Resources Corp., Southern Alluvial Minerals and Alumina Resources Inc., Benguetcorp. Laboratories Inc. She holds the position of Corporate Secretary in Benguet Corporation, and Benguetcorp. Nickel Mines Inc. She is likewise the Assistant Corporate Secretary of Doña Remedios Trinidad Romualdez Medical Foundation Inc. She is a practicing lawyer and an associate of D.S. Tantuico and Associates.

Johnny Y. Aruego, Jr. was elected as an Independent Director in May 2013. He is a Partner in Aruego Bite and Associates. He is a Director of Excel Unified Land Resources Corporation. He is the Corporate Secretary and Legal Counsel for Agility, Inc. and A. V. Ocampo-ATR Kimeng Insurance Broker, Inc. He is a Legal Consultant of Lorzana Food Corporation, National Steel Corporation, and Margarita Land and Management Co., Inc. He is the assistant rehabilitation receiver for Pacific Activated Carbon, Inc., Pet Plans, Inc., Bacnotan Steel Industries, Inc. and All Asia Capital and Trust Corporation. He is an assistant liquidator of East Asia Capital Corporation, and Reynolds Philippines Corporation.

Francisco L. Layug III was elected as an Independent Director in December 2017. He is the President of Rotary Club of Pasay. He served as President of University of the Philippines Electronics and Electrical Engineering Alumni Association, Inc. (UPEEEAAI) from 2010-2011. He was also a Vice President of Alay-Lakad Foundation from 2009-2010.

Other Officers

The business experience of each of the incumbent officers of the Company for the last five (5) years is as follows:

Rolando S. Santos was elected as Treasurer in October 2013 and Director in August 22, 2017. He serves as Vice President and Treasurer of Bright Kindle Resources & Investments Inc. and as Treasurer of Marcventures Holdings Inc. and Marcventures Mining and Development Corp. He was previously the Branch Head/ Cluster Head for Makati Branches of Equitable PCI Bank which was eventually acquired by BDO from 2001 to 2013.

Diane Madelyn C. Ching was appointed Corporate Secretary/ Co-Compliance Officer/Co-Data Privacy Officer/ Co-Corporate Information Officer in January 2023. Atty. Ching is a member of the Integrated Bar of the Philippines. She obtained her Bachelor of Laws degree from San Beda College-Mendiola in 2009. She acts as Corporate Secretary to various companies, including, Armstrong Securities Inc., Asian Appraisal Company Inc., among others. She previously served as Director and Corporate Secretary of Prime Media Holdings Inc. from 2014 to June 2019. She was the previous General Counsel and Assistant Corporate Secretary of Marcventures Holdings Inc. (Marc's) as well as the VP Legal and Corporate Secretary of Marc's subsidiary, Marcventures Mining and Development Corp. from 2013 to June 2019. She was likewise the Corporate Secretary of Bright Kindle Resources and Investment Corp. until June 2019. Atty. Ching was previously an associate of Ocampo & Manalo Law Firm from March 2010 to June 2013.

Dale A. Tongco was elected Risk Management Officer in October 2021. He was also appointed as the Vice-President for Risk Management / Chief Risk Officer of Bright Kindle Resources & Investments Inc. in October 2020. He concurrently serves as Vice President for Controllershship of Marcventures Holdings, Inc. He is a Certified Public Accountant with extensive experience in Public Accounting Firms as External Auditor and with Corporations as an Internal Auditor and Risk Management Officer specifically in the areas of Fraud Management; ISO 9001 and 14001 Audit and Management; Process and Control Review; Policies and Procedures Documentation; Corporate Governance; and Finance and Treasury. His professional experience over 13 years includes stints in KPMG, Deloitte, Phil-Am-AIA, CP de Guzman & Co.-CPAs and Benguet Corporation.

Reuben Carlo O. General was elected Co-Assistant Corporate Secretary in December 2020 and appointed as Corporate Secretary, Compliance Officer and Data Privacy Officer in October 2021 and until his resignation on January 3, 2023. He previously served as a Senior Legal Counsel of Marcventures Mining and Development Corporation. He has almost ten (10) years of accumulated experience as a general legal practitioner cultivated from law firm and in-house settings including Bernas Law Offices, Ocampo & Manalo Law Firm, and a local subsidiary of Korea Electric Power Corporation (KEPCO).

Marjorie A. San Juan was appointed Assistant Corporate Secretary, Co-Compliance Officer, Co-Corporate Information Officer and Co-Data Privacy Officer in January 18, 2023 until her resignation on March 23, 2023. Atty. San Juan is also a member of the Integrated Bar of the Philippines, having passed the 2017 Bar Exams. She obtained her Bachelor of Arts in Communication Research from the University of the Philippines – Diliman in 2005 and Bachelor of Laws degree from Arellano University School of Law from in 2015. She previously served as Assistant Corporate Secretary and Legal Counsel of Marcventures

Mining and Development Corporation in August 2019. She was previously a Senior Associate in Sycip Gorres Velayo (SGV) and Co. from June 2018 to August 2019 and a Legal Associate in Bernaldo Directo and Po Law Offices from January 2018 to April 2018.

Marian L. Geronimo was appointed Assistant Corporate Secretary in April 2023 until her resignation on July 14, 2023. Atty. Geronimo previously served as Legal Counsels of Marcventures Holdings, Inc. (MHI) and the Assistant Corporate Secretary of MHI's subsidiary, Marcventures Mining and Development Corporation (MMDC). She gained legal experience in the fields of business taxation, corporate advisory and transactions, labor, and immigration. She presently holds the position of Legal and Operations Consultant of Castillo Import Export Ventures, Inc. From 2016 to 2020, she was the Legal Manager of Villa Judan and Cruz Law Offices and Judan Law Office. In 2020, she joined the SyCip Gorres & Co. accounting firm as one of its Senior Associates. Atty. Geronimo obtained her degree in Political Economy from the University of Asia and the Pacific with a degree in Political Economy in 2007 and in 2012, she obtained her Dual Degree of Master of Business Administration and Juris Doctor from the De La Salle University-Far Eastern University Consortium.

Item 10. Executive Compensation

The aggregate compensation paid in 2021 and 2022 and estimated to be paid in 2023, to the officers of the Company is set out below:

Names	Position	Year	Salary	Bonus	Others
Manolito A. Manalo	Chairman & President				
Bernadeth A. Lim	Vice President				
Diane Madelyn C. Ching	Corporate Secretary				
Rolando S. Santos	Treasurer				
Aggregate for above named officers		2021 2022 2023 (Est.)			₱25,000 35,000 40,000
All Directors and Officers as a group unnamed		2021 2022 2023 (Est.)			₱40,000 40,000 40,000

Item 11. Security Ownership of Certain Beneficial Owners and Management

Security Ownership of Record and Beneficial Owners of at least 5% of the Company's Securities as of 31 December 2023:

Title of Class	Name, Address of Record and Relationship with Issuer	Name of Beneficial Owner /Relationship with Record Owner	Citizenship	Number of Shares Held	Percent of Class
	-PCD Nominee Corporation ¹	-RYM Business Management	Filipino	363,555,085	51.91%

Common	-Tower 1 – Ayala Triangle Makati Avenue cor. Paseo de Roxas Makati City -Registered owner in the books of stock transfer agent	Corp./ Client			
		Mairete Asset Holdings, Inc./ Client	Filipino	77,178,901	11%
		Armstrong Capital Holdings Corp./ Client	Filipino	100,097,000	14.29%
Total				540,830,986	77.2%

On December 18, 2015, the Company disclosed that it received information from RYM Business Management Corp. that the latter acquired through foreclosure sale 93,685,410 and 218,099,360 common shares owned by NOHI and MTLCI, respectively, resulting to 87.38% ownership in the Company.

Other than the abovementioned transaction, the Company has no knowledge of any person who, as of December 31, 2023, was directly or indirectly the beneficial owner of, or who has voting power or investment power (pursuant to a voting trust or other similar agreement) with respect to, shares comprising more than five percent (5%) of the Company's outstanding common shares of stock.

Security Ownership of Management as of December 31, 2023

Type of Class	Name and Address of Owner	Amount and nature of Beneficial ownership	Citizenship	Percent of class
Common	Manolito Manalo	1	Filipino	0.0%
Common	Bernadeth A. Lim	1	Filipino	0.0%
Common	Rolando S. Santos	1,000	Filipino	0.0%
Common	Hermogene H. Real	2,000	Filipino	0.0%
Common	Michelle F. Ayangco	2,000	Filipino	0.0%
Common	Johnny Y. Aruego Jr.	1	Filipino	0.0%
Common	Francisco L. Layug III	1	Filipino	0.0%
TOTAL		5,004		

Changes in Control

The Company is not aware of any voting trust agreements or any other similar agreements which may result in a change in control of the Company. As reported to the SEC and PSE, on December 18, 2015, RYM Business Management Corp. acquired through foreclosure sale 93,685,410 and 218,099,360 common shares owned by NOHI and MTLCI, respectively, resulting to 87.38% ownership in the Company.

Item 12. Certain Relationships and Related Transactions

Part IV-Corporate Governance

Item 13. Corporate Governance

This portion has been deleted pursuant to SEC Memorandum Circular No. 05 Series of 2013.

Part V – Exhibits and Schedules

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

(a) Exhibits

See accompanying Index to Exhibits.

The following exhibits are filed as a separate section of this report.

(b) Reports on SEC Form 17-C


Items reported under SEC Form 17-C during the last six months covered by this report:

Date of Disclosure	Subject
July 14, 2023	Resignation of Atty. Marian L. Geronimo
August 7, 2023	Completion of the Subscriptions of Cymac Holdings Corporation and Valiant Consolidated Resources Inc. (formerly Angel Maple Properties Inc.)
Aug 15, 2023	Results of the Special Board Meeting held on August 15, 2023
Oct 5, 2023	Update on Joint Venture with ABS-CBN Corporation
Oct 19, 2023	Notice of Annual Stockholders' Meeting
Nov 15, 2023	Amend-1 Notice of Annual Stockholders' Meeting
Dec 5, 2023	<ul style="list-style-type: none">Results of the Annual Stockholders' Meeting held on 05 December 2023Results of the Organizational Meeting of the Board of Directors held on 05 December 2023

SIGNATURES

Pursuant to the requirements of Section 17 of the Code and Section 141 of the Corporation Code, this report is signed on behalf of the issuer by the undersigned, thereunto duly authorized, in the City of MAKATI CITY on APR 30 2024.


By:



MANOLITO A. MANALO
President



ROLANDO S. SANTOS
Treasurer




DIANE MADELYN C. CHING
Corporate Secretary

SUBSCRIBED AND SWORN to before me this APR 30 2024 day of 2024 affiant(s) exhibiting to me their IDs, as follows:

NAMES	IDs Presented	Expiry date
Manolito A. Manalo	195-562-309	
Rolando S. Santos	127-551-054	
Diane Madelyn C. Ching	201-507-466	

Notary Public


KENNETH PETER D. NOLAVE
Notary Public for Makati City
Appt. No. M-572 valid until 31 Dec 2024
Roll of 1st Reg. Book
MCLE Compliance No. VLS-01-100-041072022
IBP Membership No. 41722410107022
PTR No. PC-0457001-01001001
4F BDO Towers, 074, Pasay, Philippines

Doc. No. 202
Page No. 42
Book No. 11
Series of 2024.



Jordan Bajamonde <jordan.bajamonde@marcventures.com.ph>

Your BIR AFS eSubmission uploads were received

1 message

eafs@bir.gov.ph <eafs@bir.gov.ph>

Mon, Apr 15, 2024 at 11:53 PM

To: JOANNA.MANZANO@marcventures.com.ph

Cc: JACKY.VALENZUELA@marcventures.com.ph

Hi PRIME MEDIA HOLDINGS, INC.,

Valid files

- EAFS000491007OTHTY122023.pdf
- EAFS000491007RPTTY122023.pdf
- EAFS000491007ITRTY122023.pdf
- EAFS000491007AFSTY122023.pdf

Invalid file

- <None>

Transaction Code: **AFS-0-QZ24441X0CF7H9KCKQYX1VTRP041X33SYP**

Submission Date/Time: **Apr 15, 2024 11:53 PM**

Company TIN: **000-491-007**

Please be reminded that you accepted the terms and conditions for the use of this portal and expressly agree, warrant and certify that:

- The submitted forms, documents and attachments are complete, truthful and correct based on the personal knowledge and the same are from authentic records;
- The submission is without prejudice to the right of the BIR to require additional document, if any, for completion and verification purposes;
- The hard copies of the documents submitted through this facility shall be submitted when required by the BIR in the event of audit/investigation and/or for any other legal purpose.

This is a system-generated e-mail. Please do not reply.

COVER SHEET

for AUDITED FINANCIAL STATEMENTS

SEC Registration Number

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COMPANY NAME

P	R	I	M	E		M	E	D	I	A		H	O	L	D	I	N	G	S	,		I	N	C	.		(A		S	u	b	s	i	d	i	a	r
y		o	f			R	Y	M		B	u	s	i	n	e	s	s		M	a	n	a	g	e	m	e	n	t		C	o	r	p	.)			

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

1	6	t	h		F	l	o	o	r	,		B	D	O		T	o	w	e	r	s		V	a	l	e	r	o	,		8	7	4	1				
P	a	s	e	o		d	e		R	o	x	a	s	,		M	a	k	a	t	i		C	i	t	y												

Form Type

A	A	F	S
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Department Requiring the Report

C	R	M	D
---	---	---	---

Secondary License Type, If Applicable

N	/	A
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COMPANY INFORMATION

Company's Email Address	Company's Telephone Number/s	Mobile Number
dcc.chinglaw@gmail.com	(02) 8 831-4479	0966-791-2233
No. of Stockholders	Annual Meeting (Month / Day)	Fiscal Year (Month / Day)
1,588	December 5	December 31

CONTACT PERSON INFORMATION

The designated contact person **MUST** be an Officer of the Corporation

Name of Contact Person	Email Address	Telephone Number/s	Mobile Number
Mr. Rolando S. Santos	rolly.santos@marcventures.com.ph	8 826-8609/8 856-7976	0998-985-0229

OFFICE ADDRESS

16th Floor, BDO Towers Valero, 8741 Paseo de Roxas, Makati City

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

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



STATEMENT OF MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL STATEMENTS

The Management of **Prime Media Holdings, Inc.** is responsible for the preparation and fair presentation of the financial statements including the schedules attached therein for the years ended **December 31, 2023 and 2022**, in accordance with the prescribed financial reporting framework indicated therein, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

The Board of Directors is responsible in 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.

Reyes Tacandong & Co., the independent auditor appointed by the stockholders for the years ended **December 31, 2023 and 2022**, 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.

A blue ink signature of Manolito A. Manalo, written in a cursive style.

MANOLITO A. MANALO
Chairman and President

A black ink signature of Rolando S. Santos, written in a cursive style.

ROLANDO S. SANTOS
Treasurer

Signed this APR 16 2024 day of _____




SUBSCRIBED AND SWORN to before me this APR 16 day of 2024
affiant(s) exhibiting to their evidence of identity, as follows:

NAMES	Competent Evidence of Identity (TIN)	DATE OF ISSUE	PLACE OF ISSUE
Manolito A. Manalo	195-562-309		
Rolando S. Santos	127-551-054		

Doc. No. 145 ;
Page No. 30 ;
Book No. III ;
Series of 2024.

Notary Public


KENNETH PETER D. MOLAVE
Notary Public for Makati City
Appt. No. M-572 valid until 31 Dec. 2024
Roll of Atty. No. 70029
MCLE Compliance No. VII-0016666; 04/12/2022
IBP Membership No. 414799; 01/10/2024
PTR No. PC 8457506; 01/03/2024
4F BDO Towers, 8741 Paseo de Roxas, Makati City

INDEPENDENT AUDITORS' REPORT

The Stockholders and the Board of Directors
Prime Media Holdings, Inc.
16th Floor, BDO Towers Valero
8741 Paseo de Roxas
Makati City

Opinion

We have audited the accompanying financial statements of Prime Media Holdings, Inc. (the Company), a subsidiary of RYM Business Management Corp., which comprise the statements of financial position as at December 31, 2023 and 2022, and the statements of comprehensive income, statements of changes in equity and statements of cash flows for the years ended December 31, 2023, 2022 and 2021, and notes to the financial statements, including a summary of material accounting policy information.

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2023 and 2022, and its financial performance and its cash flows for the years ended December 31, 2023, 2022 and 2021 in accordance with Philippine Financial Reporting Standards (PFRS).

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements as at and for the year ended December 31, 2023. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matter described below to be the key audit matter to be communicated in our report.

Estimating Liabilities

As discussed in Note 10 to the financial statements, the Company has estimated liabilities amounting to ₱184.0 million as at December 31, 2023, primarily related to its previous development banking operations. This matter is significant to our audit because the carrying amount is material and it involves the use of estimates. We have reviewed the reasonableness of management's estimates by performing independent calculations of the estimated costs to be incurred in the future based on the related terms of a Memorandum of Agreement. Further, we reviewed the adequacy of required disclosures presented in Note 10 to the financial statements.



Accounting for Joint Venture

In May 2023, the Company signed a Joint Venture Agreement with ABS-CBN Corporation to form a joint venture entity with a 51:49 structure ratio. The incorporation of the joint venture was completed in June 2023.

Accounting for the joint venture transactions is significant to our audit because it requires management judgment, particularly, in determining the type of joint arrangement in which the Company is involved in and the appropriate accounting treatment. The joint agreement is accounted for in accordance with PFRS 11, *Joint Arrangements*.

We checked the propriety of the type of joint venture agreement as determined by management through review of the joint venture agreement and assessment of the substance of the agreement taking into consideration the structure and form of the arrangement, the terms agreed by the parties in the contractual agreement and other facts and circumstances. We also checked the propriety of the accounting for the joint arrangement and reviewed the adequacy of the required disclosures as presented in Note 8 to the financial statements.

Other Information

Management is responsible for the other information. The other information comprises the information included in the SEC Form 20-IS (Definitive Information Statement), SEC Form 17-A (Annual Report) and Annual Report distributed to stockholders for the year ended December 31, 2023, but does not include the financial statements and our auditors' report thereon. The SEC Form 20-IS, SEC Form 17-A and Annual Report distributed to stockholders for the year ended December 31, 2023 are expected to be made available to us after the date of this auditors' report.

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

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

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

Management is responsible for the preparation 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.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with PSA will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, these 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 PSA, 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 auditors' 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 auditors' 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 audits.

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.



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 auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditors' report is Pamela Ann P. Escudro.

REYES TACANDONG & Co.

PAMELA ANN P. ESCUADRO

Partner

CPA Certificate No. 128829

Tax Identification No. 216-321-918-000

BOA Accreditation No. 4782; Valid until April 13, 2024

BIR Accreditation No. 08-005144-013-2023

Valid until January 24, 2026

PTR No. 10072415

Issued January 2, 2024, Makati City

April 12, 2024

Makati City, Metro Manila

PRIME MEDIA HOLDINGS, INC.
(A Subsidiary of RYM Business Management Corp.)

STATEMENTS OF FINANCIAL POSITION

		December 31	
	Note	2023	2022
ASSETS			
Current Assets			
Cash	4	₱47,780,041	₱33,839,166
Receivables	5	292,919	258,200
Due from related parties	13	217,235	2,317,555
Other current assets	6	5,995,992	5,109,828
Total Current Assets		54,286,187	41,524,749
Noncurrent Assets			
Loans receivable	13	373,000,000	–
Investment in a club share	7	5,000,000	3,300,000
Investment in a joint venture	8	3,257,154	–
Property and equipment	9	501,600	636,063
Total Noncurrent Assets		381,758,754	3,936,063
		₱436,044,941	₱45,460,812
LIABILITIES AND EQUITY			
Current Liabilities			
Accrued expenses and other current liabilities	10	₱197,078,691	₱180,749,347
Due to related parties	13	13,880,000	14,516,744
Total Current Liabilities		210,958,691	195,266,091
Equity			
Capital stock	11	864,664,876	714,664,876
Additional paid-in capital	11	253,500,000	–
Deficit		(897,878,626)	(867,570,155)
Cumulative fair value changes on investment in a club share	7	4,800,000	3,100,000
Total Equity		225,086,250	(149,805,279)
		₱436,044,941	₱45,460,812

See accompanying Notes to Financial Statements.

PRIME MEDIA HOLDINGS, INC.
(A Subsidiary of RYM Business Management Corp.)

STATEMENTS OF COMPREHENSIVE INCOME

		Years Ended December 31		
	Note	2023	2022	2021
INCOME				
Interest income	4	₱30,244	₱10,465	₱7,257
Gain on sale of equipment	9	—	43,046	—
Reversal of long-outstanding payables	10	—	—	9,168,852
		30,244	53,511	9,176,109
SHARE IN NET LOSS OF A JOINT VENTURE				
	8	(17,142,846)	—	—
EXPENSES				
Outside services		3,982,461	1,028,995	874,759
Professional fees		3,489,430	2,849,961	2,820,853
Taxes and licenses		2,908,035	160,135	117,276
Representation		1,271,316	—	—
Directors' fees		290,000	250,000	110,000
Insurance		259,322	426,087	442,300
Depreciation	9	134,463	89,725	326,275
Transportation and travel		128,408	74,818	6,199
Association dues		74,585	58,891	58,985
Membership fees		51,643	53,892	29,245
Penalties		1,000	962,999	379,500
Impairment loss on receivables	5	—	—	5,541,667
Others		605,206	302,955	85,827
		13,195,869	6,258,458	10,792,886
LOSS BEFORE INCOME TAX		(30,308,471)	(6,204,947)	(1,616,777)
PROVISION FOR CURRENT INCOME TAX	12	—	430	91,689
NET LOSS		(30,308,471)	(6,205,377)	(1,708,466)
OTHER COMPREHENSIVE INCOME				
<i>Item that will not be reclassified to profit or loss</i>				
Unrealized fair value change on investment in a club share	7	1,700,000	1,550,000	750,000
TOTAL COMPREHENSIVE LOSS		(₱28,608,471)	(₱4,655,377)	(₱958,466)
Basic/Diluted Loss Per Share	15	(₱0.038)	(₱0.011)	(₱0.005)

See accompanying Notes to Financial Statements.

PRIME MEDIA HOLDINGS, INC.
(A Subsidiary of RYM Business Management Corp.)

STATEMENTS OF CHANGES IN EQUITY

		Years Ended December 31		
	Note	2023	2022	2021
CAPITAL STOCK	11			
Preferred stock - ₱1 par value		₱14,366,260	₱14,366,260	₱14,366,260
Common stock - ₱1 par value				
Balance at beginning of year		700,298,616	700,298,616	700,298,616
Issuance		150,000,000	—	—
Balance at end of year		850,298,616	700,298,616	700,298,616
		864,664,876	714,664,876	714,664,876
ADDITIONAL PAID-IN CAPITAL	11			
Balance at beginning of year		—	—	—
Premiums from issuance of common shares		255,000,000	—	—
Stock issuance cost		(1,500,000)	—	—
Balance at end of year		253,500,000	—	—
DEFICIT				
Balance at beginning of year		(867,570,155)	(861,364,778)	(859,656,312)
Net loss		(30,308,471)	(6,205,377)	(1,708,466)
Balance at end of year		(897,878,626)	(867,570,155)	(861,364,778)
CUMULATIVE FAIR VALUE CHANGES ON INVESTMENT IN A CLUB SHARE	7			
Balance at beginning of year		3,100,000	1,550,000	800,000
Unrealized fair value gain		1,700,000	1,550,000	750,000
Balance at end of year		4,800,000	3,100,000	1,550,000
		₱225,086,250	(₱149,805,279)	(₱145,149,902)

See accompanying Notes to Financial Statements.

PRIME MEDIA HOLDINGS, INC.
(A Subsidiary of RYM Business Management Corp.)

STATEMENTS OF CASH FLOWS

		Years Ended December 31		
	Note	2023	2022	2021
CASH FLOWS FROM OPERATING ACTIVITIES				
Loss before income tax		(P30,308,471)	(P6,204,947)	(P1,616,777)
Adjustments for:				
Share in net loss of a joint venture	8	17,142,846	—	—
Interest income	4	(30,244)	(10,465)	(7,257)
Depreciation	9	134,463	89,725	326,275
Gain on sale of transportation equipment	9	—	(43,046)	—
Reversal of long-outstanding payables	10	—	—	(9,168,852)
Impairment loss on receivables	5	—	—	5,541,667
Operating loss before working capital changes		(13,061,406)	(6,168,733)	(4,924,944)
Decrease (increase) in:				
Receivables		(34,719)	26,994,160	(20,460)
Due from related parties		2,100,320	5,364,349	91,724
Other current assets		(886,164)	(411,831)	(195,159)
Increase (decrease) in:				
Accrued expenses and other current liabilities		16,329,344	729,765	4,011,098
Due to related parties		(636,744)	636,744	—
Net cash generated from (used for) operations		3,810,631	27,144,454	(1,037,741)
Interest received		30,244	10,465	7,257
Income tax paid		—	(430)	(91,689)
Net cash provided by (used in) operating activities		3,840,875	27,154,489	(1,122,173)
CASH FLOWS FROM INVESTING ACTIVITIES				
Loans granted	13	(373,000,000)	—	—
Investment in a joint venture	8	(20,400,000)	—	—
Additions to property and equipment	9	—	(627,000)	—
Proceeds from sale of transportation equipment	9	—	200,746	—
Net cash used in investing activities		(393,400,000)	(426,254)	—
CASH FLOW FROM A FINANCING ACTIVITY				
Net proceeds from issuance of shares at a premium		403,500,000	—	—
NET INCREASE (DECREASE) IN CASH		13,940,875	26,728,235	(1,122,173)
CASH AT BEGINNING OF YEAR		33,839,166	7,110,931	8,233,104
CASH AT END OF YEAR	4	P47,780,041	P33,839,166	P7,110,931

See accompanying Notes to Financial Statements.

PRIME MEDIA HOLDINGS, INC.
(A Subsidiary of RYM Business Management Corp.)

NOTES TO FINANCIAL STATEMENTS
AS AT DECEMBER 31, 2023 AND 2022 AND
FOR THE YEARS ENDED DECEMBER 31, 2023, 2022 AND 2021

1. Corporate Information

Prime Media Holdings, Inc. (the Company) was originally incorporated and registered with the Philippine Securities and Exchange Commission (SEC) on February 6, 1963 as Private Development Corporation of the Philippines. In October 2003, the SEC approved the amendment of the Company's Articles of incorporation, changing its primary purpose from a development bank to a holding company. On March 4, 2013, the SEC approved the extension of the Company's corporate life for another 50 years. However, in accordance with the Revised Corporation Code of the Philippines, effective February 23, 2019, the Company was automatically accorded perpetual existence.

On July 9, 1964, the Philippine Stock Exchange, Inc. (PSE) approved the public listing of the Company's shares of stock. As at December 31, 2023 and 2022, there are 663,713,458 common shares and 672,435,425 common shares, respectively, that are publicly listed.

In 2002, the Company agreed to transfer its assets and liabilities arising from its development banking operations to Banco de Oro Unibank, Inc. (BDO) and Philippine Deposit Insurance Corporation (PDIC) under a Memorandum of Agreement (MOA). As at the date of the report, the Company is still in the process of transferring titles of real estate properties that are still in its possession (see Notes 10 and 14).

The Company is a subsidiary of RYM Business Management Corp. (RYM or the Parent Company), a holding company registered and domiciled in the Philippines.

The Company's registered office and principal place of business is at 16th Floor, BDO Towers Valero, 8741 Paseo de Roxas, Makati City.

Amendments to the Articles of Incorporation (AOI)

On August 15, 2022 and on September 23, 2022, the Board of Directors (BOD) and the stockholders, respectively, approved, among others, the deletion of all provisions relating to the Company's preferred shares, the conversion of the preferred shares to common shares and the increase of the authorized capital stock to up to ₱7 billion, divided into 7,000,000,000 common shares at ₱1.00 par value a share. The amendments of the AOI is pending approval by the SEC as at April 12, 2024.

Additional Capital

In 2023, the Company, issued 150,000,000 common shares at ₱2.70 a share equivalent to ₱405.0 million paid for in cash, resulting to additional paid-in capital amounting to ₱253.5 million, net of stock issuance cost of ₱1.5 million. The common shares were issued to (i) Angel Maple Properties, Inc. (now known as Valiant Consolidated Resources Inc.) for 125,000,000 unissued common shares and (ii) Cymac Holdings Corporation for 25,000,000 unissued common shares. Angel Maple Properties, Inc. and Cymac Holdings Corporation are separate and distinct entities not acting in concert in the subscriptions of the unissued shares of the Company.

MOA with Philippine CollectiveMedia Corporation (PCMC)

In 2021, the Company entered into a MOA, with the majority stockholders of a mass media entity, Philippine CollectiveMedia Corporation (“PCMC Shareholders”), subscribing to 70% of the Company’s outstanding capital stock in exchange for PCMC shares to obtain the business, assets and ownership of PCMC. With PCMC’s national franchise, the Company may use this as a leverage to provide other content providers an avenue to broadcast their contents, regionally and nationwide, for profit.

On August 15, 2022 and September 23, 2022, the BOD and stockholders, respectively, approved to amend the PCMC MOA to take into account the subsequent acquisition of PCMC by Golden Peregrine Holdings, Inc. (GPHI) which is also owned 100% by the PCMC Shareholders. The BOD and stockholders also approved the subscription by certain GPHI shareholders to 1,679,966,400 common shares to be issued from the proposed increase in authorized capital stock of the Company in view of the amendment of the PCMC MOA.

On January 18, 2023, the BOD approved the Amendment of the MOA with GPHI to:

- (a) Change the Exchange Ratio to 4,700 PRIM shares for 1 Golden Peregrine share pursuant to the updated appraisal report;
- (b) Subscription by GPHI Stockholders to 1,645,000,000 PRIM Common Shares to be issued from the proposed increase in authorized capital stock in consideration of the assignment of 100% of the outstanding capital stock of GPHI pursuant to the updated appraisal report; and
- (c) Other provisions which require updating and affected by the amendments aforementioned.

Joint Venture Agreement with ABS-CBN Corporation (ABS-CBN)

On May 23, 2023, the BOD approved the Joint Venture Agreement with ABS-CBN to form a joint venture entity, which was eventually incorporated on June 30, 2023 (see Note 8). The Company shall have 51% equity with initial subscription of 20,400,000 shares for a total value of ₱20.4 million. ABS-CBN on the other hand, shall have 49% equity with initial subscription of 19,600,000 shares for a total value of ₱19.6 million. The Joint Venture is incorporated primarily for the purpose of developing, producing, and financing content, programs, and shows for distribution by other broadcast networks, channels, or platforms, locally and internationally.

Approval of the Financial Statements

The financial statements of the Company as at December 31, 2023 and 2022 and for the years ended December 31, 2023, 2022 and 2021 were approved and authorized for issuance by the BOD on April 12, 2024, as endorsed by the Audit Committee on the same date.

2. Summary of Material Accounting Policy Information

Basis of Preparation

The financial statements have been prepared in compliance with the Philippine Financial Reporting Standards (PFRS) issued by the Philippine Financial and Sustainability Reporting Standards Council and adopted by the SEC, including SEC pronouncements. This financial reporting framework includes PFRS, Philippine Accounting Standards (PAS) and Philippine Interpretations from International Financial Reporting Interpretations Committee (IFRIC).

The accounting policies adopted are consistent with those of the previous financial year.

Measurement Bases

The financial statements are presented in Philippine Peso (Peso), which is also the Company's functional currency. All amounts are rounded to the nearest Peso, unless otherwise stated.

The financial statements have been prepared on a historical cost basis, except for investment in a club share which was classified and measured as financial asset at fair value through other comprehensive income (FVOCI). Historical cost is generally based on the fair value of the consideration given in exchange for an asset and the fair value of the consideration received in exchange for incurring liability.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the transaction date. The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

The Company uses observable market data to a possible extent when measuring the fair value of an asset or a liability. Fair values are categorized into different levels in a fair value hierarchy based on inputs used in the valuation techniques as follows:

- Level 1 - Quoted (unadjusted) market prices in active market for identical assets or liabilities.
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

Further information about the assumptions made in measuring fair values is included in Notes 7 and 16.

Adoption of Amendments to PFRS

The accounting policies adopted are consistent with those of the previous financial year, except for the adoption of the following amendments to PFRS effective January 1, 2023:

- Amendments to PAS 1, *Presentation of Financial Statements*, and PFRS Practice Statement 2, *Making Materiality Judgments - Disclosure Initiative - Accounting Policies* – The amendments require an entity to disclose its material accounting policies, instead of its significant accounting policies and provide guidance on how an entity applies the concept of materiality in making decisions about accounting policy disclosures. In assessing the materiality of accounting policy information, entities need to consider both the size of the transactions, other events or conditions and its nature. The amendments clarify (1) that accounting policy information may be material because of its nature, even if the related amounts are immaterial, (2) that accounting policy information is material if users of an entity's financial statements would need it to understand other material information in the financial statements, and (3) if an entity discloses immaterial accounting policy information, such information should not obscure material accounting policy information. In addition, PFRS Practice Statement 2 is amended by adding guidance and examples to explain and demonstrate the application of the 'four-step materiality process' to accounting policy information.
- Amendments to PAS 8, *Accounting Policies, Changes in Accounting Estimates and Errors - Definition of Accounting Estimates* – The amendments clarify the distinction between changes in accounting estimates and changes in accounting policies, and the correction of errors. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty". An entity develops an accounting estimate if an accounting policy requires an item in the financial statements to be measured in a way that involves measurement uncertainty. The amendments clarify that a change in accounting estimate that results from new information or new developments is not a correction of an error, and that the effects of a change in an input or a measurement technique used to develop an accounting estimate are changes in accounting estimates if they do not result from the correction of prior period errors. A change in an accounting estimate may affect only the profit or loss in the current period, or the profit or loss of both the current and future periods.
- Amendments to PAS 12, *Income Taxes - Deferred Tax Related Assets and Liabilities from a Single Transaction* – The amendments require companies to recognize deferred tax on transactions that, on initial recognition, give rise to equal amounts of taxable and deductible temporary differences.
- Amendments to PAS 1, *Classification of Liabilities as Current or Noncurrent* – The amendments clarify the requirements for an entity to have the right to defer settlement of the liability for at least 12 months after the reporting period. The amendments also specify and clarify the following: (i) an entity's right to defer settlement must exist at the end of the reporting period, (ii) the classification is unaffected by management's intentions or expectations about whether the entity will exercise its right to defer settlement, (iii) how lending conditions affect classification, and (iv) requirements for classifying liabilities where an entity will or may settle by issuing its own equity instruments.

The adoption of the amendments to PFRS did not materially affect the financial statements of the Company. Additional disclosures were included in the financial statements, as applicable.

Amended PFRS Issued But Not Yet Effective

Relevant amended PFRS, which are not yet effective as at December 31, 2023 and have not been applied in preparing the financial statements, are summarized below.

Effective for annual periods beginning on or after January 1, 2024:

- Amendments to PAS 1, *Noncurrent Liabilities with Covenants* – The amendments clarified that covenants to be complied with after the reporting date do not affect the classification of debt as current or noncurrent at the reporting date. Instead, the amendments require the entity to disclose information about these covenants in the notes to the financial statements. The amendments must be applied retrospectively. Earlier application is permitted. If applied in earlier period, the Company shall also apply Amendments to PAS 1 - *Classification of Liabilities as Current or Noncurrent* for that period.
- Amendments to PAS 7, *Statement of Cash Flows* and PFRS 7, *Financial Instrument: Disclosures - Supplier Finance Arrangements* – The amendments introduced new disclosure requirements to enable users of the financial statements assess the effects of supplier finance arrangements on the liabilities, cash flows and exposure to liquidity risk. The amendments also provide transitional relief on certain aspects, particularly on the disclosures of comparative information. Earlier application is permitted.

Deferred effectivity -

- Amendments to PFRS 10, *Consolidated Financial Statements*, and PAS 28 - *Sale or Contribution of Assets Between an Investor and its Associate or Joint Venture* – The amendments address a conflicting provision under the two standards. It clarifies that a gain or loss shall be recognized fully when the transaction involves a business, and partially if it involves assets that do not constitute a business. The effective date of the amendments, initially set for annual periods beginning on or after January 1, 2016, was deferred indefinitely in December 2015 but earlier application is still permitted.

Under prevailing circumstances, the adoption of the foregoing amended PFRS is not expected to have any material effect on the financial statements of the Company. Additional disclosures will be included in the financial statements, as applicable.

Financial Assets and Liabilities

Date of 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 and derecognition, as applicable is done using settlement date accounting.

Initial Recognition and Measurement. Financial instruments are recognized initially at fair value, which is the 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 at fair value through profit or loss (FVPL), includes transaction cost.

“Day 1” Difference. Where the transaction price in a non-active market is different from the fair value of other observable current market transactions in the same instrument or based on a valuation technique whose variables include only data from observable market, the Company recognizes the difference between the transaction price and fair value (a “Day 1” difference) in profit or loss. In cases where there is no observable data on inception, the Company deems the

transaction price as the best estimate of fair value and recognizes “Day 1” difference in profit or loss when the inputs become observable or when the instrument is derecognized. For each transaction, the Company determines the appropriate method of recognizing the “Day 1” difference.

Classification. The Company classifies its financial assets at initial recognition under the following categories: (a) financial assets at FVPL, (b) financial assets at amortized cost, and (c) financial assets at FVOCI. Financial liabilities, on the other hand, are classified as either financial liabilities at FVPL or other financial liabilities at amortized cost. The classification of a financial instrument largely depends on the Company’s business model.

As at December 31, 2023 and 2022, the Company does not have financial assets and liabilities at FVPL.

Financial Assets at Amortized Cost. A financial asset shall be measured at amortized cost if both of the following conditions are met:

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

After initial recognition, financial assets at amortized cost are subsequently measured at amortized cost using the effective interest method, less allowance for impairment, if any. 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 derecognized and through amortization process. Financial assets at amortized cost are included under current assets if realizability or collectability is within 12 months after the reporting period. Otherwise, these are classified as noncurrent assets.

As at December 31, 2023 and 2022, the Company’s cash in banks, receivables (excluding advances to officers, employees and service providers), due from related parties and loans receivable are classified under this category.

Financial Assets at FVOCI. Equity securities which are not held for trading may be irrevocably designated at initial recognition under the FVOCI category.

Financial assets at FVOCI are initially measured at fair value plus transaction costs. After initial recognition, financial assets at FVOCI are measured at fair value with unrealized gains or losses recognized in other comprehensive income (OCI) and are included under “Other comprehensive income” account in the equity section of the statements of financial position. These fair value changes are recognized in equity and are not reclassified to profit or loss in subsequent periods. On disposal of these equity securities, any cumulative unrealized valuation gains will be reclassified to retained earnings.

As at December 31, 2023 and 2022, the Company’s investment in a club share of Valley Golf & Country Club is classified under this category.

Financial Liabilities at Amortized Cost. Financial liabilities are categorized as financial liabilities at amortized cost when the substance of the contractual arrangement results in the Company having an obligation either to deliver cash or another financial asset to the holder, or to settle the obligation other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of its own equity instruments.

These financial liabilities are initially recognized at fair value less any directly attributable transaction costs. After initial recognition, these financial liabilities are subsequently measured at amortized cost using the effective interest method. Amortized cost is calculated by taking into account any discount or premium on the issue and fees that are an integral part of the effective interest rate.

As at December 31, 2023 and 2022, the Company's accrued expenses and other current liabilities (excluding statutory payables) and amounts due to related parties are classified under this category.

Reclassification of Financial Assets

The Company reclassifies its financial assets when, and only when, it changes its business model for managing those financial assets. The reclassification is applied prospectively from the first day of the first reporting period following the change in the business model (reclassification date).

For a financial asset reclassified out of the financial assets at amortized cost category to financial assets at FVPL, any gain or loss arising from the difference between the previous amortized cost of the financial asset and fair value is recognized in profit or loss.

For a financial asset reclassified out of the financial assets at amortized cost category to financial assets at FVOCI, any gain or loss arising from the difference between the previous amortized cost of the financial asset and fair value is recognized in OCI.

For a financial asset reclassified out of the financial assets at FVOCI category to financial assets at amortized cost, any gain or loss previously recognized in OCI, and any difference between the new amortized cost and maturity amount, are amortized to profit or loss over the remaining life of the investment using the effective interest method. If the financial asset is subsequently impaired, any gain or loss that has been recognized in OCI is reclassified from equity to profit or loss.

For a financial asset reclassified out of the financial assets at FVOCI category to financial assets at FVPL, the financial asset continues to be measured at fair value.

Impairment of Financial Assets at Amortized Cost

The Company records an allowance for expected credit loss (ECL) 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. The difference is then discounted at an approximation to the asset's original effective interest rate.

Derecognition of Financial Assets and Liabilities

Financial Assets. A financial asset (or where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognized by the Company when:

- the right to receive cash flows from the asset has expired;
- the Company retains the right to receive cash flows from the asset, but has assumed an obligation to pay them in full without material delay to a third party under a "pass-through" arrangement; or

- the Company has transferred its right to receive cash flows from the asset and either (a) has transferred substantially all the risks and rewards of the assets, or (b) has neither transferred nor retained substantially all the risk and rewards of the assets, but has transferred control over the asset.

When the Company has transferred its right to receive cash flows from an asset or has entered into a pass-through arrangement, and has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the asset is recognized to the extent of the Company's continuing involvement in the asset. Continuing involvement that takes the form of a guarantee over the transferred asset, if any, is measured at the lower of original carrying amount of the asset and the maximum amount of consideration that the Company could be required to pay.

Financial Liabilities. A financial liability is derecognized when the obligation under the liability is discharged, or cancelled or has expired. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of the new liability, and the difference in the respective carrying amount is recognized in profit or loss. Reversal of financial liabilities arising from transactions that are not expected to be settled as the same is either discharged by the creditor or discontinued or cancelled are recognized as "Reversal of long-outstanding payables" line item in the statements of comprehensive income.

Offsetting Financial Assets and Liabilities

Financial assets and 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. This is not generally the case with master netting agreements, and the related assets and liabilities are presented gross in the statements of financial position.

Classification of Financial Instrument between Liability and Equity

A financial instrument is classified as liability if it provides for a contractual obligation to:

- Deliver cash or another financial asset to another entity;
- Exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavorable to the Company; or
- Satisfy the obligation other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of own equity shares.

If the Company does not have an unconditional right to avoid delivering cash or another financial asset to settle its contractual obligation, the obligation meets the definition of a financial liability.

Other Current Assets

This account mainly consists of creditable withholding taxes (CWT) and input value-added tax (VAT).

CWT. CWT represent the amount withheld by the Company's customers in relation to its income. CWT can be utilized as payment for income taxes provided that these are properly supported by certificates of creditable tax withheld at source subject to the rules on Philippine income taxation. CWT are stated at estimated net realizable value.

VAT. Revenues, expenses and assets are generally recognized net of the amount of VAT, except:

- where the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case the tax is recognized as part of the cost of acquisition of the asset or as part of the expense item, as applicable; and
- receivables and payables that are stated with the amount of tax included.

The net amount of VAT recoverable from the taxation authority is included as part of “Other current assets” account in the statements of financial position.

Investment in a Joint Venture

Joint arrangements represents activities where the Parent Company has joint control established by a contractual agreement. Joint control requires unanimous consent for financial and operational decisions. A joint arrangement is either a joint operation, whereby the parties have rights to the assets and obligations for the liabilities, or a joint venture, whereby the parties have rights to the net assets.

Classification of a joint arrangement as either joint operation or joint venture requires judgment.

Management’s considerations include, but are not limited to, determining if the arrangement is structured through a separate vehicle and whether the legal form and contractual arrangements give the entity direct rights to the assets and obligations for the liabilities within the normal course of business. Other facts and circumstances are also assessed by management, including the entity’s rights to the economic benefits of assets and its involvement and responsibility for settling liabilities associated with the arrangement.

The Company accounted for its interest in Media Serbisyo Production Corp (MSPC) as a joint venture (see Note 8).

Investment in a joint venture is accounted for using the equity method. Under the equity method, the investment in a joint venture is initially recorded at cost and thereafter for the post-acquisition change in the Company’s share in net assets of the joint venture. The statement of comprehensive income reflects the Company’s share in the results of operations of the joint venture.

The financial statements of the joint venture are prepared for the same reporting period as the Company. Adjustments are made to bring the accounting policies in line with those of the Company.

The considerations made in determining significant influence on joint control are similar to those necessary to determine control over subsidiaries.

Impairment of Nonfinancial Assets

The Company assesses at each reporting date whether there is an indication that nonfinancial assets may be impaired when events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. If any such indication exists and if the carrying amount exceeds the estimated recoverable amount, nonfinancial assets are written down to its recoverable amount, which is the greater of fair value less cost to sell and value in use. The fair value less cost to sell is the amount obtainable from the sale of an asset in an arm’s length transaction between knowledgeable and willing parties less cost of disposal. In assessing value in use, the estimated future cash flows are discounted to present value using a pretax discount rate that reflects current

market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs. Impairment losses are recognized in profit or loss.

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

Equity

Capital Stock. Capital stock is measured at par value for all shares issued and outstanding.

Additional Paid-in Capital. Additional paid-in capital includes any premium received in the issuances of capital stock. Any transaction costs associated with the issuance of shares are deducted from additional paid-in capital, net of tax.

Deficit. Deficit represents the cumulative balance of the Company's results of operations.

Cumulative Fair Value Changes on Investment in a Club Share. This account comprises of unrealized fair value changes of the investment that is not recognized in profit or loss for the year in accordance with PFRS.

Revenue Recognition

Revenue is recognized to the extent that it is probable that economic benefits will flow to the Company and the amount of revenue can be measured reliably.

Revenue from contract with customers is recognized when the performance obligation in the contract has been satisfied at a point in time or over time.

The Company also assesses its revenue arrangements to determine if it is acting as a principal or as an agent. The Company has assessed that it acts as a principal in all of its revenue source.

The following specific recognition criteria must also be met before revenue is recognized.

Interest Income. Interest income is recognized in profit or loss as it accrues, taking into account the effective yield on the asset.

Expense Recognition

Expenses constitute cost of administering the business. These costs are expensed upon receipt of goods, utilization of services, or when the expense is incurred.

Income Taxes

Current Tax. Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount is the one that has been enacted or substantively enacted at the reporting date.

Deferred Tax. Deferred tax is provided on all temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognized for all taxable temporary differences. Deferred tax assets are recognized for all deductible temporary differences, carryforward benefits of any unused tax credits from the excess of minimum corporate income tax (MCIT) over the regular corporate income tax (RCIT) and any unused net operating loss carryover (NOLCO), to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and carryforward benefits of unused excess MCIT over RCIT and unused NOLCO can be utilized. Deferred tax, however, is not recognized when it arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

Deferred tax is recognized in profit or loss except to the extent that it relates to a business combination, or items directly recognized in equity as OCI.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are reassessed at each reporting date and are recognized to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates and tax laws that are expected to apply to the period when the asset is realized or the liability is settled, based on tax rate that has been enacted or substantively enacted at the reporting date.

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

Basic and Diluted Loss per Share

The Company computes its basic loss per share by dividing net loss for the period attributable to ordinary equity holders of the Company by the weighted average number of common shares outstanding during the period.

Diluted loss per share amounts are computed in the same manner, adjusted for the dilutive effect of any potential common shares. There is no such information in 2023, 2022 and 2021 because the Company has no dilutive potential common shares and is in a net loss position.

Segment Reporting

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to the transactions with any of the Company's other components. The Company has only one segment which is as a holding company.

Related Parties

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

A related party transaction is a transfer of resources, services or obligations between a reporting entity and a related party, regardless of whether a price is charged.

Related party transactions are considered material and/or significant if these transactions amount to 10% or higher of the Company's total assets or if there are several transactions or a series of transactions over a twelve-month period with the same related party amounting to 10% or higher of the Company's total assets.

Provisions

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

Provisions are made using the best estimates of the amount required to settle the obligation and are discounted to present values using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. Changes in estimates are reflected in profit or loss in the period these arise.

Contingencies

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

Events after the Reporting Date

Post year-end events that provide additional information about the Company's financial position at the end of reporting period (adjusting events) are reflected in the financial statements. Post year-end events that are non-adjusting are disclosed in the notes to financial statements when material.

3. Significant Judgment, Accounting Estimates and Assumptions

The preparation of financial statements in accordance with PFRS requires management to exercise judgments, make estimates and assumptions that affect the amounts reported in the financial statements. The judgment and estimates used in the financial statements are based on management's evaluation of relevant facts and circumstances as at the reporting date. While the Company believes that the assumptions are reasonable and appropriate, significant differences in the actual experience or significant changes in the assumptions may materially affect the estimated amounts. Actual results could differ from such estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

Judgments

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

Classifying the Financial Instruments. The Company exercises judgment in classifying a financial instrument on initial recognition either as a financial asset, a financial liability or an equity instrument in accordance with the substance of the contractual arrangement and the definitions of a financial asset, a financial liability or an equity instrument. The substance of a financial instrument, rather than its legal form, governs its classification in the statements of financial position.

The Company classified its investment in a club share as financial asset at FVOCI (see Note 7).

Assessing the Distinction Between Joint Operation and Joint Venture. The Company determines whether a joint arrangement qualifies as a joint operation or a joint venture. In making its judgment, the Company assesses whether it has joint control and has rights to the assets, and obligations for the liabilities, relating to the arrangement or it has joint control and has rights to the net assets of the arrangement, in which case the arrangement shall be classified as a joint operation or a joint venture, respectively, as the case may be. The Company considers each arrangement separately in making its judgment.

The Company assessed that the joint arrangement qualifies as a joint venture and to be accounted using equity method in accordance with PAS 28, *Investments in Associates and Joint Ventures* (see Note 8).

Determining the Fair Value of Financial Instruments. PFRS requires certain financial assets and liabilities to be carried at fair value, which requires extensive use of accounting estimates. While significant components of fair value measurement were determined using verifiable objective evidence, the amount of changes in fair value would differ if the Company utilized different valuation methodologies. Any changes in fair value of these financial assets would affect profit and loss and equity.

The fair value of the Company's financial assets and liabilities are disclosed in Note 16.

Evaluating the Contingencies. The Company is a party to certain lawsuits or claims arising from the ordinary course of business. However, the Company's management and legal counsel believe that eventual liabilities under these lawsuits or claims, if any, will not have a material effect on the Company's financial statements.

Estimates and Assumptions

The key estimates concerning the future and other key sources of estimation uncertainty at the reporting date, that has a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below.

Estimating the Liabilities related to Previous Development Bank Operations. The estimated liabilities related to previous development bank operations of the Company is based on the management's best estimate of the amount expected to be incurred to settle the obligation based on the terms of the MOA.

Liabilities arising from the MOA amounted to ₱184.0 million and ₱166.3 million as at December 31, 2023 and 2022, respectively (see Note 10).

Determining Fair Value of Financial Instruments at Date of Initial Recognition. The Company determines the fair value of financial instruments based on transaction price. As at date of recognition of financial instruments in 2023 and 2022, the Company assessed that the fair value of the financial instruments approximates its transaction price.

Assessing the ECL on Financial Assets at Amortized Cost. The Company applies the simplified approach on its receivables and the general approach on all its other financial assets at amortized cost in measuring the ECL. The Company estimates the ECL on its receivables using a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

The Company assessed that cash in banks are deposited with reputable counterparty banks that possess good credit ratings. For related party transactions and other receivables, the Company considered the available liquid assets of the related parties and letter of guarantee from the stockholders.

The Company assesses that a financial asset is considered credit impaired when one or more events that have a detrimental effect on the estimated future cash flows of the asset have occurred such as significant financial difficulty and cessation of operations of the debtor.

No impairment loss was recognized in 2023 and 2022. In 2022, the Company has written-off receivables amounting to ₱5.5 million (see Note 5).

The aggregate carrying amount of cash in banks, receivables (excluding advances to officers, employees and service providers) due from related parties and loans receivable amounted to ₱421.0 million and ₱36.2 million as at December 31, 2023 and 2022, respectively (see Note 4, 5 and 13).

Assessing the Impairment of Nonfinancial Assets. The Company assesses impairment on nonfinancial assets whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. The factors that the Company considers important which could trigger an impairment review include the following:

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

No impairment losses were recognized in 2023, 2022 and 2021.

The carrying amounts of the Company's nonfinancial assets are as follows:

	Note	2023	2022
Advances to officers, employees and service providers	5	₱292,919	₱258,200
Other current assets	6	5,995,992	5,109,828
Investment in a joint venture	8	3,257,154	—
Property and equipment	9	501,600	636,063

Assessing the Realizability of Deferred Tax Assets. The Company reviews its deferred tax assets at each reporting date 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 assets to be utilized in the future. The amount of deferred income tax assets that are recognized is based upon the likely timing and level of future taxable profits together with future tax planning strategies to which the deferred income tax assets can be utilized.

The Company's unrecognized deferred tax assets amounted to ₱21.1 million and ₱14.3 million as at December 31, 2023 and 2022, respectively (see Note 12). Management believes that there will be no sufficient future taxable profits against which these deferred tax assets can be utilized.

4. Cash

This account consists of:

	2023	2022
Cash on hand	₱20,000	₱5,000
Cash in banks	47,760,041	33,834,166
	₱47,780,041	₱33,839,166

Cash in banks earn interest at prevailing bank deposit rates.

Interest income amounted to ₱30,244, ₱10,465 and ₱7,257 in 2023, 2022 and 2021, respectively.

5. Receivables

This account consists of:

	2023	2022
Loans receivable	₱62,277,740	₱62,277,740
Advances to officers, employees and service providers	2,419,254	2,384,535
Rent receivables	237,932	237,932
	64,934,926	64,900,207
Less allowance for impairment losses	64,642,007	64,642,007
	₱292,919	₱258,200

Loans receivable are loans granted to third parties related to the Company's previous bank operations and are fully provided with allowance for impairment loss.

Advances to officers, employees and service providers represent unliquidated, noninterest-bearing advances for processing the transfer of title of properties to BDO and PDIC. These are liquidated upon the accomplishment of the purposes for which the advances were granted.

Breakdown of allowance for impairment losses as at December 31, 2023 and 2022 are as follows:

Loans receivable	₱62,277,740
Advances to officers, employees and service providers	2,126,335
Rent receivables	237,932
	₱64,642,007

Movements of allowance for impairment loss in 2023 and 2022 are as follows:

	Note	2023	2022
Balance at beginning of year		₱64,642,007	₱70,183,674
Write-off	13	—	(5,541,667)
Balance at end of year		₱64,642,007	₱64,642,007

In 2022, the Company wrote-off interest receivables from a related party amounting to ₱5.5 million. This was approved by the BOD on April 11, 2023 (see Note 13).

6. Other Current Assets

This account consists of:

	2023	2022
CWT and excess tax credits	₱3,159,222	₱3,159,222
Input VAT	2,651,713	1,608,549
Prepayments	185,057	342,057
	₱5,995,992	₱5,109,828

Prepayments mainly pertain to prepaid insurance.

7. Investment in a Club Share

The Company's investment consists of a club share in Valley Golf & Country Club. The fair value of the club share is determined by reference to published price quotations in an active market.

Movements in this account are as follows:

	2023	2022
Cost	₱200,000	₱200,000
Cumulative unrealized gains on fair value changes		
Balance at beginning of year	3,100,000	1,550,000
Fair value changes	1,700,000	1,550,000
Balance at end of year	4,800,000	3,100,000
	₱5,000,000	₱3,300,000

The fair value of the investment in a club share falls under Level 1 of the fair value hierarchy.

8. Investment in a Joint Venture

As discussed in Note 1, on June 30, 2023, the Company and ABS-CBN, collectively referred hereinafter as the “Venturers,” incorporated MSPC with a 51:49 ownership interest ratio in accordance with the Joint Venture Agreement (JVA) entered into by the Venturers on May 23, 2023. The JVA provided mainly for the establishment, operation and management of MSPC and certain other matters related to MSPC. MSPC was incorporated with a primary purpose of developing, producing, and financing content, programs, and shows for distribution by other broadcast networks, channels, or platforms, locally and internationally.

Details of investments in a joint venture during the year are as follows:

Investment to the joint venture	₱20,400,000
Share in net loss	(17,142,846)
Balance at end of year	₱3,257,154

The financial information of the MSPC as at and for the period ended December 31, 2023 follows:

Current assets	₱35,517,329
Current liabilities	27,936,680
Revenues	9,924,802
Net loss	(33,613,423)

9. Property and Equipment

Movements in this account are as follows:

	2023		Total
	Computer Equipment	Transportation Equipment	
Cost			
Balance at beginning and end of year	₱712,800	₱54,375	₱767,175
Accumulated Depreciation			
Balance at beginning of year	85,800	45,312	131,112
Depreciation	125,400	9,063	134,463
Balance at end of year	211,200	54,375	265,575
Carrying Amount	₱501,600	₱—	₱501,600

	2022		
	Computer Equipment	Transportation Equipment	Total
Cost			
Balance at beginning of year	₱85,800	₱1,631,375	₱1,717,175
Additions	627,000	–	627,000
Disposal	–	(1,577,000)	(1,577,000)
Balance at end of year	712,800	54,375	767,175
Accumulated Depreciation			
Balance at beginning of year	85,800	1,374,887	1,460,687
Depreciation	–	89,725	89,725
Disposal	–	(1,419,300)	(1,419,300)
Balance at end of year	85,800	45,312	131,112
Carrying Amount	₱627,000	₱9,063	₱636,063

In 2022, the Company sold its transportation equipment to a related party with carrying amount of ₱157,700 for ₱200,746. Gain on disposal of transportation equipment amounted to ₱43,046.

10. Accrued Expenses and Other Current Liabilities

This account consists of:

	2023	2022
Liabilities arising from the MOA	₱184,038,013	₱166,304,972
Dividends payable	10,985,443	10,985,443
Accrued expenses	2,036,636	3,379,895
Statutory payables	18,599	79,037
	₱197,078,691	₱180,749,347

Liabilities arising from the MOA pertain mainly to the estimated general cost on the transfer and related fees and taxes for the transfer of assets from the Company's previous development bank operations to BDO and PDIC and other related liabilities, primarily from unremitted collection of assigned receivables and sale of foreclosed properties for the account of PDIC (see Note 1). Additions to the liabilities arising from the MOA in 2023 and 2022 amounted to ₱21.4 million and ₱2.0 million, respectively. The Company also paid ₱3.7 million during the year for processing of transfer of titles.

Dividends payable pertain to the Company's dividend for cumulative, nonparticipating, nonvoting, redeemable and convertible preferred stock that were declared prior to the Company's incurrence of deficit.

Accrued expenses pertain to accrual of professional fees and association dues, among others. These are normally settled in the next financial year.

Statutory payables is normally settled within the following month.

In 2021, the Company reversed long-outstanding payables aggregating ₱9.2 million related to rental deposits not claimed by previous tenants and other payables not expected to be settled or discharge. The reversal was subsequently approved by the Company's BOD on April 12, 2022.

11. Equity

Capital Stock

Details of capital stock as at December 31, 2023 and 2022 account are as follows:

	2023		2022	
	Number of Shares	Amount	Number of Shares	Amount
Authorized:				
Preferred stock Series A - ₱1 par value	1,000,000,000	₱1,000,000,000	1,000,000,000	₱1,000,000,000
Preferred stock Series B - ₱1 par value	1,000,000,000	1,000,000,000	1,000,000,000	1,000,000,000
Common stock - ₱1 par value	3,000,000,000	3,000,000,000	3,000,000,000	3,000,000,000
	5,000,000,000	₱5,000,000,000	5,000,000,000	₱5,000,000,000
Issued and outstanding:				
Preferred stock Series A	14,366,260	₱14,366,260	14,366,260	₱14,366,260
Common stock				
Beginning of year	700,298,616	700,298,616	700,298,616	700,298,616
Issuance	150,000,000	150,000,000	–	–
End of year	850,298,616	850,298,616	700,298,616	700,298,616
	864,664,876	₱864,664,876	714,664,876	₱714,664,876

The preferred stock Series A and B has the following salient features:

- Cumulative, nonparticipating, nonvoting, redeemable and convertible at the option of the Company.
- Cash dividend rate initially at 4.50% per annum based on par value, which shall be automatically adjusted to 11.00% per annum upon full payment of the subscription price.
- The Company may, at any time at its option, wholly or partially redeem the outstanding preferred stock plus accrued dividends thereon. When such call for redemption is made, the holders of the preferred stock may opt to convert the preferred stock to common stock.

As discussed in Note 1, in 2022, the BOD and shareholders approved the amendment of the AOI of the Company to reflect conversion of preferred shares into common shares, deletion of all provisions relating to the preferred shares and increase in authorized capital. As at April 12, 2024, the application for the amendments of AOI is pending SEC approval.

Other planned amendments are also discussed in Note 1.

As discussed in Note 1, the Company, issued additional 150,000,000 common shares at ₱2.70 a share equivalent to ₱405.0 million and paid for in cash, resulting to additional paid-in capital amounting to ₱253.5 million, net of stock issuance cost of ₱1.5 million. The shares were issued to Angel Maple Properties, Inc. (now known as Valiant Consolidated Resources Inc.) for 125,000,000 unissued common shares and (ii) Cymac Holdings Corporation for 25,000,000 unissued common shares.

As at December 31, 2023 and 2022, there is no accrued and unpaid preferential dividend.

12. Income Tax

The Company has no current income tax in 2023 as it is in a gross and taxable loss position. The provision for current income tax in 2022 and 2021 represents MCIT.

On March 26, 2021, the “Corporate Recovery and Tax Incentives for Enterprise” (CREATE) was approved and signed into law by the country’s President. Under the CREATE, the RCIT of domestic corporations was revised from 30% to 25% or 20% depending on the amount of total assets or total amount of taxable income. In addition, the MCIT was changed from 2% to 1% of gross income for a period of three years. The changes in the income tax rates retrospectively became effective beginning July 1, 2020. The impact of change in 2020 was applied in 2021.

The rate of MCIT for domestic corporations shall revert to two percent (2%) based on the gross income starting July 1, 2023. The impact of the revision was accounted for in 2023.

The income tax rates used in preparing the financial statements are 25% and 20% for RCIT in 2023 and 2022, respectively, and 1.5% and 1% for MCIT in 2023 and 2022, respectively. The Company used 25% regular tax rate in 2023 as the total assets breached the threshold allowing the Company to use the lower regular tax rate of 20%. As a result, unrecognized deferred tax assets which was previously measured at 20% is now measured using the 25%.

The reconciliation of benefit from current income tax at the statutory income tax rate to the provision for current income tax shown in the statements of comprehensive income are as follows:

	2023	2022	2021
Income tax computed at statutory tax rate	(P7,577,118)	(P1,240,989)	(P323,355)
Changes in unrecognized deferred tax assets	6,836,677	979,552	(7,916,007)
Tax effects of:			
Share in a net loss of a joint venture	4,285,712	—	—
Stock issuance cost	(375,000)	—	—
Nondeductible expenses	318,079	192,600	1,184,833
Expired MCIT	53,000	71,360	175,322
Interest income already subjected to final tax	(7,561)	(2,093)	(1,451)
Change in statutory income tax rate	(3,533,789)	—	6,972,347
	P—	P430	P91,689

The components of the Company’s unrecognized deferred tax assets are as follows:

	2023	2022
Allowance for impairment losses on receivables	P16,160,502	P12,928,401
NOLCO	4,864,325	1,206,749
MCIT	92,119	145,119
	P21,116,946	P14,280,269

No deferred tax assets were recognized as it is not probable that sufficient taxable profit will be available against which the deferred tax assets can be utilized.

As at December 31, 2023, unused NOLCO that can be claimed as deduction from future taxable income are as follows:

Year Incurred	Beginning Balance	Incurred	Applied	Ending Balance	Expiry Date
2023	P—	P13,423,553	P—	P13,423,553	2026
2022	5,252,413	—	—	5,252,413	2025
2020	781,334	—	—	781,334	2025
	P6,033,747	P13,423,553	P—	P19,457,300	

Under Revenue Regulations No. 25-2020, NOLCO incurred for the taxable years 2021 and 2020 will be carried over for the next five (5) consecutive taxable years immediately following the year of such loss and NOLCO incurred for taxable year 2022 and beyond can be carried over for the next three consecutive years.

As at December 31, 2023, unused MCIT that can be claimed as deduction from future income tax payable are as follows:

Year Incurred	Beginning Balance	Incurred	Expired	Ending Balance	Expiry Date
2022	P430	P—	P—	P430	2025
2021	91,689	—	—	91,689	2024
2020	53,000	—	(53,000)	—	2023
	P145,119	P—	(P53,000)	P92,119	

13. Related Party Transactions

Outstanding balances and transactions with related parties are as follows:

	Nature of Transaction	Amount of Transaction		Outstanding Balance	
		2023	2022	2023	2022
Receivables					
Loans Receivable					
Entity under common key management	Loan	₱373,000,000	₱—	₱373,000,000	₱—
	Collections	—	26,000,000	—	—
				₱373,000,000	₱—
Due from related parties					
	Advances				
Entities under common control	(Settlement)	(₱2,100,320)	(₱5,364,349)	₱217,235	₱2,317,555
Due to related parties					
	Advances				
Entities under common control	(Settlement)	(₱636,744)	₱636,744	₱—	₱636,744
Parent Company	Management fee	—	—	13,880,000	13,880,000
				₱13,880,000	₱14,516,744

The Company has no other material and/or significant transactions with its related parties in 2023 and 2022.

Terms and Conditions of Transactions with Related Parties

Loans Receivable to Entities with Common Stockholders

Loans Receivable from Philippine Collective Media (PCMC)

In August 2023, the Company granted an unsecured loan to PCMC, a related party under common key management, for the payments of its liabilities, acquisition of equipment, operations, and expansion of its business. The loan has no interest on the first year and 7.5% interest on succeeding years. The loan is to be paid within five years and can be paid in whole or in part at any time without penalty.

Loans Receivable from Marcventures Mining and Development Corporation (MMDC)

In 2018, the Company entered into an unsecured loan agreement with MMDC, a related party under common control, at 10% a year. The loan is due and demandable.

As at December 31, 2021, the Company has loans receivable amounting to ₱26.0 million. The Company fully collected the outstanding loan receivable in 2022.

Management has assessed that the outstanding interest receivable on the loan receivable was impaired in 2021, thus the Company recognized an impairment loss amounting to ₱5.5 million in the statement of comprehensive income and wrote-off the interest receivables in 2022. This was approved by the BOD on April 11, 2023. The interest from the loan receivable for 2021 was waived and no interest income was recognized for the year. This was approved by the BOD on April 12, 2022.

Rent Receivables

On February 8, 2018, the Company entered into an operating lease agreement with MMDC for the lease of a transportation equipment until October 7, 2019. In 2022, the Company sold the leased transportation equipment to MMDC for ₱200,746. Gain on disposal of equipment amounted to ₱43,046 (see Note 9).

Outstanding balances with related parties are unsecured, noninterest-bearing (unless otherwise stated in the loan agreement), collectible or payable in cash upon demand. The Company has no provision for impairment loss relating to the loans receivables and amounts due from related parties as at December 31, 2023 and 2022. This assessment is undertaken at each reporting date by taking into consideration the financial position of the related parties and the market at which the related parties operates.

Compensation of Key Management Personnel

There is no compensation of key management personnel in 2023, 2022 and 2021. The Company's accounting and administrative functions are provided by a related party at no cost to the Company.

14. Commitments and Contingencies

- a. In the normal course of its prior operations, the Company has outstanding commitments, pending litigations and contingent liabilities which are not reflected in the financial statements. Management believes that the ultimate outcome of these matters will not have a material impact in the financial statements.
- b. As discussed in Note 1, under the MOA dated September 12, 2002 between the Company, BDO and PDIC, the Company agreed to transfer its assets and liabilities from its development bank operations to BDO and PDIC. Under the terms of the MOA, the Company holds BDO free from any contingent claims, labor and minority issues and concerns arising from related assets and liabilities still managed by the Company until these are assumed by BDO.

The Company has accounted for separately the assets from its development bank operations pursuant to the MOA. It still has in its possession titles of real estate properties from its development bank operations with an aggregate value of ₱723.5 million and ₱518.8 million as at December 31, 2023 and 2022, respectively. Moreover, the Company has cash in its custody of ₱13.9 million as at December 31, 2023 and 2022 arising from the proceeds of the sale of one of the properties.

15. Basic/Diluted Loss Per Share

The basic loss per share is computed as follows:

	2023	2022	2021
Net loss	(₱30,308,471)	(₱6,205,377)	(₱1,708,466)
Less dividend rights of preferred stockholders for the year	1,581,671	1,581,671	1,581,671
Loss attributable to common stockholders	(31,890,142)	(7,787,048)	(3,290,137)
Divided by weighted average number of common stock	850,298,616	700,298,616	700,298,616
Basic loss per share	(₱0.038)	(₱0.011)	(₱0.005)

The convertible feature of the Company's preferred stock has potential antidilutive effect. The Company has no diluted income per share in 2023, 2022 and 2021 because the Company is in a net loss position.

16. Financial Risk Management Objectives and Policies

The Company's principal financial instruments comprise of cash, receivables (excluding advances to officers, employees and service providers), due from related parties, investment in a club share, accrued expenses and other current liabilities (excluding statutory payable) and due to a related party.

The main risks arising from the financial instruments of the Company are credit risk, liquidity risk, interest rate risk and market risk. The BOD reviews and approves policies for managing the risks.

Credit Risk

Credit risk is the risk of loss that may arise on outstanding financial instruments should a counterparty default on its obligation. The Company's exposure to credit risk arises primarily from cash in banks, receivables (excluding advances to officers, employees and service providers) and due from related parties and investment in a club share. The carrying amounts of the financial assets represent the Company's gross maximum exposure to credit risk in relation to financial assets.

The Company estimates the ECL on its receivables using a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

The tables below present the Company's exposure to credit risk and shows the credit quality of the financial assets by indicating whether the financial assets are subjected to 12-month ECL or lifetime ECL.

2023				
	12-month ECL	Lifetime ECL - not credit impaired	Lifetime ECL - credit impaired	Total
Financial assets at amortized cost:				
Cash in banks	₱47,760,041	₱—	₱—	₱47,760,041
Receivables*	—	—	62,515,672	62,515,672
Due from related parties	217,235	—	—	217,235
Loans receivable	—	373,000,000	—	373,000,000
Financial assets at FVOCI -				
Investment in a club share	5,000,000	—	—	5,000,000
	₱52,977,276	₱373,000,000	₱62,515,672	₱488,492,948

*Excluding advances to officers, employees and service providers amounting to ₱2.4 million.

2022				
	12-month ECL	Lifetime ECL - not credit impaired	Lifetime ECL - credit impaired	Total
Financial assets at amortized cost:				
Cash in banks	₱33,834,166	₱—	₱—	₱33,834,166
Receivables*	—	—	62,515,672	62,515,672
Due from related parties	2,317,555	—	—	2,317,555
Financial asset at FVOCI -				
Investment in a club share	3,300,000	—	—	3,300,000
	₱39,451,721	₱—	₱62,515,672	₱101,967,393

*Excluding advances to officers, employees and service providers amounting to ₱2.4 million.

The aging analyses of financial assets as at December 31, 2023 and 2022 are as follows:

2023					
	Neither Past Due Nor Impaired	Past Due But Not Impaired		Past Due and Impaired	Total
		Less Than 30 Days	31-60 Days		
Financial Assets at Amortized Cost					
Cash in banks	₱47,760,041	₱—	₱—	₱—	₱47,760,041
Receivables*	—	—	—	62,515,672	62,515,672
Due from related parties	217,235	—	—	—	217,235
Loans receivable	373,000,000	—	—	—	373,000,000
	₱420,977,276	—	—	62,515,672	₱483,492,948
Financial Asset at FVOCI					
Investment in a club share	5,000,000	—	—	—	5,000,000
	₱425,977,276	₱—	₱—	₱62,515,672	₱488,492,948

*Excluding advances to officers, employees and service providers amounting to ₱2.4 million.

	2022				Total
	Neither Past Due Nor Impaired	Past Due But Not Impaired		Past Due and Impaired	
		Less Than 30 Days	31-60 Days		
Financial Assets at Amortized Cost					
Cash in banks	₱33,834,166	₱—	₱—	₱—	₱33,834,166
Receivables*	—	—	—	62,515,672	62,515,672
Due from related parties	2,317,555	—	—	—	2,317,555
	36,151,721	—	—	62,515,672	98,667,393
Financial Asset at FVOCI					
Investment in a club share	3,300,000	—	—	—	3,300,000
	₱39,451,721	₱—	₱—	₱62,515,672	₱101,967,393

*Excluding advances to officers, employees and service providers amounting to ₱2.4 million.

Credit Quality of Financial Assets. The credit quality of the Company's financial assets are being managed by using internal credit ratings such as high grade and standard grade.

High grade - pertains to counterparty who is not expected by the Company to default in settling its obligations, thus credit risk exposure is minimal.

Standard grade - include financial assets that are considered moderately realizable and some accounts which would require some reminder follow-ups to obtain settlement from the counterparty.

The Company has assessed the credit quality of financial assets that are neither past due nor impaired as high grade.

Liquidity Risk

Liquidity risk is the risk that the Company will not be able to settle or meet its financial obligations when they fall due. The Company aims to maintain flexibility by maintaining sufficient cash to meet all foreseeable cash needs.

The Company also maintains a balance between continuity of funding and flexibility. The policy of the Company is to first exhaust lines available from affiliated companies before local bank lines are availed of. The Company seeks to manage its liquid funds through cash planning on a weekly basis. The Company uses historical figures and experiences and forecasts from its cash receipts and disbursements. As part of its liquidity risk management, the Company regularly evaluates its projected and actual cash flows.

As at December 31, 2023 and 2022, accrued expenses and other current liabilities (excluding statutory payable) and due to related parties are generally due and demandable.

Market Risk

Interest Rate Risk

Interest rate risk is the risk that future cash flows from a financial instrument (cash flow interest rate risk) or its fair value (fair value interest rate risk) will fluctuate because of changes in market interest rates. The Company's loans receivable is subject to fixed interest rates and is exposed to fair value interest rate risk.

As at December 31, 2023, the Company's loan receivable amounting ₱373.0 million has no repricing arrangement and is exposed to fair value interest risk. As at December 31, 2023, the Company's exposure to changes in interest rates is not significant.

Equity Price Risk

Equity price risk relates to the fair value of quoted club share would decrease as the result of the adverse changes in the quoted club share brought about by both rational and irrational market forces. The market risk of the Company arises mainly from its investments in a club share measured at FVOCI. Impact of fair value changes amounted to ₱1.7 million and ₱1.6 million on the investment as at December 31, 2023 and 2022, respectively.

Fair Values

The following table presents the carrying amounts and fair values of the Company's assets and liabilities measured at fair value and the corresponding fair value hierarchy:

	2023		2022	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Financial Assets				
Cash	₱47,780,041	₱47,780,041	₱33,839,166	₱33,839,166
Due from related parties	217,235	217,235	2,317,555	2,317,555
Loans receivables	373,000,000	374,555,467	—	—
Investment in a club share	5,000,000	5,000,000	3,300,000	3,300,000
	₱425,997,276	₱427,552,743	₱39,456,721	₱39,456,721
Financial Liabilities				
Accrued expenses and other current liabilities*	₱197,060,092	₱197,060,092	₱180,670,310	₱180,670,310
Due to related parties	13,880,000	13,880,000	14,516,744	14,516,744
	₱210,940,092	₱210,940,092	₱195,187,054	₱195,187,054

*Excluding statutory payables amounting to ₱18,599 and ₱79,037 as at December 31, 2023 and 2022, respectively.

Current Financial Assets and Liabilities. The carrying amounts of cash, receivables (excluding advances from officers, employees and service providers), due from related parties and accrued expenses and other current liabilities (excluding statutory payable) and due to related parties approximate their fair values due to the short-term and demand nature and maturities of the transactions. The fair value measurement of current financial assets and liabilities is classified as Level 3 (significant unobservable inputs).

Loans Receivable. The fair value of loans receivables is based on the discounted value of future cash flows using the prevailing interest rates. Discount rate used is 6.25% in 2023.

Investment in a Club Share. The fair value of this financial asset was determined based on the current selling price to third parties. The fair value measurement of club share designated as FVOCI is classified as Level 1 wherein the inputs are based on quoted prices in active markets.

There has been no transfer between levels of fair value hierarchy as at December 31, 2023 and 2022.

Capital Management

The primary objective of the Company's capital management is to safeguard the Company's ability to continue its operations as a going concern and to maximize shareholder value. The Company manages its capital structure and makes adjustments to it, when there are changes in the economic conditions. To maintain or adjust the capital structure, the Company may adjust dividend payment to shareholders, return capital to shareholders, or issue new stock. No changes were made in the objectives, policies or processes for the years ended December 31, 2023 and 2022. The Company is not subject to externally-imposed capital requirements.

**REPORT OF INDEPENDENT AUDITORS
ON SUPPLEMENTARY SCHEDULES FOR FILING WITH THE
SECURITIES AND EXCHANGE COMMISSION**

The Stockholders and the Board of Directors
Prime Media Holdings, Inc.
16th Floor, BDO Towers Valero
8741 Paseo de Roxas
Makati City

We have audited in accordance with Philippine Standards on Auditing, the financial statements of Prime Media Holdings, Inc. (the Company), a subsidiary of RYM Business Management Corp., as at December 31, 2023 and 2022 and for the years ended December 31, 2023, 2022 and 2021, and have issued our report thereon dated April 12, 2024. Our audits were made for the purpose of forming an opinion on the basic financial statements taken as a whole. The Supplementary Schedule on Financial Soundness Indicators, including their definitions, formulas, calculation, and their appropriateness or usefulness to the intended users, are the responsibility of the Company's management. These financial soundness indicators are not measures of operating performance defined by Philippine Financial Reporting Standards (PFRS) and may not be comparable to similarly titled measures presented by other companies. This schedule is presented for purposes of complying with the Revised Securities Regulation Code Rule 68 issued by the Securities and Exchange Commission, and is not a required part of the basic financial statements prepared in accordance with PFRS. The components of these financial soundness indicators have been traced to the Company's financial statements as at December 31, 2023 and 2022 and for the years ended December 31, 2023 and 2022 and no material exceptions were noted.

REYES TACANDONG & Co.



PAMELA ANN P. ESCUADRO

Partner

CPA Certificate No. 128829

Tax Identification No. 216-321-918-000

BOA Accreditation No. 4782; Valid until April 13, 2024

BIR Accreditation No. 08-005144-013-2023

Valid until January 24, 2026

PTR No. 10072415

Issued January 2, 2024, Makati City

April 12, 2024
Makati City, Metro Manila

PRIME MEDIA HOLDINGS, INC.
(A Subsidiary of RYM Business Management Corp.)

SUPPLEMENTARY SCHEDULE OF FINANCIAL SOUNDNESS INDICATORS
DECEMBER 31, 2023 AND 2022

Below is a schedule showing financial soundness indicators for the years ended December 31, 2023 and 2022:

Ratio	Formula	2023	2022
Current Ratio			
	Total current assets	₱54,286,187	₱41,524,749
	Divided by: Total current liabilities	210,958,691	195,266,091
	Current Ratio	0.26	0.21
Acid Test Ratio			
	Total current assets	₱54,286,187	₱41,524,749
	Less: Other current assets	5,995,992	5,109,828
	Quick assets	48,290,195	36,414,921
	Divide by: Total current liabilities	210,958,691	195,266,091
	Acid Test Ratio	0.23	0.19
Solvency Ratio			
	Loss before depreciation	(₱30,174,008)	(₱6,115,222)
	Divide by: Total liabilities	210,958,691	195,266,091
	Solvency Ratio	(0.14)	(0.03)
Debt-to-Equity Ratio			
	Total liabilities	₱210,958,691	₱195,266,091
	Divide by: Total equity	225,286,820	(149,805,279)
	Debt-to-Equity Ratio	0.94	(1.30)
Asset-to-Equity Ratio			
	Total assets	₱436,044,941	₱45,460,812
	Divide by: Total equity	225,086,250	(149,805,279)
	Asset-to-Equity Ratio	1.94	(0.30)
Profitability Ratio			
	Net loss	(₱30,308,471)	(₱6,205,377)
	Divide by: Total equity	225,086,250	(149,805,279)
	Profitability Ratio	(0.13)	0.04

**REPORT OF INDEPENDENT AUDITORS
ON SUPPLEMENTARY SCHEDULES FOR FILING WITH THE
SECURITIES AND EXCHANGE COMMISSION**

The Stockholders and the Board of Directors
Prime Media Holdings, Inc.
16th Floor, BDO Towers Valero
8741 Paseo de Roxas
Makati City

We have audited in accordance with Philippine Standards on Auditing, the financial statements of Prime Media Holdings, Inc. (the Company), a subsidiary of RYM Business Management Corp., as at December 31, 2023 and 2022 and for the years ended December 31, 2023, 2022 and 2021, and have issued our report thereon dated April 12, 2024. Our audits were made for the purpose of forming an opinion on the basic financial statements taken as a whole. The accompanying supplementary schedules as at December 31, 2023 are the responsibility of the Company's management. These supplementary schedules include the following:

- Reconciliation of Retained Earnings Available for Dividend Declaration
- Schedules required by Part II of the Revised Securities Regulation Code (SRC) Rule 68
- Conglomerate Map

These schedules are presented for purposes of complying with Revised Securities Regulation Code Rule No. 68 Part II, and are not part of the basic financial statements. The supplementary schedules have been subjected to the audit procedures applied in the audit of the basic financial statements and, in our opinion, fairly state, in all material respects, the financial data required to be set forth therein in relation to the basic financial statements taken as a whole.

REYES TACANDONG & Co.



PAMELA ANN P. ESCUADRO

Partner

CPA Certificate No. 128829

Tax Identification No. 216-321-918-000

BOA Accreditation No. 4782; Valid until April 13, 2024

BIR Accreditation No. 08-005144-013-2023

Valid until January 24, 2026

PTR No. 10072415

Issued January 2, 2024, Makati City

April 12, 2024
Makati City, Metro Manila

**RECONCILIATION OF RETAINED EARNINGS AVAILABLE FOR DIVIDEND DECLARATION
FOR THE REPORTING PERIOD ENDED DECEMBER 31, 2023**

PRIME MEDIA HOLDINGS, INC.

(A Subsidiary of RYM Business Management Corp.)

16th Floor, BDO Towers Valero, 8741 Paseo de Roxas, Makati City

	Amount
Deficit, beginning of reporting period	(P867,570,155)
Add net loss for the current year	(30,308,471)
Deficit, end of the reporting period	(P897,878,626)

PRIME MEDIA HOLDINGS, INC.
(A Subsidiary of RYM Business Management Corp.)

SEC SUPPLEMENTARY SCHEDULES AS REQUIRED BY
PAR. 6 PART II OF REVISED SRC RULE 68
DECEMBER 31, 2023

Table of Contents

<i>Schedule</i>	<i>Description</i>	<i>Page</i>
A	Financial Assets	<u>N/A</u>
B	Amounts Receivable from Directors, Officers, Employees, Related Parties, and Principal Stockholders (Other than Related Parties)	<u>N/A</u>
C	Amounts Receivable from Related Parties which are Eliminated during the Consolidation of Financial Statements	<u>N/A</u>
D	Long-Term Debt	<u>N/A</u>
E	Indebtedness to Related Parties	<u>N/A</u>
F	Guarantees of Securities of Other Issuers	<u>N/A</u>
G	Capital Stock	<u>1</u>

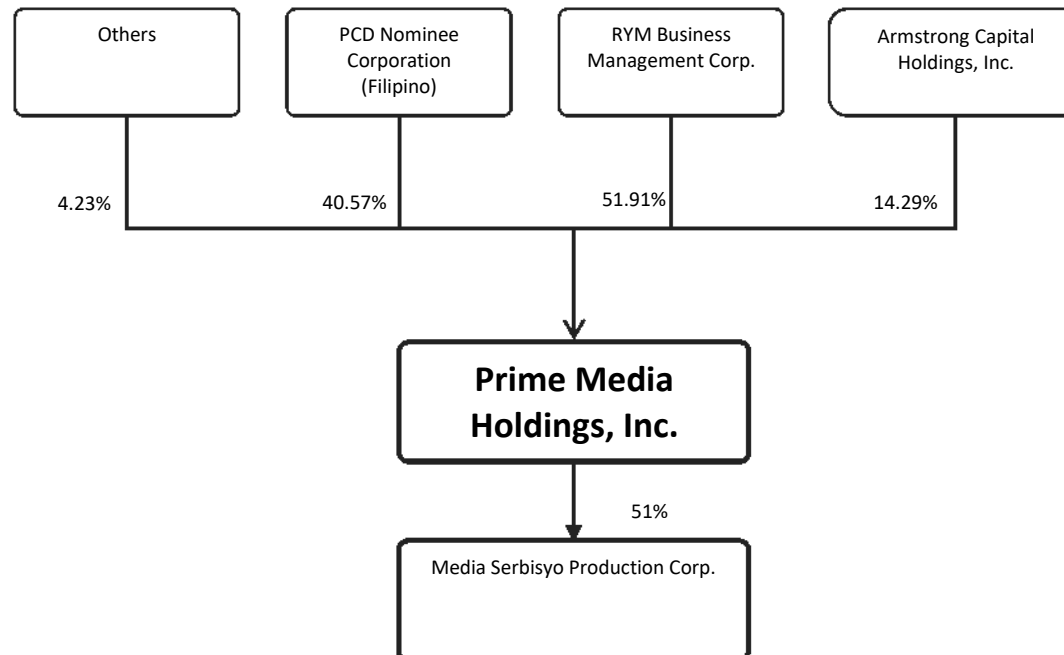
PRIME MEDIA HOLDINGS, INC.
(A Subsidiary of RYM Business Management Corp.)

SCHEDULE G - CAPITAL STOCK
DECEMBER 31, 2023

Title of issue	Number of shares authorized	Number of shares issued and outstanding at shown under related balance sheet caption	Number of shares reserved for options, warrants, conversion and other rights	Number of shares held by related parties	Directors, officers and employees	Others
Common Stock	3,000,000,000	850,298,616	—	540,830,986	5,004	309,462,626
Preferred Stock	2,000,000,000	14,366,260	—	—	—	14,366,269
	5,000,000,000	864,664,876	—	540,830,986	5,004	323,828,895

PRIME MEDIA HOLDINGS, INC.
(A Subsidiary of RYM Business Management Corp.)

CONGLOMERATE MAP
DECEMBER 31, 2023





PRIME MEDIA
Holdings, Inc.



2023 SUSTAINABILITY REPORT



TABLE OF CONTENTS



Our Company	02
Sustainability Measures	03
Ethics and Integrity	04
Governance	05
Board Committees	05
Stakeholder Engagement	05
Reporting Practice	06
Digital Privacy	06
Materiality Assessment	07
Economic Performance	08
UN Sustainable Development Goals	09
Material Topic Index	10

PMHI was originally incorporated as the Private Development Corporation of the Philippines (PDCP) in 1963. In 2000, the Company changed its name to First e-Bank Corporation, and later on, in 2003, the Company adopted its current name.

The Company's Board of Directors and stockholders approved an amendment to its Articles of Incorporation in 2002 changing its primary purpose to a holding and investment company with investments in the media industry. Since then, its activities are focused on cleaning-up efforts covering its erstwhile operations as a banking entity.

In 2010, given its minimal operations and the company's plans to reorganize and to further assess its business model, PMHI gradually retired all its employees and outsourced its administration and operations to consultants and service providers.

OUR COMPANY



**PRIME MEDIA HOLDINGS
INC. (PMHI) ALIGNS
WITH THE SUSTAINABLE
DEVELOPMENT GOALS AS
IT CONTINUES TO MAKE
HEADWAY TOWARDS
STRATEGIC GROWTH.**

In 2022 PMHI confirmed discussions for potential partnerships in digital infrastructure, software applications like data mining and storage, including other value-added services such as an e-wallet system. The media expansion also includes the acquisition of additional frequencies for both free tv and radio and a digital technology platform to support its television and radio channels. Aside from providing information and entertainment, there are plans for a mobile payment gateway to address services like streaming-on-demand, pay-per-view, home TV shopping, etc.

In May 2023 Media Serbisyo Production Corp the joint venture agreement between Prime Media Holdings, Inc. and ABS-CBN Corporation was officially formed for the purpose of content creation and production.

Name of Organization	Prime Media Holdings, Inc. (PMHI)
Principal Office	16th Floor BDO Towers Valero(formerly Citibank Center), 8741 Paseo de Roxas, Makati City
Business Model	The company is listed on the Philippine Stock Exchange (PSE). It is engaged in the purchase, exchange, assignment, and holding of shares or equity.
Reporting Period	January 1 to December 31, 2023

SUSTAINABILITY MEASURES



Heeding the global call towards addressing the needs of the present without compromising the resources of the future generation, PMHI adheres to utilizing sustainable measures in managing the day-to-day operations. The sustainable initiatives are guided by good governance which serves as the foundation for responsible operations.





ETHICS AND INTEGRITY



The company has a Code of Ethics policy which sets the standards for professional and ethical behavior, as well as acceptable practices in the conduct of business. It serves as a guide for decision-making, reflecting PMHI's principles on integrity and honesty.

GOVERNANCE



PMHI is committed to the principles of good governance and recognizes its importance in enhancing share value and safeguarding shareholders' interests.

The Board of Directors, management, stockholders, and employees are committed to the fundamental principles of sound corporate governance and best practices specified in the company's Corporate Governance manual.

The Board is responsible for governing the various businesses in which the corporation has direct interest. It is responsible to other stakeholders in matters related to compliance with regulatory standards, the provision of appropriate information and updates and effective representation, protection and reputation of the corporation.

In setting the policies for accomplishment of the corporate objectives, it also provides an independent check on management. The PMHI Board has a total of seven (7) directors. Three (3) directors occupy executive positions; while four (4) directors are non-executive.

BOARD COMMITTEES



EXECUTIVE COMMITTEE

Manolito A. Manalo

• Chairman

Rolando S. Santos

• Member

Hermogene H. Real

• Member

AUDIT, GOVERNANCE, OVERSIGHT AND RELATED PARTY TRANSACTION COMMITTEE

Johnny Y. Aruego, Jr.

• Chairman

Francisco L. Layug III

• Member

Bernadeth A. Lim

• Member

NOMINATION AND COMPENSATION COMMITTEE

Francisco L. Layug III

• Chairman

Johnny Y. Aruego, Jr.

• Member

Hermogene H. Real

• Member

STAKEHOLDER ENGAGEMENT



The company engages stakeholders i to genuinely understand their needs and interest at different levels and across multiple areas. The goal is to build long-lasting relationships, and strengthened connections to find mutual grounds based on trust and loyalty.

REPORTING PRACTICE



The company adheres to a high level of corporate disclosure and transparency in matters concerning the network's financial condition and state of corporate governance.

The Company's audited financial performance was presented to its shareholders during the virtual annual stockholders' meeting held on 23 September 2022. In line with SEC's regulations the meeting via remote communication format aims to further safeguard everyone's safety and health due to the ongoing threat of the COVID-19 pandemic.

Vital information on the Company is also freely accessible via its website, which also includes its current Annual Report, Information Statement and Sustainability Reports.

DIGITAL PRIVACY



Data security is a vital material topic relative to the Company's plans to lay the groundwork to revitalize its operations in the future. PMHI has a duly appointed Data Privacy Officer to ensure strict implementation of confidentiality measures that comply with Philippine data privacy laws. More stringent measures will be adopted in order to be attuned with future plans and business expansion goals.

PMHI demonstrates good corporate governance as it focuses on pursuing strategic investments for its future growth and reversion to a going concern status.

MATERIALITY ASSESSMENT



The report was prepared following the Sustainability Reporting Guidelines for Publicly Listed companies of the Philippines, released by the Securities and Exchange Commission.

PMHI expects to further develop its materiality assessment and sustainability reporting process once it completes its corporate reorganization, determines the optimal business model, and resumes operations.

In 2019, the Company, for its first Sustainability Report, engaged the services of Atty. Teodoro Kalaw IV, a certified sustainability trainer by the Global Reporting Initiative and a sustainability report assurer by the Institute of Certified Sustainable Practitioners. Atty. Kalaw facilitated an extensive sustainability orientation and materiality assessment workshop for key officers and staff of the Firm. The same key officers and staff are tasked to provide continuity in preparing the current Sustainability Report.

ECONOMIC PERFORMANCE



With a confirmation statement seeking to ensure continuous adherence and compliance with corporate governance rules, regulations, and requirements imposed by the Philippine Securities and Exchange Commission (SEC) and the PSE, PMHI declared its operating costs at Php 10,286,834 and remitted taxes to the Philippine government in the amount of Php 3,258,490. It incurred a loss of Php 17,112,602, due to the costs incurred by Media Serbisyo Corp., the joint venture with ABS-CBN, during the first few months of operations.

The Company continues to promote Good Corporate Governance as it moves towards its revitalization and reinventions plans.

The figures may not be deemed substantial from a business standpoint, but it is an indication of PMHI's commitment to contribute and comply with its obligation to the Philippine government and the local economy.

The Company's audited financial performance was presented to its shareholders during the virtual annual stockholders' meeting. Vital information on the Company is also freely accessible via its website, which also includes its current Annual Report, Information Statement and Sustainability Reports.

UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS



8 DECENT WORK AND ECONOMIC GROWTH



Even as an inactive organization PMHI has been seeking potential new and viable businesses to support the sustainable goal for economic growth. UNSDG Goal 8 also supports employment and decent work for all. In May 2023 Media Serbisyo Production Corp the joint venture agreement between Prime Media Holdings, Inc. and ABS-CBN Corporation was officially formed for the purpose of content creation and production. The venture aims to expand the PMHI's business segments and provide streams of revenue like equity investment and share in future projects.

On June 30, Media Serbisyo Production Corp. officially launched Teleradyo Serbisyo and DWPM Radyo 630. Operating seven (7) days a week, the program line-up includes Noli de Castro's news program "Kabayan and Teleradyo Serbisyo Balita", "Gising Pilipinas" with Alvin Elchico and Doris Bigornia, "Tatak Serbisyo" with Bernadette Sembrano and Winnie Cordero, "Kasalo" with Amy Perez and Jeff Canoy, "Hello Attorney" with Atty Noel del Prado and Lyza Aquino and many others.

DWPM Radyo 630 is also aired on Skycable, YouTube, ABS-CBN's international cable service The Filipino Channel and its streaming service iWant TFC. On the third quarter of 2023, Kantar TV Audience Measurement (TAM) reported Teleradyo Serbisyo's steady increase in ratings. Further expansion is expected in the months to come, which includes the shift to 24/7 operations, and a significant presence in platforms like YouTube and other social media networks.

UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS

>>>

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE



The joint venture also supports UNSDG Goal 9 which seeks to build infrastructure and foster innovation. Economic growth is dependent on investments in infrastructure and technological progress. The recent joint venture is an investment in communication infrastructure is crucial to achieving sustainable development and empowering communities.

Lastly the company is one with the governing in supporting Goal 17 which seeks to revitalize global partnership for sustainable development. The 2030 Agenda is universal and calls for action by all countries – developed and developing – to ensure no one is left behind. It requires partnerships between governments, the private sector, and civil society.

17 PARTNERSHIPS FOR THE GOALS



As it moves toward pursuing more active business operations, PMHI expects to be able to specifically demonstrate its contributions to the Sustainable Development Goals promoted by the United Nations. The transition would support sustainable economic growth and increase employment opportunities.

Ultimately, the real benefit of this initial process is to prepare the Company for a more robust sustainable operations and reporting in future fiscal years. This will provide a foundation for more accountability and transparency in its future disclosures and other reporting processes.

MATERIAL TOPIC INDEX



As required by Annexes A (reporting template) and B (topic guide) of SEC Memorandum Circular No. 4 sustainability reporting guidelines for publicly listed companies, stated below is the topic identified as material for the reporting period.

TOPIC	PAGE NUMBER IN ANNEX A OF SEC GUIDELINES	PAGE NUMBER IN 2023 SUSTAINABILITY REPORT
Data Privacy and Security Protection	41	6
Economic Performance	19	8
Economic Growth	12	9
Innovation and Infrastructure	12	10
Global Partnership	2	10